

# O'KEY Group S.A.

## Q2'11 Operating results





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# Company overview

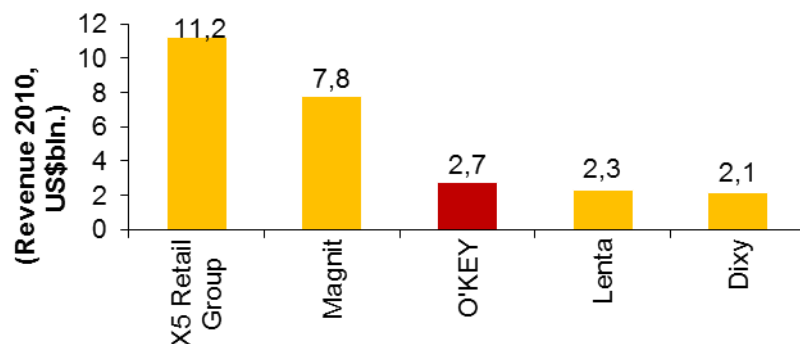
## Overview

- A leading Russian food retailer in the hypermarket segment in terms of revenue in 2010<sup>(1)</sup>
- One of the leading food retailers in St. Petersburg with a strong defendable market position<sup>(2)</sup>
- Hypermarkets are the core format, with satellite supermarkets to fill in locations better suited for smaller stores
- Concept of a modern European hypermarket providing a pleasant and convenient shopping experience
- Distinctive assortment proposition with a wide product range
- High levels of customer loyalty

## Core hypermarket format with supplementary supermarkets (as of June 30, 2011)

	Hypermarkets	Supermarkets
Number of stores	36	23
Av. selling space, sq.m.	7,341	1,249
Number of constant SKUs <sup>(3)</sup>	35,400	9,100
Typical location	main public transportation hubs	residential districts
Consistent design to provide comfortable shopping environment in both formats		

## # 3 Russian food retailer<sup>(4)</sup>



SOURCE: Company's data

(1) Public data disclosed by each of the Russian food retail companies, (2) Planet Retail as of 25 June 2010

(3) "Constant" SKUs are those SKUs which have been sold at least once during the last quarter.

(4) Based on companies press releases (RUB are converted to USD using the average rate of 30.38)

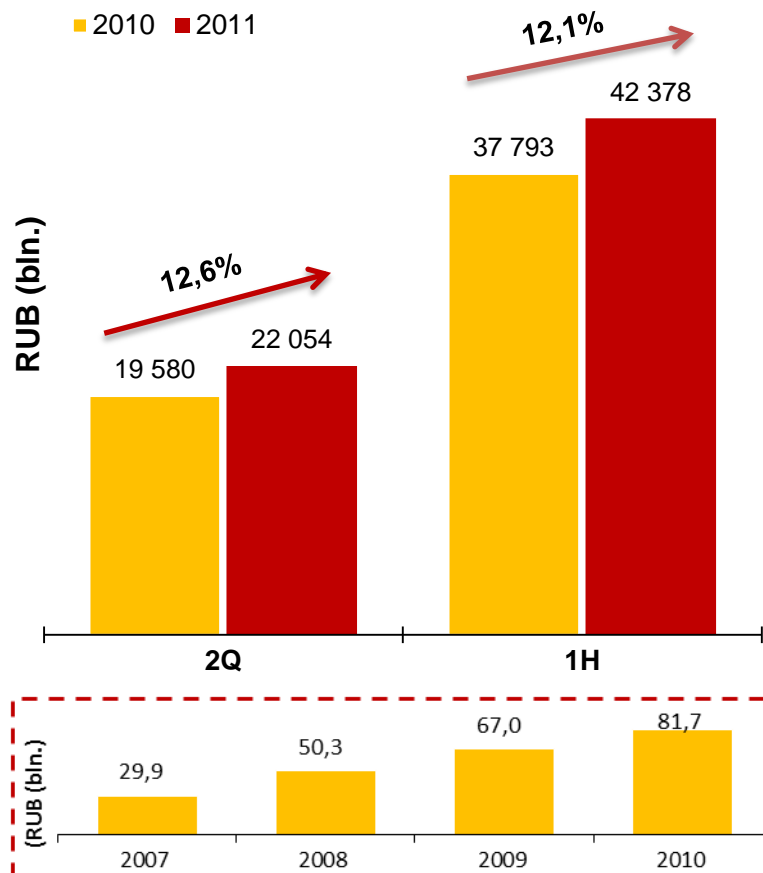
## Key financial indicators

RUR millions	2007	2008	2009	2010
Revenue	30,5	51,1	67,9	82,7
Growth rate	83%	68%	33%	22%
Gross profit	6,5	10,8	14,8	17,9
Gross margin	21,2%	21,0%	21,8%	21,7%
EBITDA	2,2	4,5	5,9	7,1
EBITDA margin	7,2%	8,9%	8,7%	8,6%
Net profit	0,3	(2,9)	0,7	3,0

SOURCE: Audited IFRS financial statements for 2007-2010



## Retail Revenue

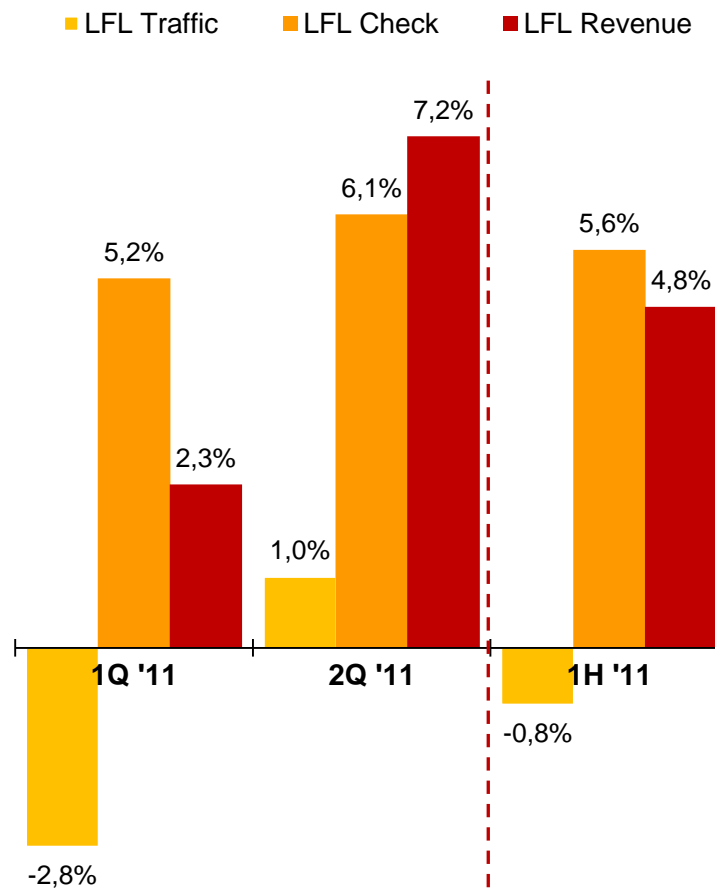


SOURCE: Audited IFRS financial statements for 2007-2010, Management accounts 2011

Retail revenue excludes Rental income and Revenue from advertising services.

Note: LFL analysis is based on number of stores that had been operating for not less than twelve months and have achieved a mature level of sales

## LFL Revenue (RUB terms)



SOURCE: Management accounts







# Store formats and their core characteristics

## Typical hypermarket location



### Key statistics (as of June 30, 2011)

- Number of stores: 36
- Av. selling space: 7,341 sq.m.
- Constant SKUs: 35,400<sup>(1)</sup>
- Average ticket – RUB 830

### Locations

- Convenient locations near main public transportation hubs
- Target audience – people living within 10 minutes by car / 30 minutes by public transport from the store
- Coverage radius of up to 7 km
- Areas of low or limited competition from other hypermarkets
- Large parking area (at least 1 car per 10 sq.m. of selling area<sup>(2)</sup>)

## Typical supermarket location



### Key statistics (as of June 30, 2011)

- Number of stores: 23
- Av. selling space: 1,249 sq.m.
- Constant SKUs: 9,100<sup>(1)</sup>
- Average ticket – RUB 409

### Locations

- Convenient locations within highly populated residential districts
- Target audience – people living within walking distance (15 minutes) or 5 minutes by car
- Coverage radius of up to 2 km
- In close proximity to roads
- Ground floor stores or freestanding buildings

(1) "Constant" SKUs are those SKUs, which have been sold at least once during the last quarter, (2) Could vary by region





## Distinctive concept emphasizing a pleasant and convenient shopping experience

### Modern, well positioned and designed stores ...

- ✓ **Convenient locations** with large parking areas and selling space
- ✓ **Appealing interior design** with good lighting, convenient shelf layout and no “warehouse” feel
- ✓ **Family friendly infrastructure** with supervised in-store play areas for children
- ✓ **Own bakery and delicatessen shop**
- ✓ Established and constantly evolving **loyalty programs** (loyalty cards, discounts for strategic products etc)
- ✓ **Large number of cash registers** designed for fast check-out
- ✓ **Wide range of additional 3<sup>rd</sup> party services** available under the same roof: pharmacies stores, dry-cleaning, restaurants & bars, ATMs

