

INDUSTRY REVIEW

Russian consumer market and FMCG retail chains rating

Demo version

Results of 2019-2020

- Retail business statistics in Russia and regions
- Retail indicators in Russia
- Review of retail market of Russia in 2019-2020
- Rating of FMCG retailers by stores number, selling space in 2016-2020, net sales in 2016-2019
- Dynamics of development and key events of the TOP-200 FMCG chains

Агентство INFOline занимается разработкой и реализацией информационных и аналитических продуктов, консультированием и поддержкой деловых форумов и мероприятий в сфере строительства и инвестиций, ритейла и потребительского рынка, топливно-энергетического комплекса, транспорта, машиностроения и др. На постоянной основе мы оказываем поддержку более 3000 компаний России и мира. В соответствии с правилами ассоциации ESOMAR все продукты агентства INFOline сертифицируются по общеевропейским стандартам.

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About Russian consumer market and FMCG retail chains rating

The industry review contains structured information about Russian retail market in the accounting period, operational, financial and investment activity, as well as **rating of major FMCG retail chains in Russia**.

Objective: analysis of trends in retailing and in the consumer market, structured description, comparative analysis, monitoring of investments and organic growth dynamics, ranking of operational and financial indicators of more than 200 major FMCG chains in Russia.

Key market figures: the capacity of the retail market in Russia in 10m 2019 has increased by 1.5% in comparable prices (by 6.4% in monetary terms) to RUB 27.1 trillion (including VAT), including food-products retail market turnover to RUB 13 trillion (by 7% in monetary terms). Following the results of 2018, TOP 200 retailers FMCG formed about 45% of food retail trade turnover, and TOP 10 FMCG retailers – over 30%. As of September 30, 2019, the number of stores belonging to TOP 200 retailers FMCG amounted to more than 64.7 thousand, including 1157 hypermarkets, about 3.5 thousand supermarkets, about 39 thousand discounters and more than 20 thousand convenience stores. Total selling space of the TOP 200 chains amounted to over 26 million sq. m, including hypermarkets – about 6 million sq. m, supermarkets – over 3.3 million sq. m. discounters – about 14 million sq. m and convenience stores – more than 2.7 million sq. m.

Relevancy: In 2018 the retail trade turnover in the Russian Federation in physical terms increased by 2.6%, and sales of food products (including beverages) and tobacco products increased by 1.7%. The 200 largest retail chains FMCG (including specialized chains and shops at gas stations) described in the survey form more than 45% of the retail turnover of food products in Russia, and the share of the top 10 FMCG largest retail chains – 30.8%.

Research use: benchmarking, analysis of competitors and partners, marketing and strategic planning, searching for customers and partners, preparation for negotiations with retail chains.

Time framework: Dynamics from 2014 (market capacity and dynamics) and 2015 (operational and financial indicators of largest FMCG chains), the rating on revenue and operating performance at the results of 2018, tendency of development in 2019 and forecast for 2019-2024 (retail market capacity and dynamics, consumer incomes, strategy and plans of the largest FMCG chains).

Research preferences: Monthly analysis and structured description of the consumer market. Most important events in food retail, including governmental regulation (new legislative acts and initiatives). Monthly monitoring of more than 200 largest FMCG chains (corporate events, operational, financial and investment activity).

Terms of sending the review: 14-16th working day of the month following the reporting (Russian version), 14-16th working day of the month following the reporting (English version).

Formats described in the review: the review includes a description of such formats of retail trade as the formats hypermarket, supermarket, discounter, convenience store, which includes both universal and specialized chains (alcohol, meat, milk, etc.). The classification of modern trade objects is presented in **Appendix 1**.

Research methods and data sources

- regular monthly expert surveys and interviews with representatives of more than 200 FMCG retail chains in Russia;
- survey of 200 largest FMCG retail chains, and monitoring and analysis of operational and financial indicators of more than 700 retail chains presented in the **Analytical database "700 FMCG retail chains"**;
- Quarterly review **"Food Retail and Consumer market of Russia No. 3, 2019"**;
- Research **"Food Retail and Consumer market of Russia. Results of 2018 and trends of 2019. Development prospects till 2021"** in Russian and English.
- Research **"Non-Food Retail and Consumer market of Russia. Results of 2018 and trends of 2019. Development prospects till 2021"** in Russian and English.
- Research **Foodtech: online trade and delivery services. Rating INFOLine Russia TOP online food retail. Results of 2018 (annual subscription for 2019 is also available)**
- Research **"INFOLine Retail Russia TOP 100. The results of 2018. Trends of 2019. Forecast till 2021 (standard and extended versions)**.
- monitoring of the retail real estate market state, implementation of investment projects, commissioning of retail real estate: **Largest hypermarkets and trading centers of Russia under construction. Projects of 2018-2021**;
- monitoring of over 2000 mass media sources and highlighting of landmark events on the FMCG retail market, carried out by INFOLine since 2002 as part of its services. **"Thematic news: Food retail and retail chains FMCG RF"**, **"Thematic news: Food industry and food market of the Russian Federation"** and **"Thematic news: Retail trade of the Russian Federation"**.

