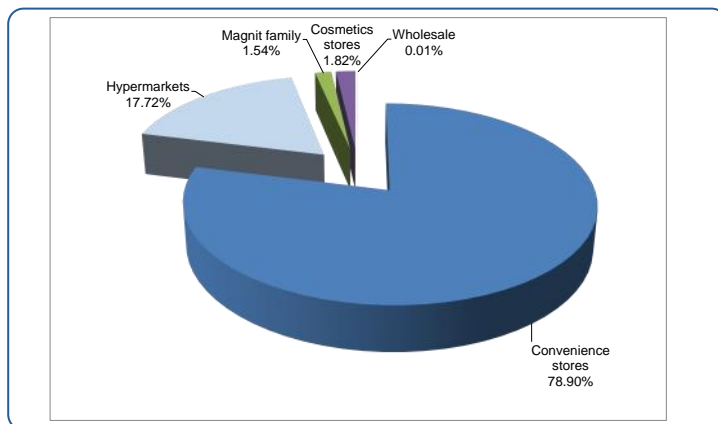


News: Anchor company focus list

Magnit reviewed 1H13 results (30 August 2013) - Russia's largest retailer, Magnit released reviewed 1H13 results yesterday. During 1H13 the company added (net) 532 stores (506 convenience stores, 12 hypermarkets, 6 'Magnit Family' stores and 8 cosmetics stores) and increased its selling space by 29.66% compared with 1H12. The total store base reached 7,416 (as at 30 June 2013).

Revenue increased 31.42% YoY from RUB207,602.53mn in 1H12 to RUB272,838.04mn in 1H13 (up 29.82% in dollar terms from \$6,775.76mn to \$8,796.43mn). The top line growth was due to an increase in selling space as well as a 5.29% increase in LfL sales (ex-VAT). The gross margin grew from 25.61% in 1H12 to 27.26% in 1H13 while gross profit increased 39.87% from RUB53,175.21mn (\$1,735.54mn) to RUB74,377.21mn (\$2,397.96mn). EBITDA increased 34.34% from RUB20,547.29mn (\$670.63mn) in 1H12 to RUB27,603.07mn (\$889.94mn) in 1H13.

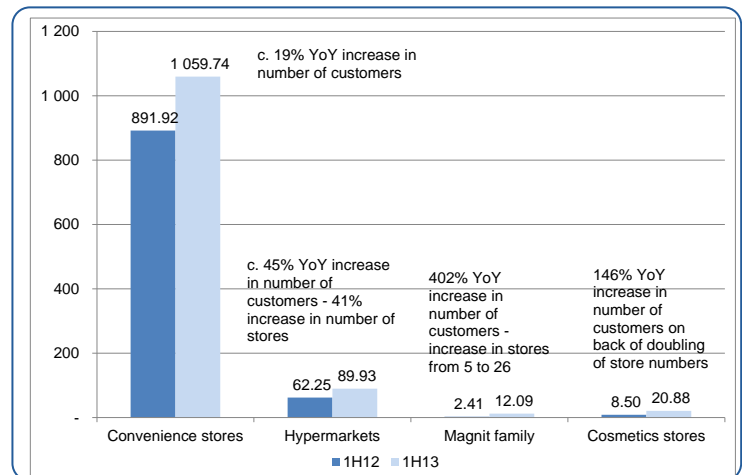
Magnit 1H13 net sales contribution by business:



Source: Company reports, Anchor Capital

The EBITDA margin was 10.12%. 1H13 net income increased 39.67% amounting to RUB14,544.22mn (\$468.9mn) vs RUB10,413.57mn (\$339.88mn) in 1H12.

Magnit number of customers 1H13 vs 1H12 (mn):



Source: Company reports, Anchor Capital

/continued...



Global Ideas is a newsletter published three times a week (Monday, Wednesday and Friday) and available only to clients of Investor Campus and Anchor Capital. The key objective of this newsletter is to provide ideas for investment in the global investment universe.

We scan the globe looking for good opportunities. We provide our model portfolios, as well as news and views on our watchlist, which is continually reviewed and updated.



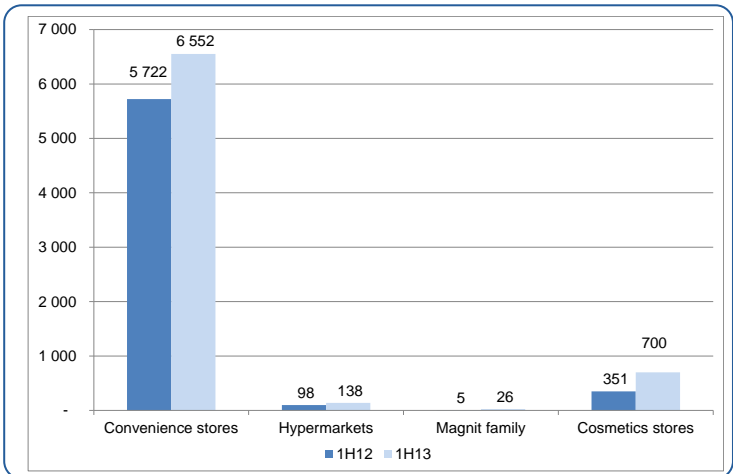
Contacts

Anchor Capital reception 011 591 0677
Investment/ Sales mnyoung@anchorcapital.co.za
Brokerage/ Trading fswart@anchorcapital.co.za

Trading Desk 012 665 3461
General Enquiries info@anchorcapital.co.za
Newsletter Enquiries newsletters@anchorcapital.co.za

News: Anchor company focus list

Magnit number of stores 1H13 vs 1H12:



Source: Company reports, Anchor Capital

Marco de Matos



The business of money: Global asset management and stockbroking



The business of knowledge: Financial education, information and valuation services

Disclaimer

This report and its contents are confidential, privileged and only for the information of the intended recipient. Anchor Capital (Pty) Ltd and Ripple Effect 4 (Pty) Ltd make no representations or warranties in respect of this report or its content and will not be liable for any loss or damage of any nature arising from this report, the content thereof, your reliance thereon its unauthorised use or any electronic viruses associated therewith. This report is proprietary to Anchor Capital (Pty) Ltd and Ripple Effect 4 (Pty) and you may not copy or distribute the report without the prior written consent of the authors.