### Customers are a key focus of our business

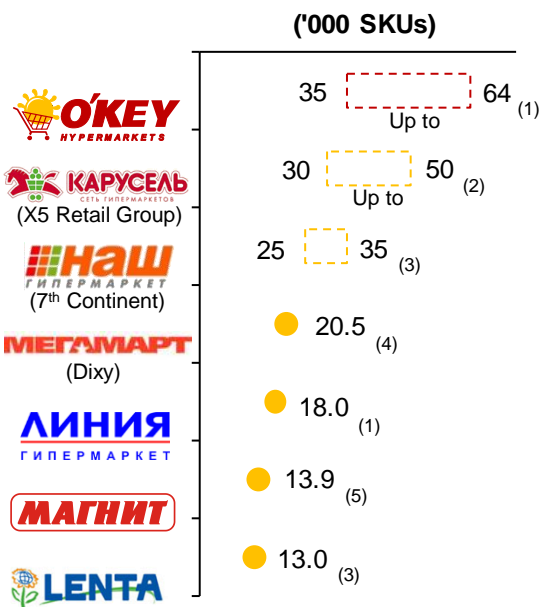




# Strong customer proposition with a particular focus on fresh & delicatessen and non-food products

## Wide product range ...

- Up to 64,000 SKUs of food and non-food products at affordable prices
- Product matrix of 3 categories: basic, average and average +

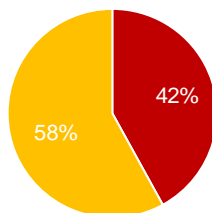


## ... with a focus on fresh & delicatessen products ...



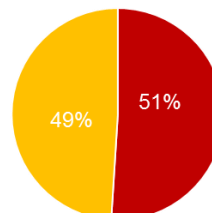
Share of fresh food in Retail revenue (2010)

### Hypermarkets



■ Fresh food

### Supermarkets

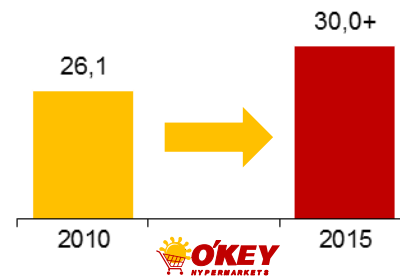


■ Other products

## ... as well as a high share of non-food goods



Share of non-food in Retail revenue, %<sup>(6)</sup>



SOURCE: Companies' data; for Megamart, Linia, Lenta and Magnit - average number of SKUs

(1) As of 30 June, 2010, (2) As of October 2009, (3) Planet Retail data as of 30 June 2010, (4) As of 31 December 2010, (5) As of 31 March 2010

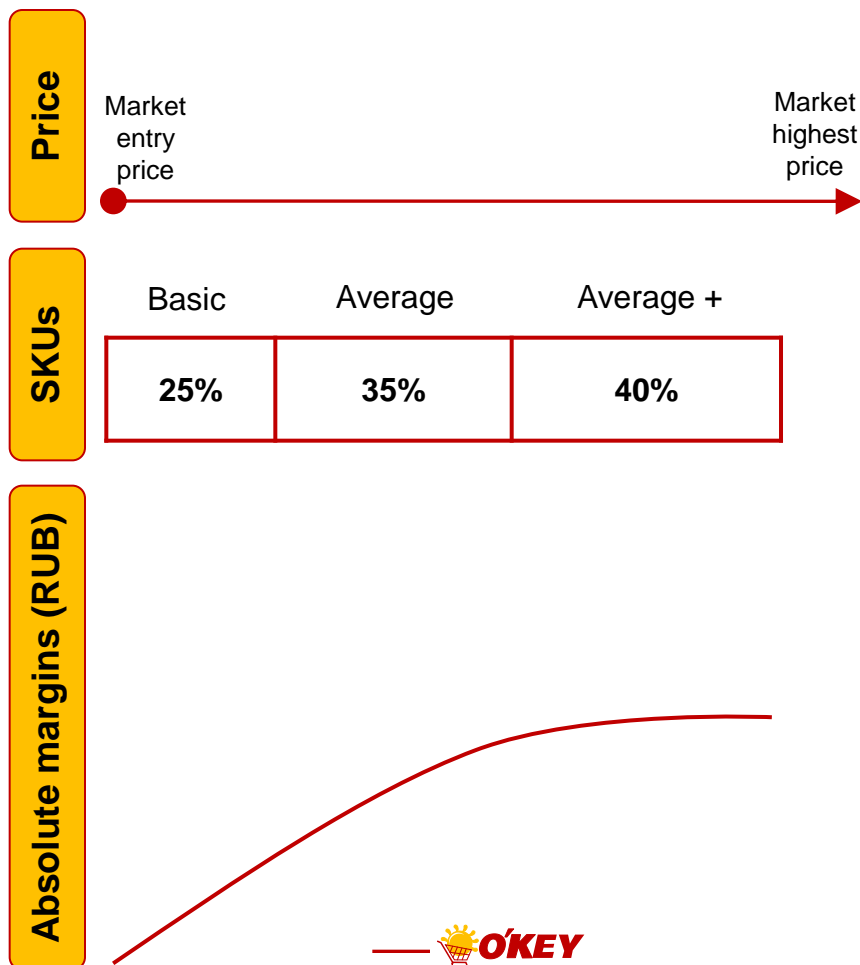
(6) From Retail revenue of hypermarkets





All customer needs are addressed and better products are offered at affordable prices ...

### Pricing model allowing for significant competitive advantages



### Comments

- **Products at affordable prices** in three main segments:
  - Basic
  - Average
  - Average +
- **Prices monitoring:**
  - Daily:  
Fruit & vegetables and top-30 items – prices lower than those of competitors
  - Weekly:  
Top-500 assortment items – prices not higher than those of competitors
- **“First” price concept** – minimum prices for the top selling goods in each product group
- **No negative margins**

### “First” price concept

- List of 600 essential products defined
- Regional adjustment
- Availability of products in all stores
- Regular monitoring and negotiations with suppliers to maintain low prices

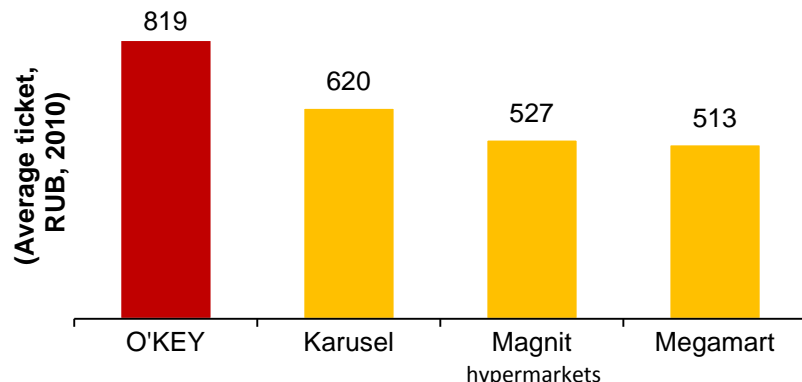






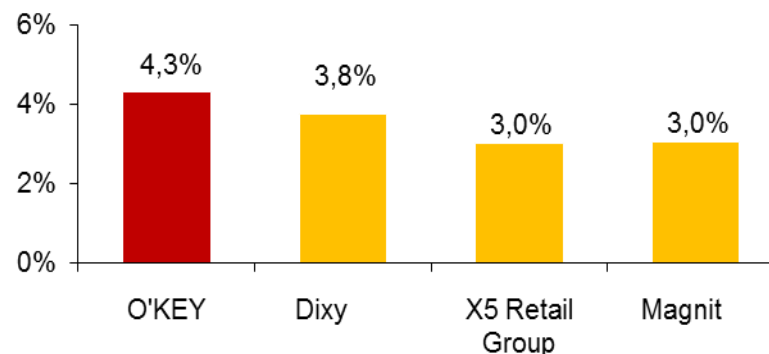
...which translates into our customers' loyalty and high brand equity

### Higher than average basket (hypermarkets) ...



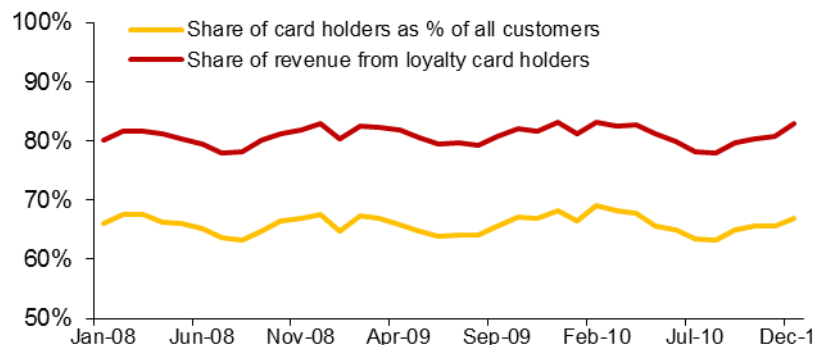
SOURCE: Companies data

### ... and LFL traffic growth (RUB terms, 2010) ...



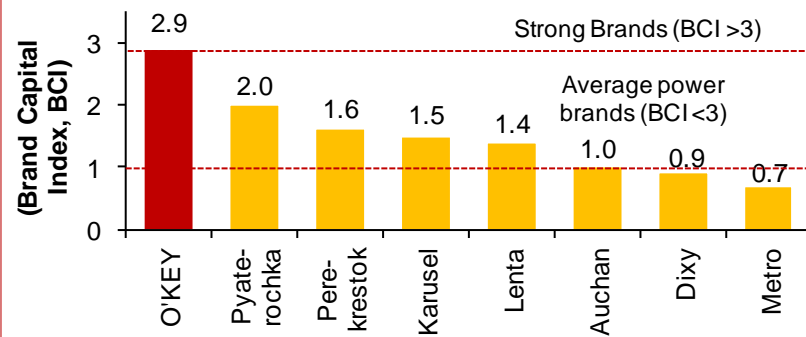
SOURCE: For O'KEY: Management accounts, For other companies: Companies' data