Russian consumer market and FMCG retail chains rating consists of the following sections:

- **Rating of FMCG retail chains of Russia.** Operational results of 200 largest FMCG chains by formats: stores number and selling space dynamics (hypermarket, supermarket, discounter, convenience store). The most significant stores opening and closing. Ratings by number, selling space, revenue of TOP FMCG chains in Russia (with over RUB 11.4 bn in revenue), selling space growth structure and dynamics by chains and formats.
- **Section I. Retail trends and development in Russia.** Macroeconomic retail: turnover and money supply dynamics, turnover forecast. Leading indicator of retail development. Structure of retail turnover by businesses types. Regional structure of retail turnover. Food market inflation. Incomes and expenditures of population. Monetary policy. Consumer expectations and confidence of population.
- **Section II. Government regulation of retailing.** Governmental regulation of retail, online trade, regulation of alcohol, tobacco markets, tax regulation, regulation of products quality, non-cash payments in retail trade, marking of products, faster payments system.
- **Section III. Key events for FMCG retail in Russia.** Important events for FMCG retailers in Russia. Expert assessment of the Russian market by INFOLine’s specialists. Case – operational and analytical information on vital questions.
- **Section IV. Key events and plans of major FMCG chains.** Current information on largest FMCG retail chains in Russia: strategy and plans, results and forecasts, investments, stores opening and closing, stores opening in 2019-2020, new formats development, M&A, resignations and appointments, logistics, private label, interaction with consumers and suppliers, corporative events, top management and contact information.
- **Appendix 1. Classification of retail objects (modern formats) used by INFOLine**

The principle objective of the Rating of FMCG Retail Chains in Russia survey is to meet the demand for immediate, statistical and analytical information regarding the Russian retail market and FMCG chains for the above mentioned specialists. To be able to receive the forthcoming issues of the research, please, forward **your request** to INFOLine, E-mail: mail@advis.ru or by fax + 7 495 772 76 40 and +7 812 322 68 48 and **conclude a contract** for our information services.

Information about INFOLine agency



INFOLine information agency was established in 1999, its aim was to render information and advisory services to commercial organizations. The agency renders permanent information support to more than 1000 companies in Russia and worldwide. On daily basis INFOLine monitors publications in more than 5 000 MSM and carries out analytical research according to 80 subjects of

RF economy. Since 2003 INFOLine has been conducting various desk researches of the markets both on the customer’s request and on the Agency’s own initiative. When working on a market research, the Agency’s analysts make extensive use of their unique data support and their years-long experience of operating various data flows.

The research reports and surveys of INFOLine are used in their activities by the **largest FMCG retailers** (X5 Retail Group, Magnit, Auchan, Metro Cash&Carry, Lenta, O’KEY, DIXY, Globus, Azbuka Vkusa), **producers** (Procter&Gamble, Coca-Cola, Pepsi, SABMiller, Fazer, Mars, KraftHeinz, Colgate-Palmolive, United Confectioners), **distributors** (Megapolis GC), **financial** (Sberbank, VTB, etc.) and **service** companies (GC Servis-plus, Wincor-Nixdorf).

For additional information you are welcome to visit our sites at www.infoline.spb.ru and www.advis.ru

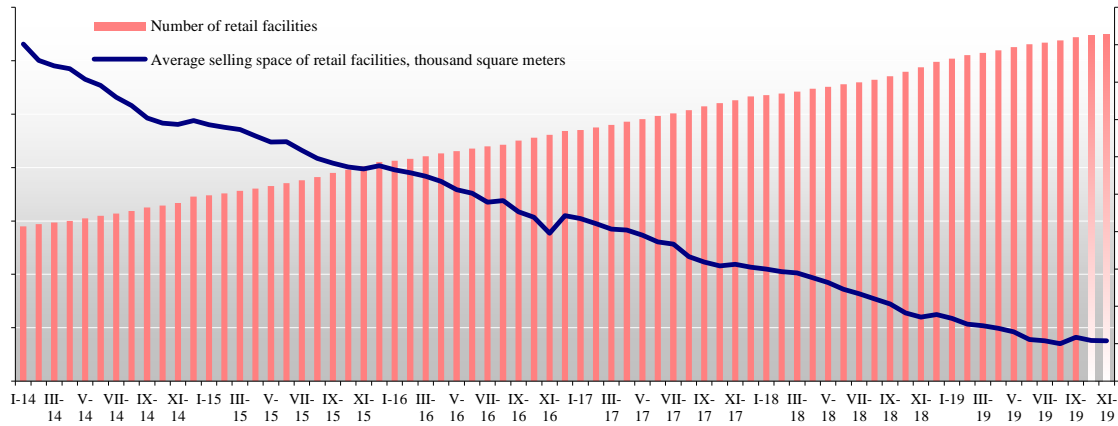


Rating of FMCG retail chains of Russia

TOP 200 FMCG chains performance

Over **November 2019**, the number of stores belonging to TOP 200 FMCG retailers increased by * while selling space – by * thousand sq. m. Over **January-November 2019**, the number of stores belonging to TOP 200 FMCG retailers increased by *, while selling space – by * thousand sq. m.