### ... supported by high level of customers' loyalty ...



SOURCE: Company data

### ... and a strong well-known brand in St. Petersburg<sup>(1)</sup>

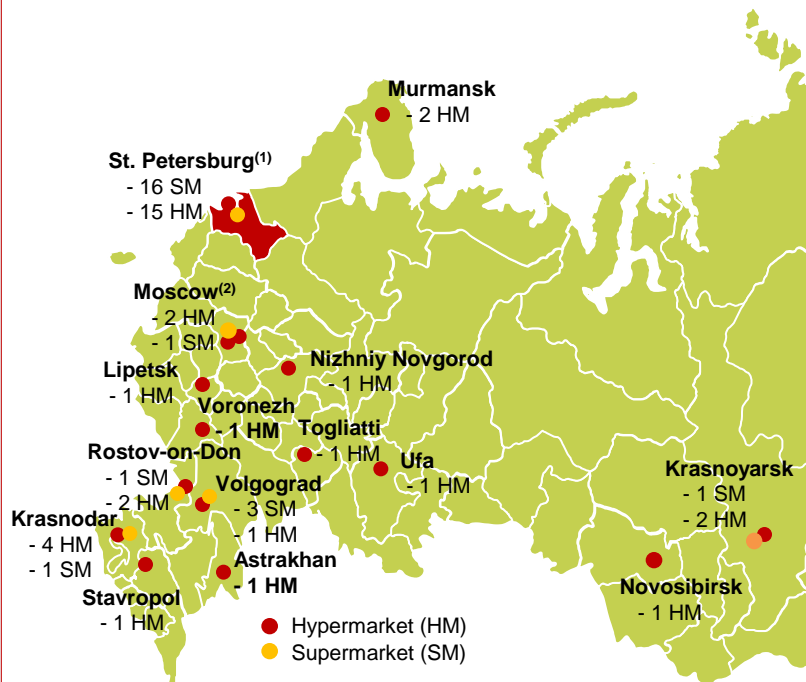


SOURCE: AC Nielsen as of June 2010

(1) Brand Capital Index is assessed by AC Nielsen under a 10 point scale based on annual interviews of randomly chosen retail customers with respect to their loyalty, consideration, preference, willingness to pay premium and willingness to travel to each of the retail stores



## Geographical coverage

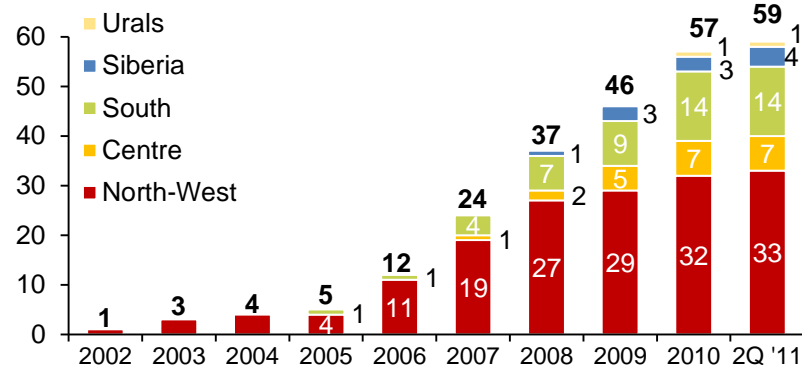


- O'KEY develops its store chain in regions and large cities with relatively high levels of personal income and consumption
- St. Petersburg is the leading Russian region in terms of modern retail penetration. It is the birthplace of major Russian hypermarket chains – O'KEY, Karusel and Lenta

SOURCE: Company data as of 31 December 2010

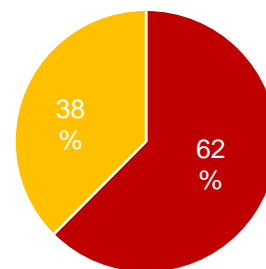
(1) Including Krasnoe Selo and Kingisep, (2) Including Noginsk and Lobnya, (3) Data relates to ownership structure of buildings and other premises (excluding land bank).

## Historical store roll-out

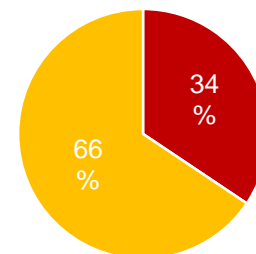


## Real estate ownership structure<sup>(3)</sup>

### Hypermarkets



### Supermarkets

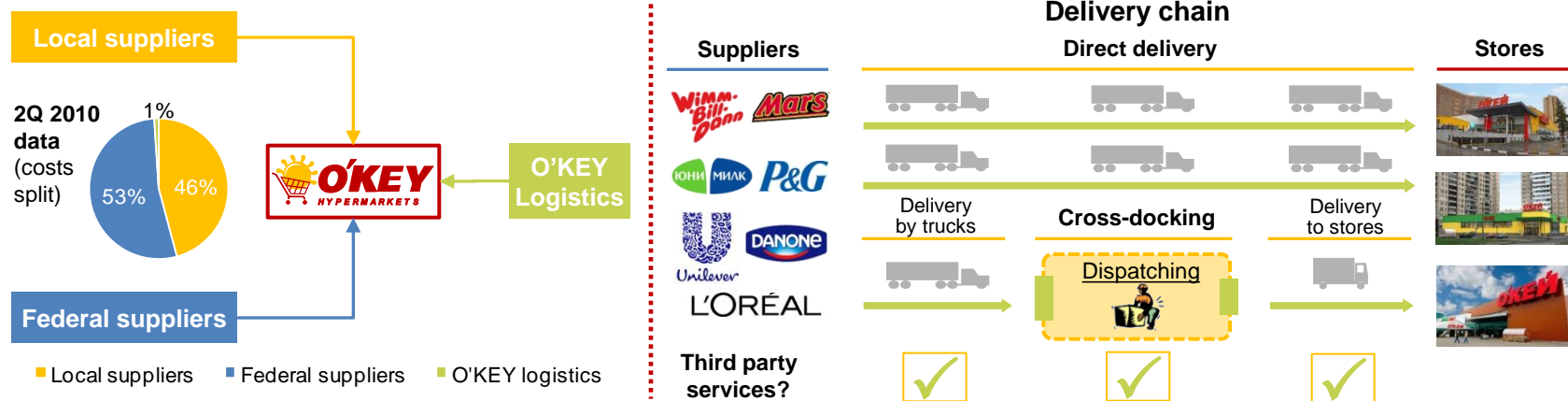


■ Owned  
■ Leased

SOURCE: Company data as of 31 December 2010



## "Smart" supply chain



SOURCE: Company data as of June 30, 2010

## Comments

- Supply chain model based on combining direct delivery, storage warehouses for imported and private label products and cross-docking facilities
- The model brings a number of advantages to the business:
  - Availability of a wide product assortment, tailored to local consumer preferences
  - Low inventory level as products go straight onto shelves upon delivery
  - Few out-of-stock issues as time lags between order, delivery and availability on the shelves are short
  - Supports faster roll-out, as openings are less constrained by availability of own logistics infrastructure
  - Minimizes management time and financial resources spent, as compared to running own logistics
  - Cost of warehousing and delivery born by suppliers
- Proven track record of operations in all regions of O'Key's presence
- Higher stocks turnover and better cash operating cycle
- Plans to expand storage capacity for imported and private label products by setting up additional cross-docking facilities as the density of stores increases in each city
- Currently O'Key plans to outsource logistics facilities and concentrate its resources in retail operations



## IT Platform

### Key elements of IT system

**IBS Suite** (implementation stage)



Start of implementation – August 2009

**Microsoft Dynamics AX**



Launched – May 2002

**Global HRM**



Launched – January 2010

**Data Centre**

- HP Storage Works XP 12 000
- HP Enterprise Virtual Array 8400



### Covered business segments

- Logistics & purchasing
- Assortment planning
- Price management
- Retail analysis
- Accounting
- Inventory management
- Human Resources
- Data storage and processing

## Description



- Provides merchandising decision-support software for multi-divisional, multi-format retailers worldwide. Headquarters based in Lille, France



- Provides software solutions based on own GlobalFrameWork platform and Oracle database. Headquarters based in St. Petersburg, Russia

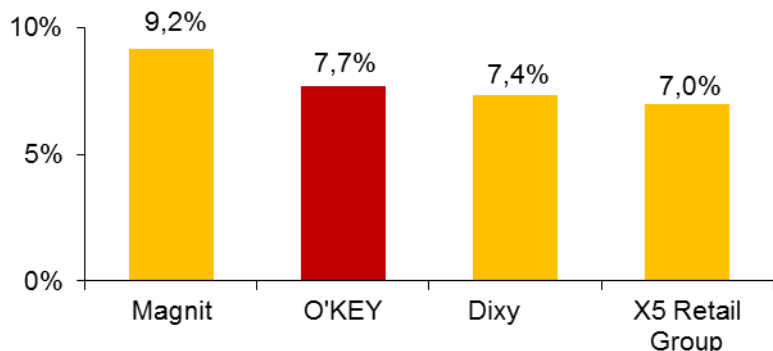






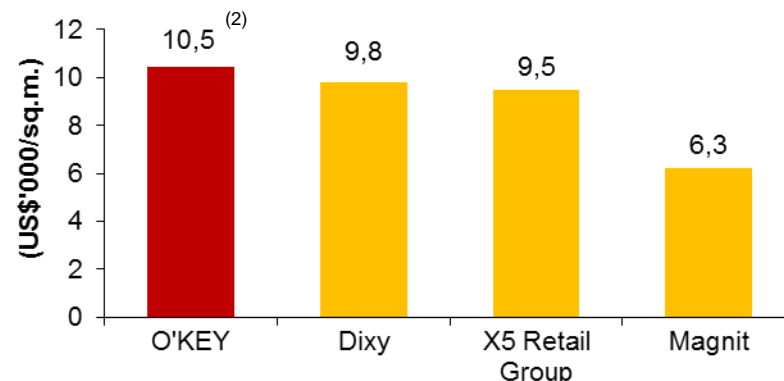
... which is why we have the most efficient operations among Russian public food retailers

### LFL sales growth (RUB terms, 2010)



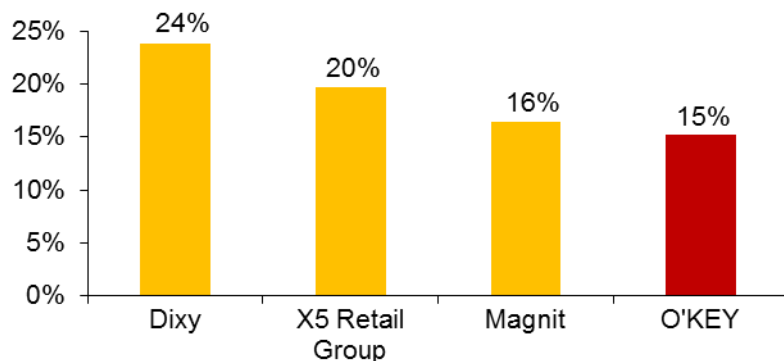
SOURCE: For O'KEY: Management accounts, For other companies: Companies' data

### Revenue per sq.m.<sup>(1)</sup> (2010)



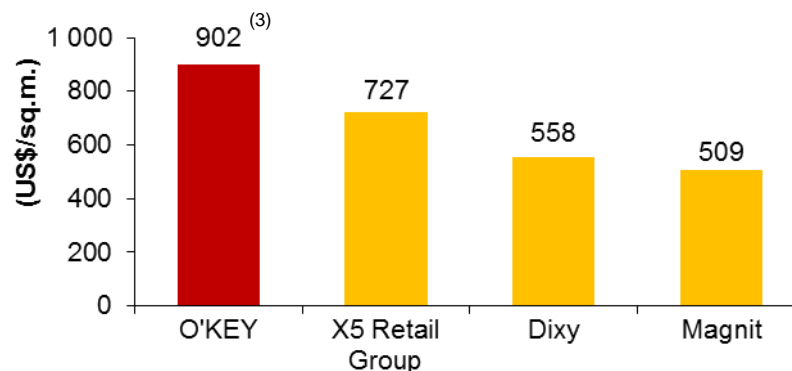
SOURCE: Companies' data

### SG&A as % of revenue (2010)



SOURCE: Companies' data

### EBITDA per sq.m.<sup>(1)</sup> (2010)



(1) Calculated as total Revenue / EBITDA divided by average selling space for the year (average between selling space at the beginning and at the end of the year)



(2) Revenue per sq.m. in the reporting currency equals RUB 317,998. The amount was converted to US\$ using CBR average exchange rate for 2010 (30.38 RUB/US\$)

(3) EBITDA per sq.m. in the reporting currency equals RUB 27,415. The amount was converted to US\$ using CBR average exchange rate for 2010 (30.38 RUB/US\$)



Our competitive strengths make us confident that our strategy will allow us to realize our full potential

## Strategic goals

### 1 Continue regional expansion

### 2 Tailor our assortment

### 3 Support our supply chain through logistics

### 4 Implement innovative IT solutions

## Key plans and targeted results

- By 2015, establish presence in more than 25 cities across Russia
  - Further penetrate the large and high-potential Moscow market
  - Expand presence outside St. Petersburg in cities with high population density and/or above average net disposable incomes
  - Maintain a fast pace of new store openings in the next 5 years
- 
- Further increase the share of non-food (clothing, DIY, sporting goods and home appliances)
  - Work with local suppliers to customize assortment to local tastes / needs
  - Continue to perfect our product matrix in order to attract more customers and encourage more frequent visits
  - Position our private label as high quality at a competitive price
- 
- Facilitate availability of our full assortment as we expand across Russia
  - Expand warehousing capacity to support import and private label operations
  - Set-up a network of cross-docking platforms allowing us to:
    - Procure assortment from all over Russia
    - Decrease dependency on assortment inherited from distributors
- 
- Establish a technological platform to manage retail operations more efficiently, including demand forecasting as well as customer-focused category management and supply chain optimisation





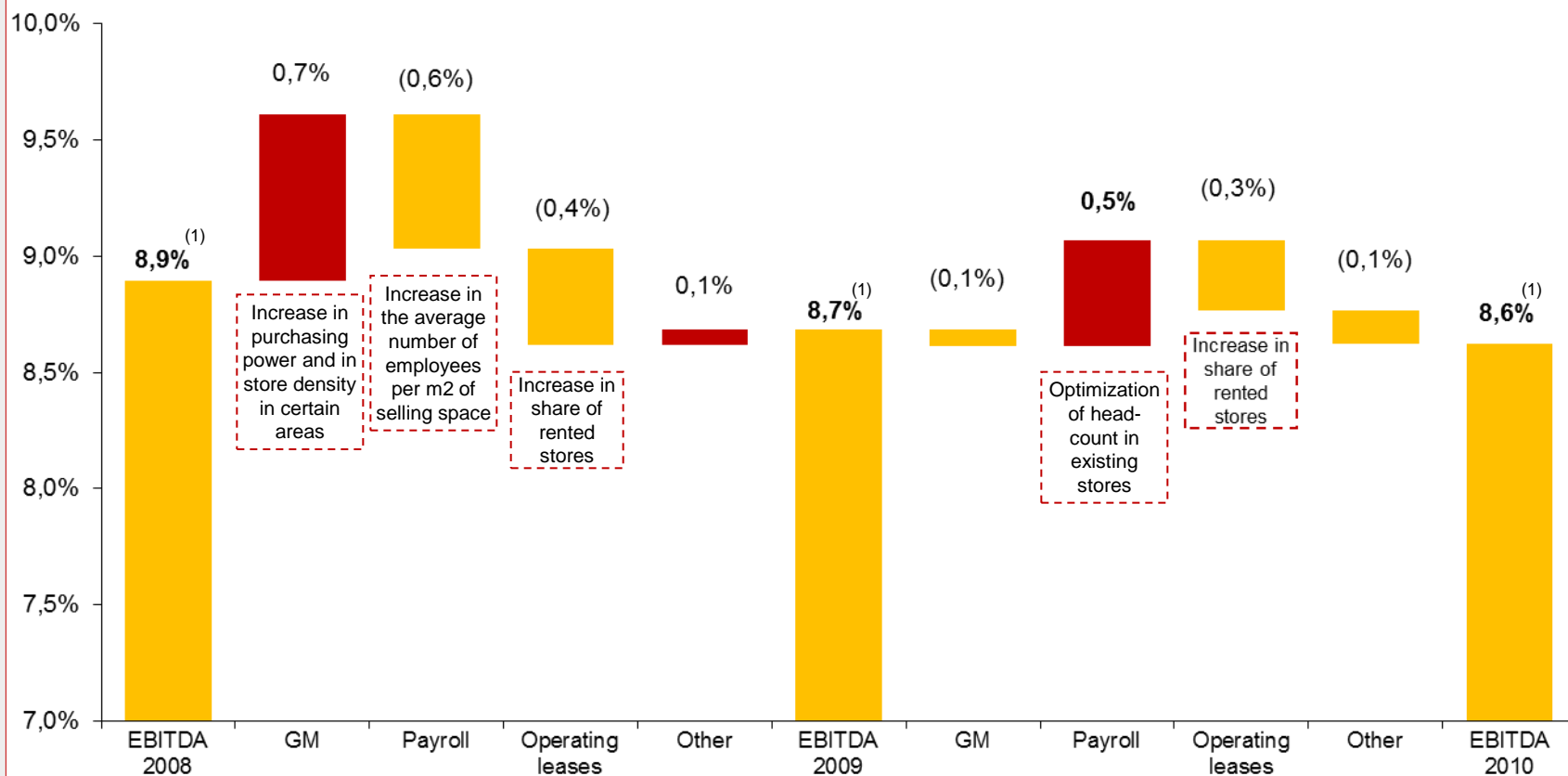
## Key financials snapshot

RUB millions	2007	2008	2009	2010
<b>P&amp;L</b>				
Revenue	30,533	51,143	67,875	82 667
YoY growth	82.8%	67.5%	32.7%	21.8%
Gross profit	6,468	10,761	14,768	17 924
Gross margin	21.2%	21.0%	21.8%	21.7%
<b>EBITDA</b>	<b>2,201</b>	<b>4,549</b>	<b>5,896</b>	<b>7,127</b>
EBITDA margin	7.2%	8.9%	8.7%	8.6%
<b>BALANCE SHEET</b>				
Total assets	32,192	31,950	33,946	37,861
Non-current assets	25,978	24,487	25,893	24,204
Property, plant and equipment	17,941	17,337	18,995	17,534
Current assets	6,213	7,463	8,053	13,657
Inventories	2,606	3,941	5,145	5,995
Trade and other receivables	1,648	1,532	980	1,277
Cash and cash equivalents	1,557	1,673	1,462	5,707
Total equity	9,948	6,290	7,136	12,481
Total liabilities	22,243	25,660	26,811	25,380
Non-current borrowings	5,750	4,326	9,026	7,869
Current borrowings	7,030	10,768	6,440	3,702
<b>CASH FLOW</b>				
Net cash from operating activities	2,554	4,585	2,872	5,111
Net cash used in investing activities	(5,167)	(4,954)	(3,290)	(3,393)
Net cash from financing activities	2,927	446	128	2,404
<b>Net increase in cash and cash equivalents</b>	<b>313</b>	<b>77</b>	<b>(289)</b>	<b>4,122</b>

SOURCE: Audited IFRS financial statements for 2007-2010.