Figure 1. Dynamics of number of stores and their selling space of 200 largest retailers of Russia in 2014-2019 (at the end of the period)



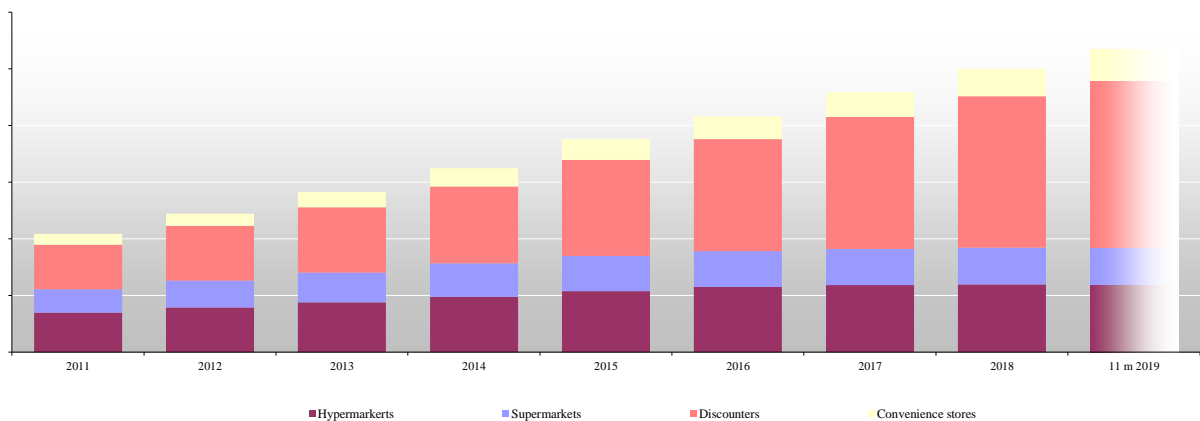
Data source: INFOLine

As of **November 30, 2019**, the total number of TOP 200 FMCG retailers' stores was * while their total selling space was more than * million sq. m.

<...>

In 2019, the number of objects and retail space in the formats supermarket and hypermarket continued to reduce. Retailers open hypermarkets with reduced space (e.g., Globus, O'KEY), carry out a reformatting (X5 Retail Group rebranded a number of Karusel hypermarkets to the Perekrestok in "large supermarket" format). By 2021 X5 Retail Group plans to transform 34 Karusel hypermarkets into "large supermarket" format, and by 2022 – to shut down 20 hypermarkets. <...>

Figure 2. The structure of selling space of 200 largest retailers of Russia by formats in 2011-2019, thousand sq. m.



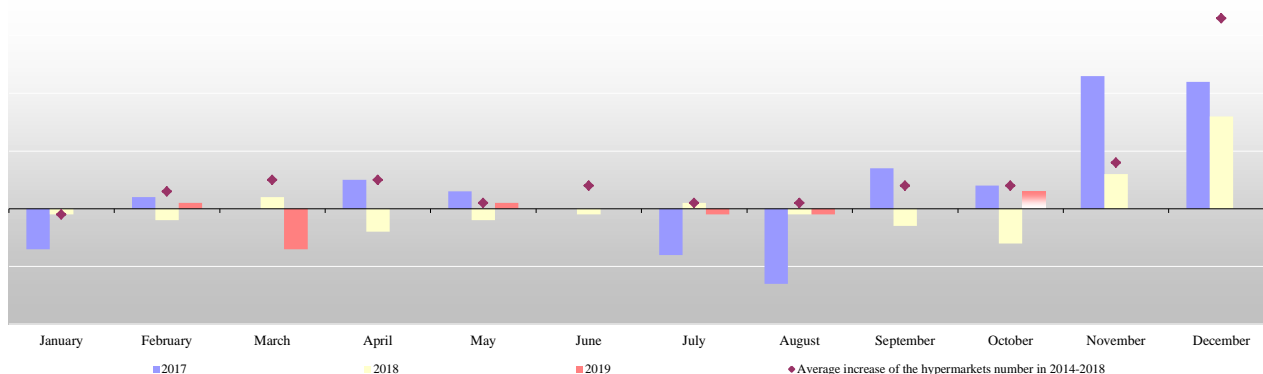
Data source: INFOLine

The most dynamic growth of selling space in 2019 was demonstrated by the discount stores, the share of which in the selling space structure grew by * p.p. up to * % in January-November 2019.

Hypermarket Format Development

In **November 2019** the number of hypermarkets belonging to TOP 200 FMCG retailers increased by *, while selling space increased by * thousand sq. m. In **January-November 2019** the number of hypermarkets belonging to TOP 200 FMCG retailers decreased by *, while selling space increased by * thousand sq. m

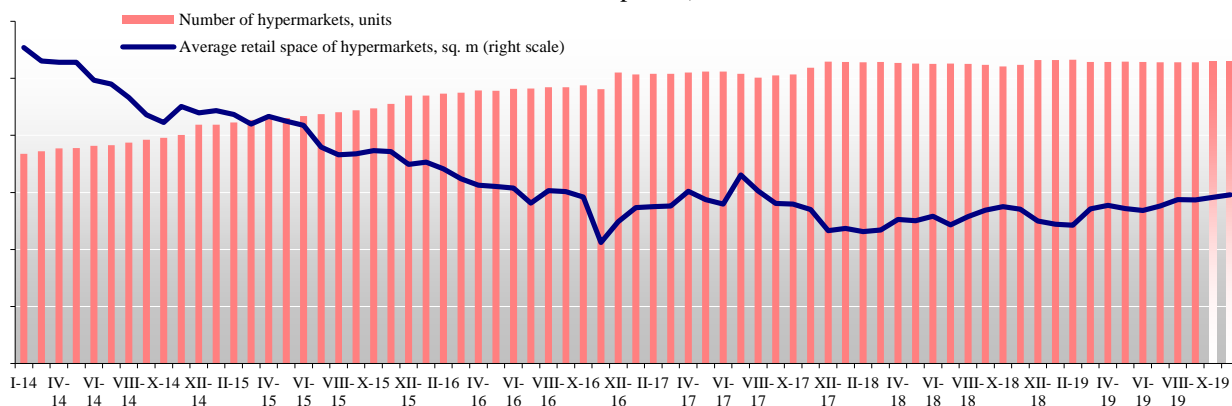
Figure 3. Dynamics of hypermarkets number of 200 largest retailers of Russia in 2017-2019 on monthly basis