## EBITDA margin bridge 2008-2010



SOURCE: Company's calculations based on audited IFRS financial statements for 2007-2010

(1) EBITDA calculated according to Company's audited IFRS financials statements methodology as Operating profit / (loss) plus Depreciation & amortisation less (added back) Other operating income and expenses plus Sundry income and expenses

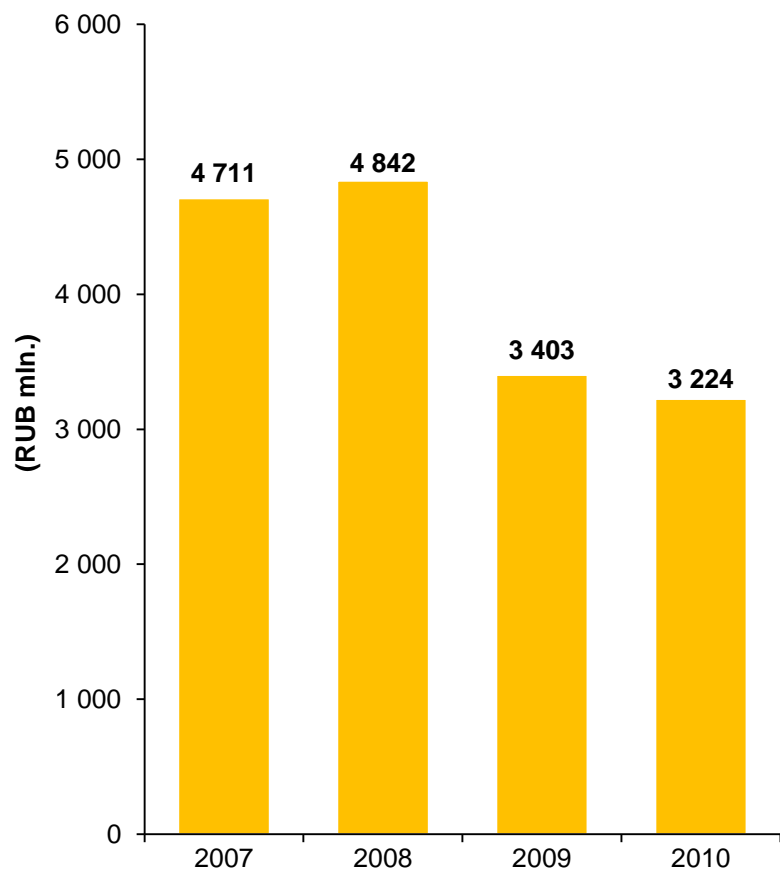




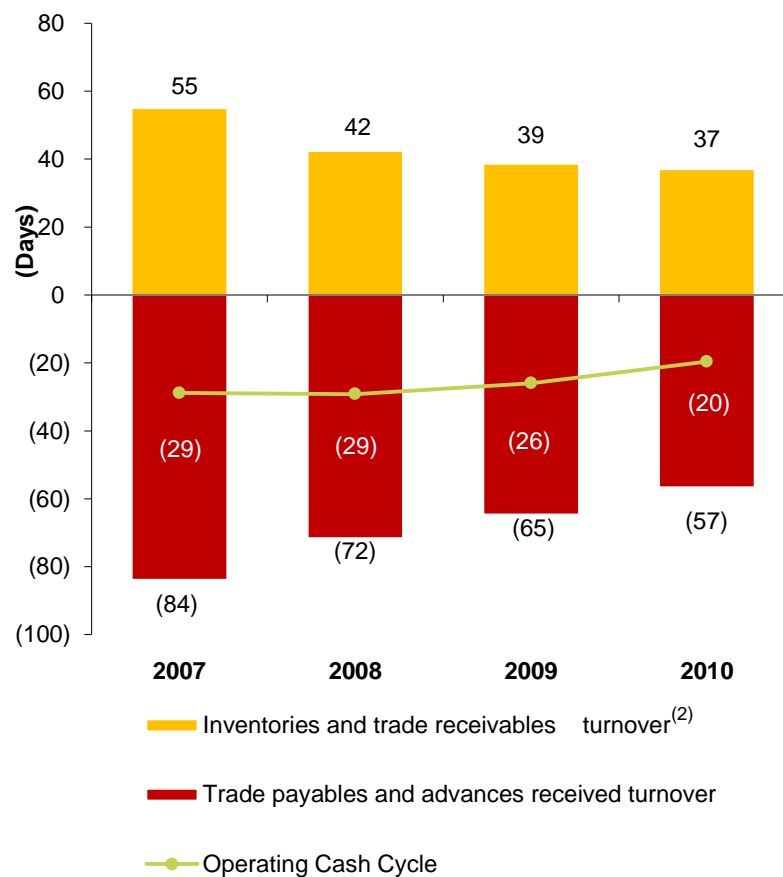


We actively invest in our future growth and increase efficiency of our cash management

### Total CAPEX dynamics<sup>(1)</sup> (Cash Flow data)



### Trade Operating Cash Cycle<sup>(3)</sup>



SOURCE: Audited IFRS financial statements (Cash Flow Statement)

SOURCE: Company's calculations based on audited IFRS financial statements data.

(1) Capital expenditures represents the additions to property, plant and equipment as set out in Company's audited IFRS accounts,

(2) Calculated as inventories and trade receivables including VAT receivable and other receivables (bonuses and discounts from suppliers), but excluding pre paid taxes

(3) Inventory and trade receivables turnover days calculated as the average of inventory and trade receivables balances at the beginning and end of the year divided by cost of goods sold for the year and multiplied by 360

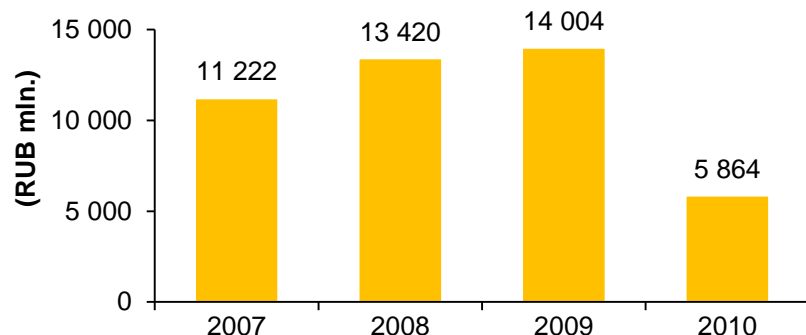
Trade payables and advances received turnover days calculated as the average of trade payables and advances received balances at the beginning and end of the year divided by cost of goods sold for the year and multiplied by 360



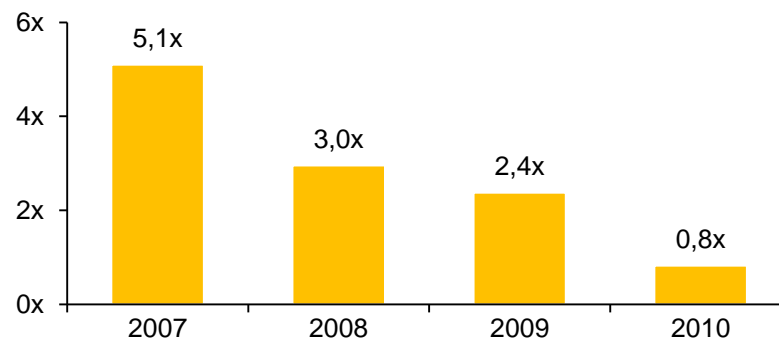


Despite the aggressive roll-out, we pay special attention to our financial standing

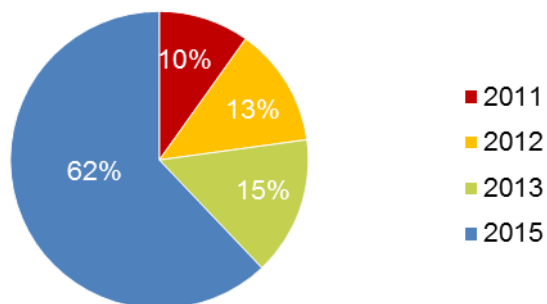
### Net debt<sup>(1)</sup>



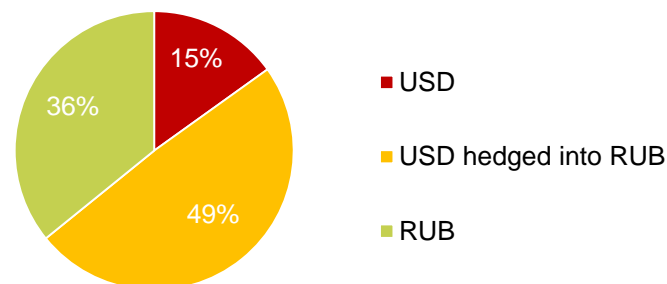
### Net debt / EBITDA



### Debt portfolio structure by maturity (as of December 31, 2010)



### Debt portfolio structure by currency (as of December 31, 2010)



SOURCE: Company's calculations based on audited IFRS financial statements for 2007-2010