Data source: INFOLine

In **November 2019**, the following hypermarkets were opened: 2 Lenta hypermarkets in St. Petersburg and Samara, Bystronom hypermarket (Megatorg, LLC) in Novosibirsk, and a hypermarket of Nevada, GC under a new brand Brosko Market in Khabarovsk. At the same time, in **November 2019** Nasha Raduga hypermarket (Auchan Retail Russia) was closed in Yaroslavl <...>

Figure 4. Dynamics of number and retail space of hypermarkets of 200 largest retailers of Russia in 2014-2019 (at the end of the period)



Data source: INFOLine

The total number of hypermarkets of TOP 200 FMCG retailers as of **November 30, 2019** – **1161** with total retail space about * million sq. m.

***** DEMO VERSION*****

Research (full version) also includes the description of development of supermarket format, discounter format and convenience store format

The section was supplemented by the retail space structure by formats of the 200 largest retailers in Russia, the charts were supplemented by the dynamics of the average retail space by formats and the average growth of objects over the past 5 years

***** DEMO VERSION*****

Rating of Russia's FMCG retail chains by number of outlets

INFOLine *monthly* collects information regarding stores number about 200 major FMCG retailers

Expansion dynamics by number of stores

The table shows data as of the end of 2015-2018 and as of the end of October 2019. Dynamics of stores number is given for the reporting month and for the period from the beginning of 2019. The dynamics of number of stores belonging to the largest retailers in 2015-2019 is given in the table below.

Table 1. Number of stores of the largest¹ FMCG chains in 2015-2019

Legal name	Brand	Main formats ²	Number of stores as of period end				Dynamics of stores number									
			2015	2016	2017	2018	Nov. 2018	Nov. 2019	Nov. 2019	Q3 2018	Q3 2019	Jan.-Nov. 18	Jan.-Nov. 19			
X5 Retail Group (TD Perekrestok, JSC) ³ The officially disclosed data as of September 30, 2019, dynamics for 9m	Pyaterochka	D	6265	8363	11225	13522	*	*	*	*	↑ 508	↑ 465	*	*	*	*
	Perekrestok	S	478	539	638	760	*	*	*	*	↑ 21	↑ 26	*	*	*	*
	Karusel, Perekrestok Hyper	H	90	91	93	94	*	*	*	*	↓ -1	↑ 1	*	*	*	*
	Perekrestok-Express ⁴	C	187	194	165	55	*	*	*	*	↓ -21	→ 0	*	*	*	*
	all brands	all formats	7020	9187	12121	14431	*	*	*	*	↑ 507	↑ 492	*	*	*	*
Magnit, PC (Tander, JSC) ⁵ The officially disclosed data as of September 30, 2019, dynamics for 9m	Magnit hypermarket	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Magnit	D	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Magnit Family, Magnit-OPT	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Magnit-Cosmetic	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	all brands	all formats	*	*	*	*	*	*	*	*	*	*	*	*	*	*
GC Krasnoe&Beloe	Krasnoe&Beloe	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	DIXY	D	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Minimart	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*
DIXY Yug, JSC ⁶ The data as of September 30, 2019, dynamics for 9m	Megamart	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Deshevo, Kvartal	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Viktoria	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Cash	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	all brands	all formats	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Albion-2002, LLC	Bristol, Bristol Express, Sem Pyatnits, Smart-Express	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*
DKBR Mega Retail Group Limited⁷	All brands	All formats	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Lenta, LLC	Lenta	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Lenta	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	all brands	all formats	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Auchan Retail Russia (Auchan, LLC; Atak, LLC)	ATAK	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	AUCHAN, AUCHAN City, AUCHAN Supermarket, My AUCHAN	H, S, C	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	all brands	all formats	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Metro AG (METRO Cash and Carry LLC)	METRO, METRO Punct, real,-	H, S	*	*	*	*	*	*	*	*	*	*	*	*	*	*
O'KEY, LLC	O'KEY	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Fresh Market, LLC	DA!	D	*	*	*	*	*	*	*	*	*	*	*	*	*	*
O'KEY, LLC	all brands	all formats	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Spar (all legal entities)	SPAR, EUROSPAR, SPAR Express, INTERSPAR	H, S, C	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Monetka, GK (Element -Trade, LLC)	Monetka, Rait	H, S, D	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Hyperglobus, LLC	Globus	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Maria-Ra GC	Maria-Ra	S, D	*	*	*	*	*	*	*	*	*	*	*	*	*	*
GC Torgservis	Svetofor, Mayak	H, D	*	*	*	*	*	*	*	*	*	*	*	*	*	*
TH Intertorg, LLC	Narodnaya 7Ya, Ideya, SPAR, Spar Express	H, S, D, C	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Gorodskoy Supermarket, LLC	Azbuka Vkusa, AV Market, AV Daily, Enoteka	H, S, C	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Kamelot-A, LLC	Yarche!	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*
VkusVill, LLC	VkusVill	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*

Source: data of companies, INFOLine

¹ Includes chains with revenue of over RUB 11.4 bn in 2018.

² H – hypermarket, S – supermarket, D – discounter, C – convenience store.

³ Due to the peculiarities of the information disclosure procedure applied by X5 Retail Group (once per quarter), the number of stores is presented as of September 30, 2018-2019, dynamics of retail objects number for January-September 2018-2019.

⁴ In Q1 2019 X5 Retail Group stopped developing the format.

⁵ Due to the peculiarities of the information disclosure procedure applied by Magnit PJSC (once per quarter), the number of stores is presented as of September 30, 2018-2019, dynamics for January-September 2018-2019.

⁶ In 2018, INFOLine provides data on the company quarterly: the total number of objects is given as of 30 September 2018-2019., dynamics of number of trading objects - for January-September 2018-2019.

⁷ INFOLine provides data on the combined company on a quarterly basis, in accordance with the quarterly disclosures of Dixy group.

Rating of Russia's FMCG retail chains by retail space volume

INFO Line **monthly** collects information regarding retail space of about 200 major FMCG retailers

Dynamics of retail space of the largest retailers

The table shows data as of the end of 2015-2018 and as of the end of October 2019. Dynamics of retail space is given for the reporting month and for the period from the beginning of 2019. Major retailers' retail space dynamics in 2015-2019 is given in the table.

Table 2. The total retail space of the largest⁸ FMCG chains of Russia in 2014-2019, thousand sq. m

Legal name	Brand	Main formats ⁹	Retail space at the end of the period				Dynamics of retail space								
			2015	2016	2017	2018	Nov. 2018	Nov. 2019	Nov. 2019	Q3 2018	Q3 2019	Jan.-Nov. 18	Jan.-Nov. 19		
X5 Retail Group (TD Perekrestok, JSC) ¹⁰ <i>The officially disclosed data as of September 30, 2019, dynamics for 9m</i>	Pyaterochka	D	2422,6	3329,3	4426,8	5291,4	*	*	*	↑ 194,1	↑ 181,5	*	*	*	*
	Perekrestok	S	484,0	548,5	637,2	781,5	*	*	*	↓ 23,2	↑ 38,7	*	*	*	*
	Karusel, Perekrestok Hyper	H	390,1	386,9	385,3	382,0	*	*	*	↓ -4,2	↑ 2,4	*	*	*	*
	Perekrestok-Express ¹¹	C	36,4	37,1	30,4	8,8	*	*	*	↓ -4,1	→ 0,0	*	*	*	*
	all brands	all formats	3333,1	4301,8	5479,7	6463,7	*	*	*	↑ 209,0	↑ 222,6	*	*	*	*
Magnit, PC (Tander, JSC) ¹² <i>The officially disclosed data as of September 30, 2019, dynamics for 9m</i>	Magnit hypermarket	H	*	*	*	*	*	*	*	*	*	*	*	*	*
	Magnit	D	*	*	*	*	*	*	*	*	*	*	*	*	*
	Magnit Family, Magnit-OPT	S	*	*	*	*	*	*	*	*	*	*	*	*	*
	Magnit-Cosmetic	C	*	*	*	*	*	*	*	*	*	*	*	*	*
	all brands	all formats	*	*	*	*	*	*	*	*	*	*	*	*	*
GC Krasnoe&Beloe	Krasnoe&Beloe	C	*	*	*	*	*	*	*	*	*	*	*	*	*
	DIXY	D	*	*	*	*	*	*	*	*	*	*	*	*	*
	Minimart	S	*	*	*	*	*	*	*	*	*	*	*	*	*
	Megamart	H	*	*	*	*	*	*	*	*	*	*	*	*	*
	Deshevo, Kvartal	C	*	*	*	*	*	*	*	*	*	*	*	*	*
	all brands	all formats	*	*	*	*	*	*	*	*	*	*	*	*	*
DIXY Yug, JSC ¹³ <i>The data as of September 30, 2019, dynamics for 9m</i>	Bristol, Bristol Express, Sem Pyatnits, Smart-Express	C	*	*	*	*	*	*	*	*	*	*	*	*	*
	All brands	All formats	*	*	*	*	*	*	*	*	*	*	*	*	*
	Lenta	H	*	*	*	*	*	*	*	*	*	*	*	*	*
	Lenta	S	*	*	*	*	*	*	*	*	*	*	*	*	*
	all brands	all formats	*	*	*	*	*	*	*	*	*	*	*	*	*
	all brands	all formats	*	*	*	*	*	*	*	*	*	*	*	*	*
Auchan Retail Russia (Auchan, LLC; Atak, LLC)	ATAK	S	*	*	*	*	*	*	*	*	*	*	*	*	*
	AUCHAN, AUCHAN City, AUCHAN Supermarket, My AUCHAN	H, S, C	*	*	*	*	*	*	*	*	*	*	*	*	*
	all brands	all formats	*	*	*	*	*	*	*	*	*	*	*	*	*
Metro AG (METRO Cash and Carry LLC)	METRO, METRO Punct, real,-	H, S	*	*	*	*	*	*	*	*	*	*	*	*	*
O'KEY, LLC	O'KEY	H	*	*	*	*	*	*	*	*	*	*	*	*	*
Fresh Market, LLC	DA!	D	*	*	*	*	*	*	*	*	*	*	*	*	*
O'KEY, LLC	all brands	all formats	*	*	*	*	*	*	*	*	*	*	*	*	*
<i>Spar (all legal entities)</i>	<i>SPAR, EUROSPAR, SPAR Express, INTERSPAR</i>	<i>H, S, C</i>	*	*	*	*	*	*	*	*	*	*	*	*	*
Monetka, GK (Element-Trade, LLC)	Monetka, Rait	H, S, D	*	*	*	*	*	*	*	*	*	*	*	*	*
Hyperglobus, LLC	Globus	H	*	*	*	*	*	*	*	*	*	*	*	*	*
Maria-Ra GC	Maria-Ra	S, D	*	*	*	*	*	*	*	*	*	*	*	*	*
GC Torgservis	Svetofor, Mayak	H, D	*	*	*	*	*	*	*	*	*	*	*	*	*
TH Intertorg, LLC	Narodnaya 7Ya, Ideya, SPAR, Spar Express	H, S, D, C	*	*	*	*	*	*	*	*	*	*	*	*	*
Gorodskoy Supermarket, LLC	Azbuka Vkusa, AV Market, AV Daily, Enoteka	H, S, C	*	*	*	*	*	*	*	*	*	*	*	*	*
Kamelot-A, LLC	Yarche!	C	*	*	*	*	*	*	*	*	*	*	*	*	*
VkusVill, LLC	VkusVill	C	*	*	*	*	*	*	*	*	*	*	*	*	*