(1) Calculated as Total interest bearing debt (Current Borrowings plus Non-Current Borrowings) less Cash & Cash Equivalents





# O'Key Group – a unique opportunity in the Russian food retail sector

## Highlights

**One of the leading Russian food retailers with strong expertise in hypermarkets ...**

**... 10 years of successful growth ...**

**... operating in one of the world's most attractive food retail markets ...**

**... providing a strong customer proposition ...**

**... with highly efficient operations ...**

**... and a strong and effective real estate portfolio ...**

**... managed by highly talented and experienced professionals**

## Comments

- ✓ # 3 Russian (excl. multinationals) food retailer in terms of revenue in 2010<sup>(1)</sup>
- ✓ Historical focus on hypermarkets, one of the most attractive food retail segments
- ✓ Distinctive expertise and concept
- 
- ✓ Established in 2001
- ✓ 10 years of fast growth and efficiency improvement
- 
- ✓ Russia is one of the largest food retail markets in Europe<sup>(2)</sup> ...
- ✓ ... with significant underpenetration of modern retail ...
- ✓ ... and attractive growth prospects
- 
- ✓ Large product assortment ...
- ✓ ... that translates into a high average customer basket ...
- ✓ ... supported by strong brand equity
- 
- ✓ One of the leaders in terms of LFL sales and traffic growth for 2010<sup>(3)</sup>
- ✓ One of the highest revenue per sq.m. among Russian (excl. multinational) food retailers<sup>(4)</sup>
- ✓ One of the highest and sustainable EBITDA margins<sup>(3)</sup>
- 
- ✓ 60% of owned real estate as of December 31, 2010
- ✓ 11 owned land plots currently available for construction of own stores
- ✓ Significant flexibility in terms of further development, especially in the regions
- 
- ✓ Experienced team of professionals with a strong track-record in Russian and international markets
- ✓ CEO Patrick Longuet has more than 30 years of retail experience



(1) Based on public data disclosed by Russian food retail companies

(2) According to Euromonitor data for 2009 as of 25 June 2010

(3) Comparing to Russian public food retail companies, e.g. X5 Retail Group, Magnit and Dixy (Companies data) (please, also refer to page 15)

(4) Companies' data (please, also refer to page 15)

# APPENDIX

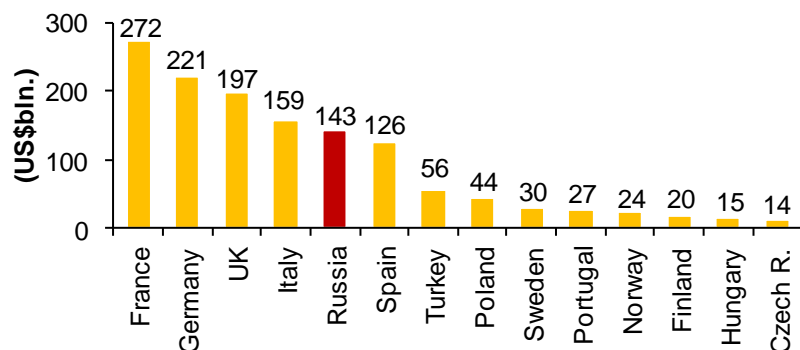






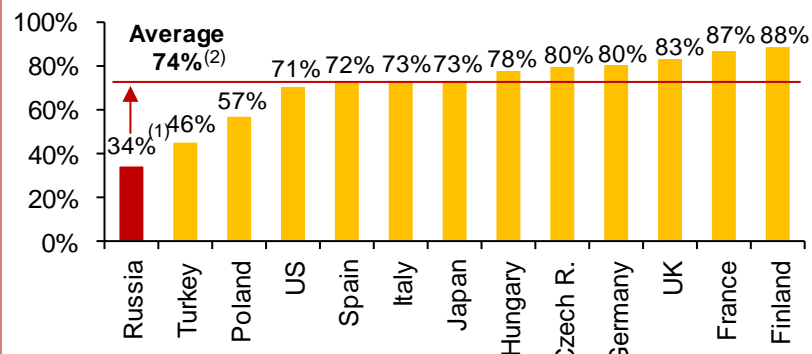
# Russia is one of the world's most attractive food retail markets

## Russia is one of the largest food retail markets in Europe ...



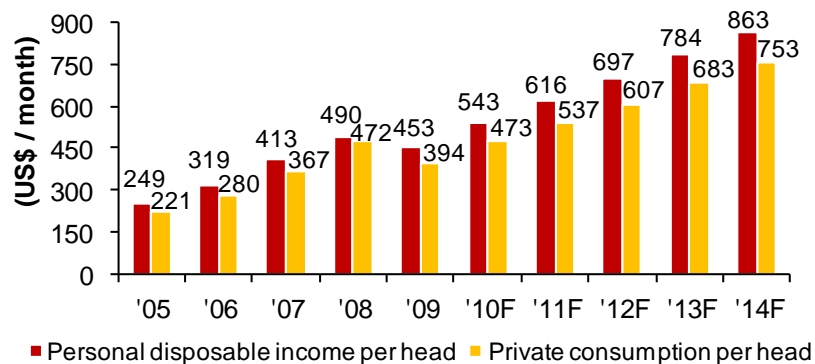
SOURCE: Euromonitor data for 2009 (as of 25 June 2010)

## ... with one of the lowest rates of penetration by modern retail ...



SOURCE: Euromonitor data for 2009 (as of 25 June 2010)

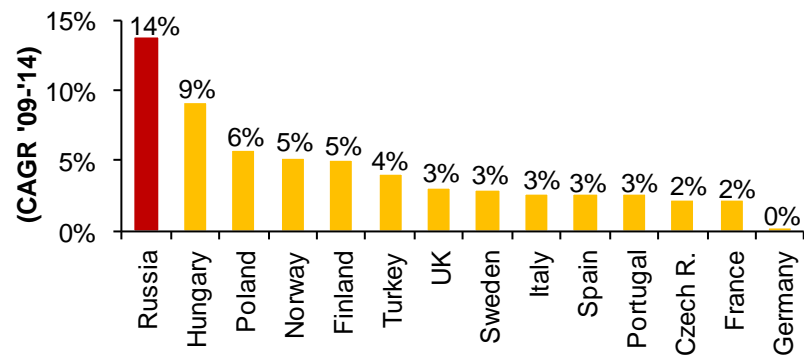
## ... and recovering consumption and income levels ...



SOURCE: EIU as of 25 June 2010

(1) Rosstat data for total grocery retail market value and Euromonitor data for modern retail formats value, (2) Average excluding Russia

## ... which should fuel Russian food retail market growth



SOURCE: Euromonitor data for 2009 (as of 25 June 2010)



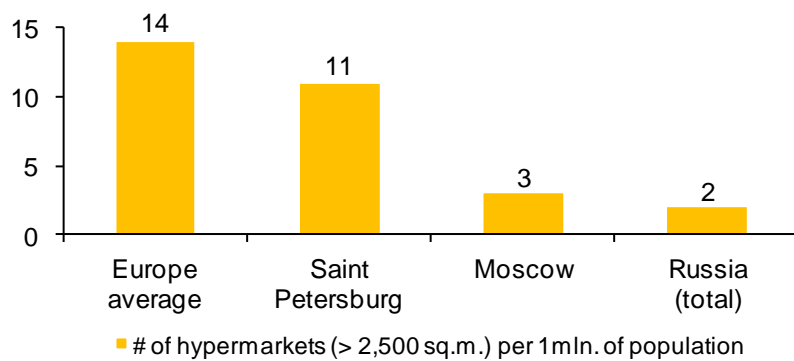


# O'Key has strong expertise in hypermarkets, format with appealing growth prospects

## Distinctive expertise in hypermarkets

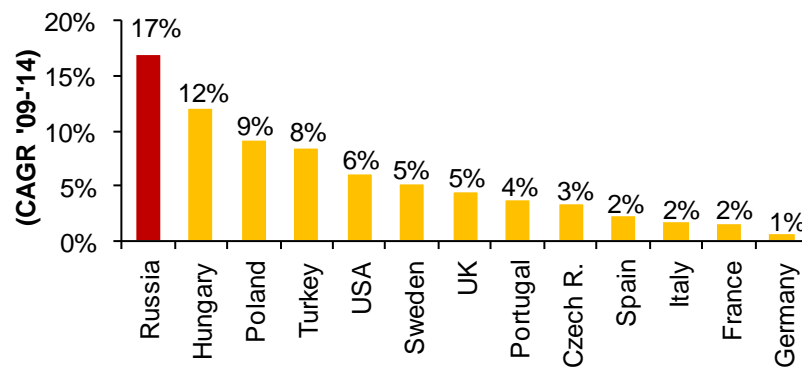
- Focused on one core format – hypermarkets
- Supermarkets (O'Key Express brand) – a satellite format, providing a better fit for specific locations (i.e. residential areas)
- Strong track record in the hypermarket format – roll-out through organic growth and store acquisitions
- Concept of a classic modern European hypermarket:
  - up to 64,000 SKUs of food / non-food products
  - affordable prices
  - large share of fresh food, own bakery and delicatessen
  - convenient locations with large parking area and selling space

## Significant undersupply of hypermarkets in Russia...



SOURCE: AC Nielsen as of 7 June 2010

## ... with high growth potential in this segment relative to overall market



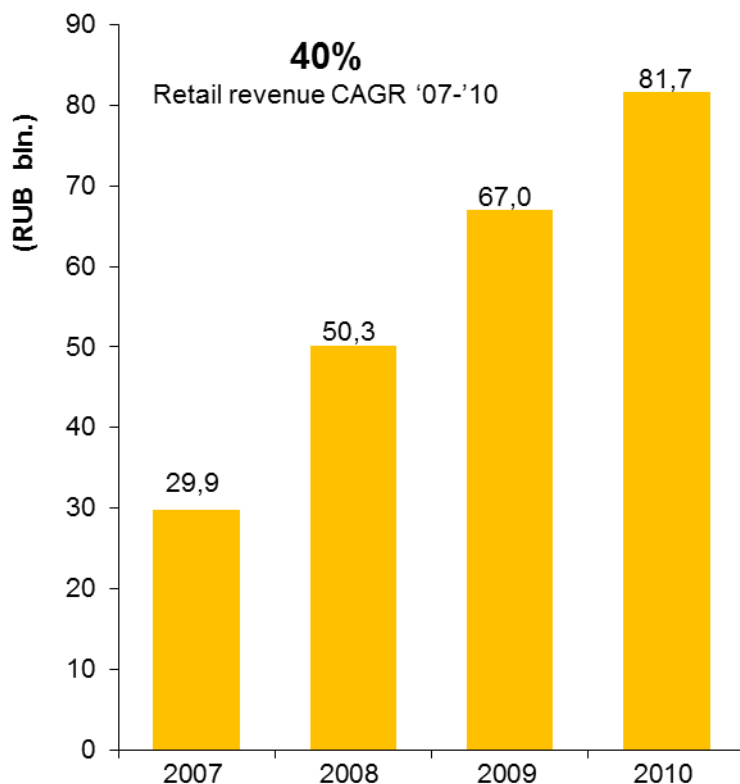
SOURCE: Euromonitor data for 2009 (as of 25 June 2010)





Our historical performance demonstrates our ability to deliver growth and increase sales efficiency

### Retail Revenue

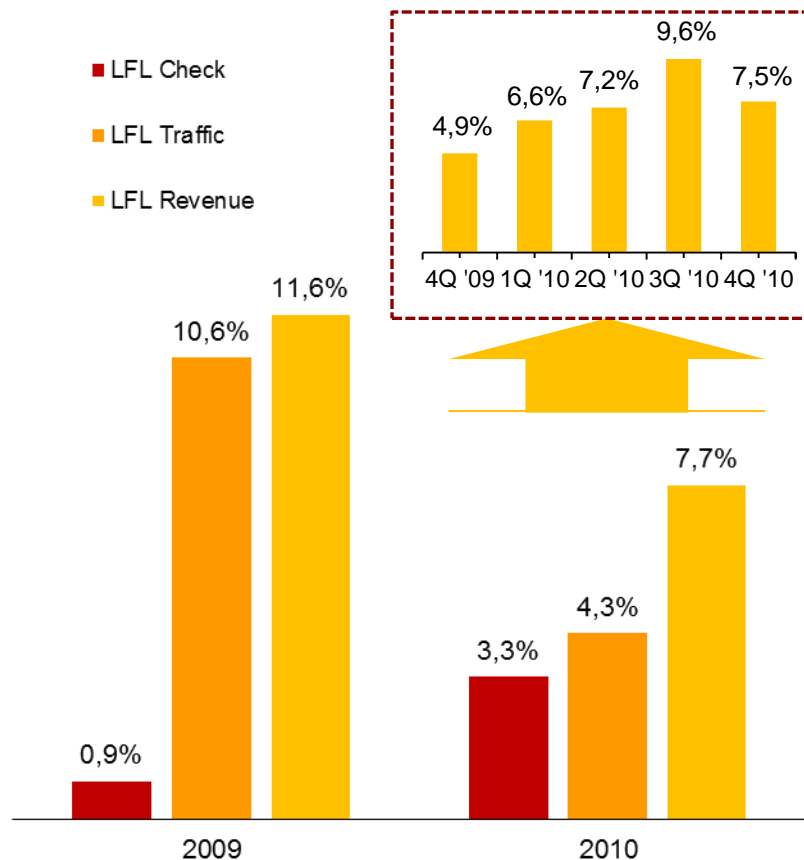


SOURCE: Audited IFRS financial statements for 2007-2010

Retail revenue excludes Rental income and Revenue from advertising services.

Note: LFL analysis is based on number of stores that had been operating for not less than twelve months and have achieved a mature level of sales

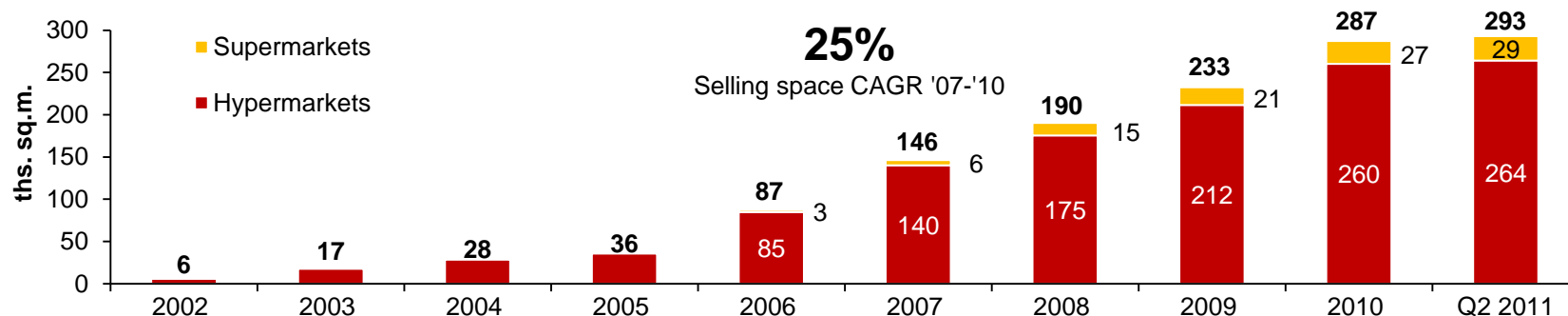
### LFL Revenue (RUB terms)



SOURCE: Management accounts



## Selling space dynamics



SOURCE: Company, audited IFRS financial statements for the years 2005-2009, unaudited operating results for 2010

## Key milestones of the Company's history

2002 First store	2003-2006 Cementing positions in St. Petersburg	2007 - 2008 Regional expansion	2009-2011 Leading retailer
<ul style="list-style-type: none"> <li>First hypermarket launched in St. Petersburg</li> <li>Company's strategy focused on creating the leading St. Petersburg food retailer</li> </ul>	<ul style="list-style-type: none"> <li>Eight hypermarkets and two supermarkets launched in St. Petersburg</li> <li>Total selling space increased from 6 to 87 ths. sq.m. with 12 stores in operation</li> </ul>	<ul style="list-style-type: none"> <li>International management joined the Company</li> <li>Entry into six new regions in three federal districts</li> <li>Number of stores reached 37, selling space more than doubled to 190 ths. sq.m.</li> <li>Became one of Russia's top-10 retailers in terms of revenue<sup>(2)</sup></li> <li>Assignment of lease rights for 6 Ramstore stores (Oct '08 - Mar '09)</li> </ul>	<ul style="list-style-type: none"> <li>First store launched in Moscow region</li> <li>Strengthened development team</li> <li>Acquisition of lease rights for two Carrefour stores</li> <li>#3 Russian (excl. multinationals) food retailer (in terms of revenue in 2009)<sup>(1)</sup></li> <li>Number of stores reached 59 in March 2011</li> </ul>