Source: data of companies, INFO Line

⁸ Includes chains with revenue of over RUB 11.4 bn in 2018.

⁹ H – hypermarket, S – supermarket, D – discounter, C – convenience store.

¹⁰ Due to the peculiarities of the information disclosure procedure applied by X5 Retail Group (once per quarter), total retail space is presented as of September 30, 2018-2019, dynamics for January-September 2018-2019.

¹¹ In Q1 2019 X5 Retail Group stopped developing the format.

¹² Due to the peculiarities of the information disclosure procedure applied by Magnit (once per quarter), total retail space is presented as of September 30, 2018-2019, dynamics for January-September 2018-2019.

¹³ In 2018 DIXY Group stopped disclosing information due to delisting of shares. INFO Line provides data on the company quarterly: total retail space is given as of 30 September 2018-2019., dynamics of retail space - for January-September 2018-2019.

¹⁴ INFO Line provides data on the combined company on a quarterly basis, in accordance with the quarterly disclosures of Dixy group.

Rating of Russia's FMCG retail chains by revenue

Financial performance of the largest FMCG chains in 2019

Financial indicators of public companies as of November 2019 are presented in the table (in brackets – negative indicators).

Table 3. Financial indicators (excluding VAT, IFRS 16) of the largest FMCG retail chains for 2019, RUB bn.

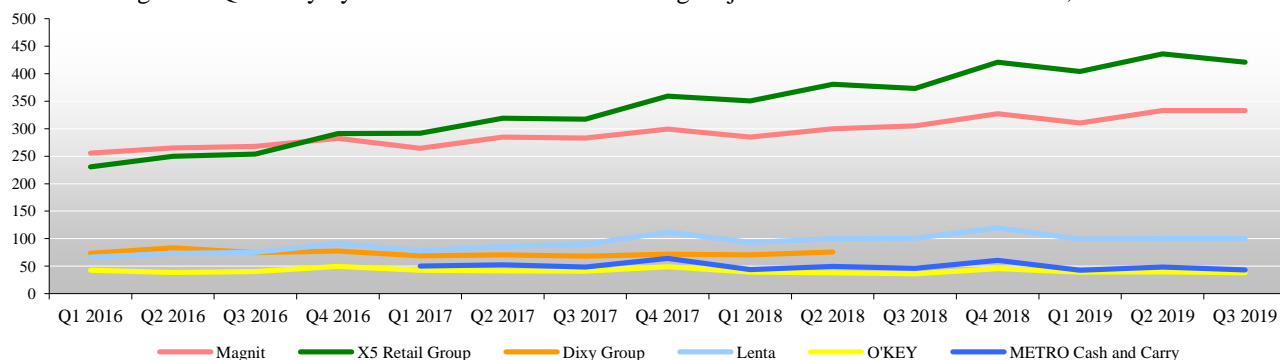
Legal name	Brand	Main formats ¹⁵	Revenue for the 9m 2019	9m 2019 vs 9m 2018, %	LfL 9m 2019, %	Revenue in Q3 2019	Q3 2019 vs. Q3 2018, %	LfL Q3 2019, %
X5 Retail Group N.V.	Pyaterochka	D	*	*	*	*	*	*
	Perekrestok	S	*	*	*	*	*	*
	Karusel	H	*	*	*	*	*	*
	Total retail revenue	C, D, S, H	*	*	*	*	*	*
	Wholesale revenue	-	*	*	*	*	*	*
	Total for the company¹⁶	C, D, S, H	*	*	*	*	*	*
Magnit, PC (Tander, JSC)	Magnit	D	*	*	*	*	*	*
	Magnit Family, Magnit OPT, Magnit Hypermarket	S, H	*	*	*	*	*	*
	Magnit-Cosmetic	C	*	*	*	*	*	*
	Other	-	*	*	*	*	*	*
	Total retail revenue	D, H, C	*	*	*	*	*	*
	Wholesale revenue	-	*	*	*	*	*	*
	Total for the company¹⁷	D, H, C	*	*	*	*	*	*
Lenta, LLC	Lenta	H	*	*	*	*	*	*
	Lenta	S	*	*	*	*	*	*
	Total retail revenue	S, H	*	*	*	*	*	*
	Wholesale revenue	-	*	*	*	*	*	*
	Total for the company	S, H	*	*	*	*	*	*
METRO Cash and Carry, LLC	METRO, METRO Punct	S, H	*	*	*	*	*	*
O'KEY, LLC ¹⁸	O'KEY	H	*	*	*	*	*	*
	DA!	D	*	*	*	*	*	*
	Total retail revenue	D, H	*	*	*	*	*	*