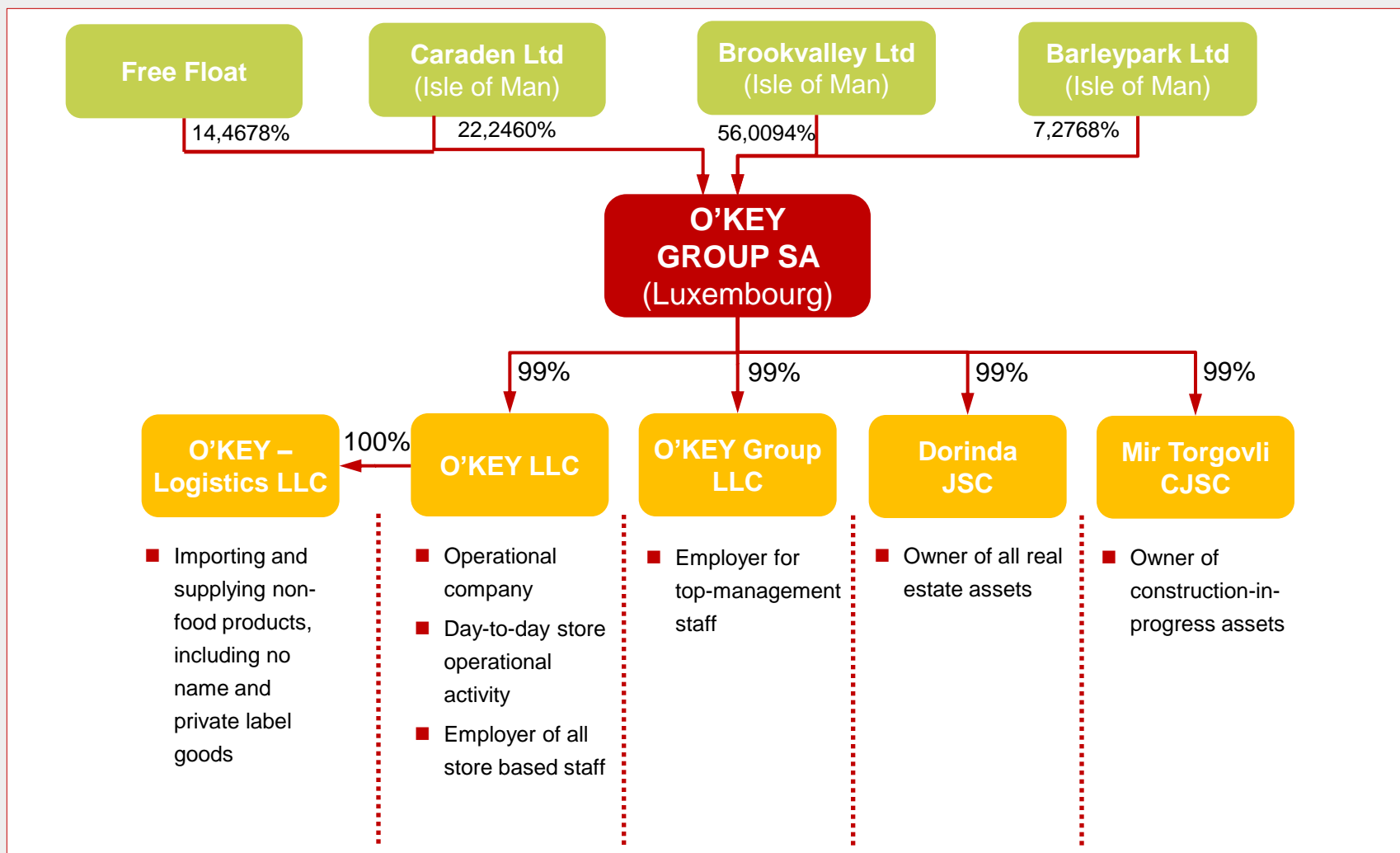
(1) Public data disclosed by each of the Russian food retail companies







## Transparent legal structure



**Note:** Axis Financial Ltd. (British Virgin Islands), which is controlled by O'KEY Group SA (100%), holds 1% stakes in O'KEY LLC, O'KEY Group LLC, Dorinda JSC and Mir Torgovli CJSC  
Presented share of ownership was calculated using share capital before exercise of the Over-Allotment Option.



## Corporate governance levels

### Board of Directors

- Responsible for setting strategic goals for the Company
- Board of Directors consists of 5 members including:
  - 3 beneficial owners: Mr. Troitskii, Mr. Korzhev and Mr. Volchek
  - 2 INEDs – heads of audit and remuneration committees
- Meets on a regular basis with the constant participation of Company's CEO

### CEO

- Responsible for implementation of the Group's strategy and setting objectives for operational management

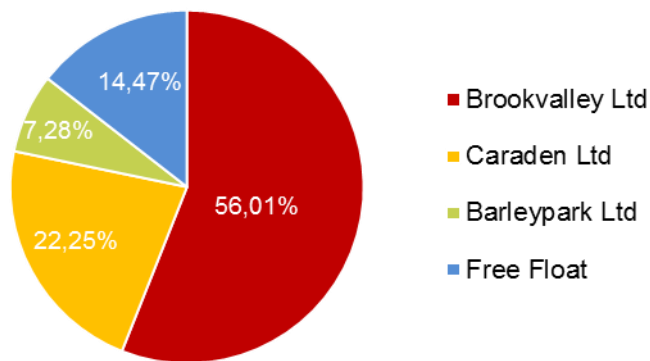
### Top management

- Responsible for day-to-day operational management of the Group

## Dividend policy and management incentive program

- Dividends at the target ratio of 25% of Group's net profit for the relevant period can be distributed per the AGM decision
- The shareholders put in place the management compensation and incentive plan based on stock performance

## Shareholders structure<sup>(1)</sup>



## Investor Relations



**Maksim Kravtsov**  
Head of IR

Responsible for communication with public shareholders and investor community

### Previous experience:

- Occupied various roles in M.Video

(1) Shareholder structure is calculated based on number of shares owned before exercise of the Over-Allotment Option.





## Experienced top-management team combining best-in-practice international and local expertise (I)

### Patrick Longuet CEO



One of Europe's most experienced CEOs in the food retail industry with a 27 year track record at Auchan

**Joined the Company in 2007**

#### Previous experience:

- 2001-2007 – Head of Auchan Russia
- 1994-2001 – CEO of Auchan Central Europe
- 1980-1994 – various positions from financial controller to marketing director of Auchan France

#### Education:

- Higher National School of the Food Industry and Applied Biology of France

**Date of birth:** 1954

### Sebastien Verhaeghe Executive Director



Supervises finance, performance management, legal, audit and IT directors. Advises CEO on long term

planning, strategy and organization

**Joined the Company in 2007**

#### Previous experience:

- 2001-2007 - Business Performance, Finance and IT Director in Auchan Russia
- 1998-2001 - Information Systems Director of Auchan Int'l in charge of new countries worldwide
- 1990-1998 – various positions in Auchan Poland and Int'l

#### Education:

- MBA from ESC Lille School of Management, France

**Date of birth:** 1966

### Dmitry Pryanikov Financial Director



Joined the Company since its inception and within several years became the CFO of O'KEY Group

**Joined the Company in 2001**

#### Previous experience:

- 1995-2001 – various positions in Bank St.Petersburg and other privately held companies

#### Education:

- St.Petersburg State Institute of Technology (Economics and management)

**Date of birth:** 1973

### Vladislav Kurbatov Operations Director



Director of the first O'KEY's hypermarket. Responsible for day-to-day control and development of store operations and logistics

**Joined the Company in 2002**

#### Previous experience:

- 2004 – present - Sales director of O'KEY group
- 2003-2004 – Administrative director of O'KEY Group
- 2002-2003 – Director of O'KEY's first hypermarket in St.Petersburg

#### Education:

- St.Petersburg Military Topographic Academy

**Date of birth:** 1971





## Experienced top-management team combining best-in-practice international and local expertise (II)

### **Georges Kowalkowski** Marketing & Sales Development Director



Responsible for product mix structure, marketing activity and competitor analysis. 30 years of experience in Auchan

**Joined the Company in 2007**

#### **Previous experience:**

■ 1977-2007 – various positions in Auchan France, Poland and Russia

#### **Education:**

■ University of Lille, France  
Economic faculty

**Date of birth:** 1954

### **Maksim Schegolev** Expansion Director



Responsible for competitor analysis, acquisitions and rentals of store premises and land sites

**Joined the Company in 2004**

#### **Previous experience:**

■ 2008 - present – Expansion Director of O'KEY Group  
■ 2004-2008 – various positions from administrative director to head of O'KEY's North-West regional division

#### **Education:**

■ St. Petersburg University for Economics and Finance  
■ Higher School of the Russian Ministry of Economic Development and Trade

**Date of birth:** 1966

### **Eric Richard** Construction Director



Responsible for construction and commissioning of the Company's new stores all over Russia

**Joined the Company in 2009**

#### **Previous experience:**

■ More than 20 years of experience in the construction industry at such companies as Bouygues Batiment International, Coplan and SNC Lavalin Europe

#### **Education:**

■ Degree in civil engineering (construction works)

**Date of birth:** 1964

### **Vadim Korsynski** Commercial Director



Responsible for development of commercial strategy: assortment policy, private label and category management.

**Joined the Company in 2010**

#### **Previous experience:**

■ Held various positions in TESCO and Metro Cash & Carry

#### **Education:**

■ Bachelor of Arts from Yeshiva University, New York, USA  
■ MBA degree from Harvard Business University, Boston, USA

**Date of birth:** 1973





# Established private label operations serve as a tool to address customer needs and pricing expectations

## Ultra fresh food products

- In store made products including fresh bakery and delicatessen products



## FMCG products

- O'KEY labeled food and non-food products



## Non-food products

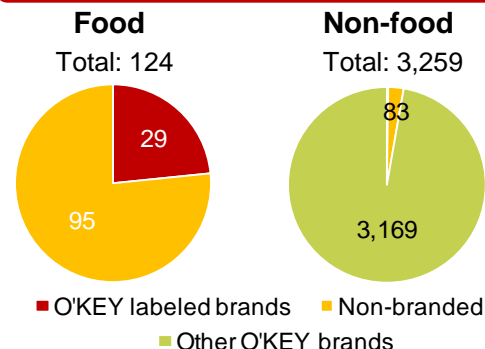
- Other O'KEY private label brands in clothes, sports goods and other categories



## Non-branded products



## Number of SKUs



SOURCE: Company's data

SOURCE: Company data as of June 30, 2010