Source: company's data

Financial performance indicators of the largest public retailers at the end of 2017-2018, 9m 2018-2019 and Q3 2018-2019 are shown in the table below <...>

The diagram shows the quarterly dynamics of retail revenue of major FMCG chains in Russia, carrying out official disclosure of revenue.

Figure 5. Quarterly dynamics of retail revenue among major FMCG chains in 2016-2019, RUB bn¹⁹



Data source: FSSS

***** DEMO VERSION*****

Research (full version) also includes financial results and the year and quarter, diagrams with LfL indicator by revenue, average ticket, traffic of public retail chains

***** DEMO VERSION*****

¹⁵ Conventions: D – Discounter, H – Hypermarket, S – Supermarket, C – Convenience store

¹⁶ Retail revenue according to IFRS.

¹⁷ Retail revenue according to unaudited accounts.

¹⁸ The data on revenue and dynamics is given adjusted for the effect of supermarket sale (according to the company's reports).

¹⁹ DIXY has ceased to disclose data in connection with the reorganization of PJSC to JSC (joint stock company).

Financial performance of the largest FMCG chains in 2015-2019

In H1 2019, the revenue of the TOP-50 FMCG chains in Russia increased by *% to RUB 3.04 trln. Following the results of 2018, the growth was slower – *% to RUB *trln.

Such international retailers as Auchan Retail Russia and METRO AG continue to show revenue reductions in Russia. So, at the end of H1 2019, according to INFOline estimates, the revenue of Auchan Retail Russia decreased by almost 12%, METRO AG – by 2.8%. <...>

The dynamics of revenue of TOP-50 retailers in 2015-2019 is shown in the table (in brackets-negative indicators). Companies are ranked in descending order of revenue for 2018.

Table 4. TOP 50 retailers' revenue in 2015-2019

Legal name	Brand	Main formats ²⁰	Data	2015	2016	2017	2018	2018 vs 2017, % ²¹	H1 2018	H1 2019	H1 2019 vs H1 2018, %
X5 Retail Group (TD Perekrestok, JSC)	Karusel, Perekrestok Hyper	H	IFRS (revenue)	*	*	*	*	*	*	*	*
	Perekrestok	S		*	*	*	*	*	*	*	*
	Pyaterochka	D		*	*	*	*	*	*	*	*
	Perekrestok-Express	C		*	*	*	*	*	*	*	*
	All brands	All formats		*	*	*	*	*	*	*	*
Magnit, PC (Tander, JSC)	Magnit	D	IFRS (revenue)	*	*	*	*	*	*	*	*
	Magnit hypermarket	H, S		*	*	*	*	*	*	*	*
	Magnit Family, Magnit-OPT			*	*	*	*	*	*	*	*
	Magnit-Cosmetic	C		*	*	*	*	*	*	*	*
	All brands²²	All formats		*	*	*	*	*	*	*	*
GC Krasnoe&Beloe	Krasnoe&Beloe	C	estimation	*	*	*	*	*	*	*	*
DIXY Yug, JSC	Dixy, Megamart, Minimart, Kvartal, Victoriya, Cash	H, S, D, C	IFRS (revenue)	*	*	*	*	*	*	*	*
Albion-2002, LLC	Bristol, Bristol Express, Sem Pyatnits, Smart-Express	C	management accounting, estimation	*	*	*	*	*	*	*	*
DKBR Mega Retail Group Limited	All brands	All formats	IFRS (retail revenue), evaluation, management reporting	*	*	*	*	*	*	*	*
Lenta, LLC	Lenta	H, S	IFRS (total revenue)	*	*	*	*	*	*	*	*
Auchan Retail Russia (Auchan, LLC; Atak, LLC)	AUCHAN, AUCHAN City, AUCHAN Supermarket, My AUCHAN, ATAK	H, S, C	management accounting, RAS, estimation	*	*	*	*	*	*	*	*
Metro AG (METRO Cash and Carry LLC)	METRO, METRO Punct, real,-	H, S	estimation	*	*	*	*	*	*	*	*
O'KEY LLC	O'KEY, O'KEY-Express, DA!	H, S, C	IFRS (revenue)	*	*	*	*	*	*	*	*
<i>Spar (all legal entities)²³</i>	<i>SPAR, EUROSPAR, SPAR Express, INTERSPAR</i>	<i>H, S, C</i>	<i>management accounting</i>	*	*	*	*	*	*	*	*
Element-trade, LLC	Monetka, Rait	H, S, D	management accounting, RAS	*	*	*	*	*	*	*	*
Hyperglobus, LLC	Globus	H	management accounting, estimation	*	*	*	*	*	*	*	*
Maria-Ra GC	Maria-Ra	S, D	management accounting	*	*	*	*	*	*	*	*
GC Torgservis	Svetofor, Mayak	H, D	management accounting, RAS, estimation	*	*	*	*	*	*	*	*
TH Intertorg, LLC	Narodnaya 7Ya, Ideya, SPAR, Spar Express	H, S, D, C	management accounting, RAS, estimation	*	*	*	*	*	*	*	*
Gorodskoy Supermarket, LLC	Azbuka Vkusa, AV Market, AV Daily, Enoteka	H, S, C	management accounting	*	*	*	*	*	*	*	*
Kamelot-A, LLC	Yarche!	C	management accounting, estimation	*	*	*	*	*	*	*	*
VkusVill, LLC	VkusVill ²⁴	C	management accounting, RAS, estimation	*	*	*	*	*	*	*	*

Source: data of companies, INFOline estimations

²⁰ H – hypermarket, S – supermarket, D – discounter, C – convenience store. The classification of retail outlets is given in Appendix 1.

²¹ Negative indicators are given in brackets.

²² The data, excluding pharmacies.

²³ Taking into account subfranchising stores.

²⁴ All Izbenka stores are closed.



Detailed information on indicators and development of retail chains is given in section IV "Key events and plans of major FMCG chains".

***** DEMO VERSION *****

Research (full version) also includes financial results and the year and quarter, diagrams with LFL indicator by revenue, average ticket, traffic of public retail chains

***** DEMO VERSION *****

TOP 200 FMCG retail chains development

Performance for 2014-2018

As of January 1, 2019 the aggregate selling space of TOP 200 FMCG retail chains (excluding Magnit Cosmetic drogeries and Magnit Apteka chains) was more than * million sq. m. According to the results of 2018, the increment of selling space among 200 major chains reached over * thousand sq. m (in 2017 – * thousand sq. m, in 2016 – * thousand sq. m, in 2015 – * thousand sq. m, in 2014 – * thousand sq. m,) or *% (in 2017 – *%, in 2016 – *%, in 2015 – *%, in 2014 – *%). In 2018, the share of TOP 11 retailers in the growth of retail space decreased to *%, against *% at the end of 2017.

Table 5. Dynamics of selling space growth among TOP 200 Russian retailers in 2014-2018

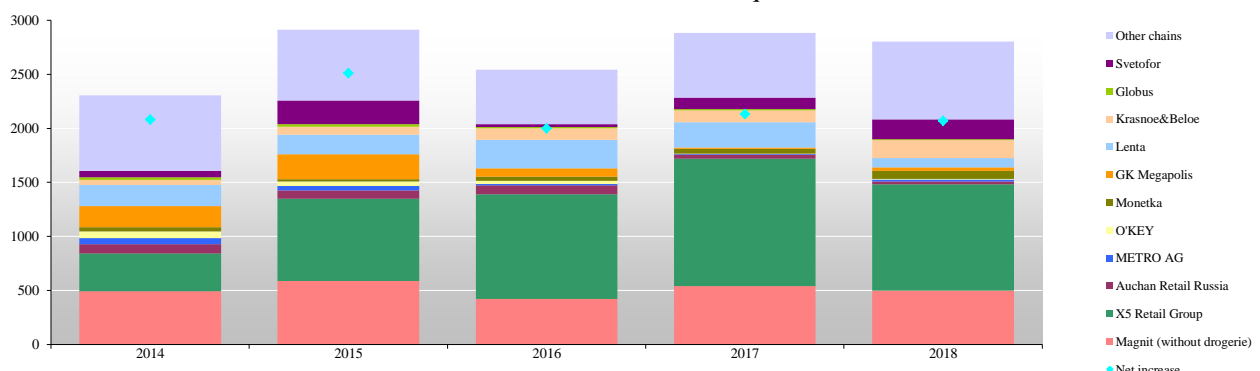
Dynamics	2014		2015		2016		2017		2018	
	Number of chains	Change in space, thousand sq. m	Number of chains	Change in space, thousand sq. m	Number of chains	Change in space, thousand sq. m	Number of chains	Change in space, thousand sq. m	Number of chains	Change in space, thousand sq. m
Chains, which increased their selling space	*	*	*	*	*	*	*	*	*	*
Chains with invariable selling space	*	*	*	*	*	*	*	*	*	*
Chains, which decreased their selling space	*	*	*	*	*	*	*	*	*	*
Total selling space for TOP 200, million sq. m		*		*		*		*		*

Data source: INFOLine FMCG Retail Russia TOP

<...>

The largest contribution to the growth of selling space in 2018 was made by X5 Retail Group, Magnit, Krasnoe&Beloe and Lenta. <...>

Figure 6. Dynamics of selling space growth of TOP 200 retailers of Russia (excluding retailers that reduced retail space)²⁵; 2014-2018, thousand sq. m



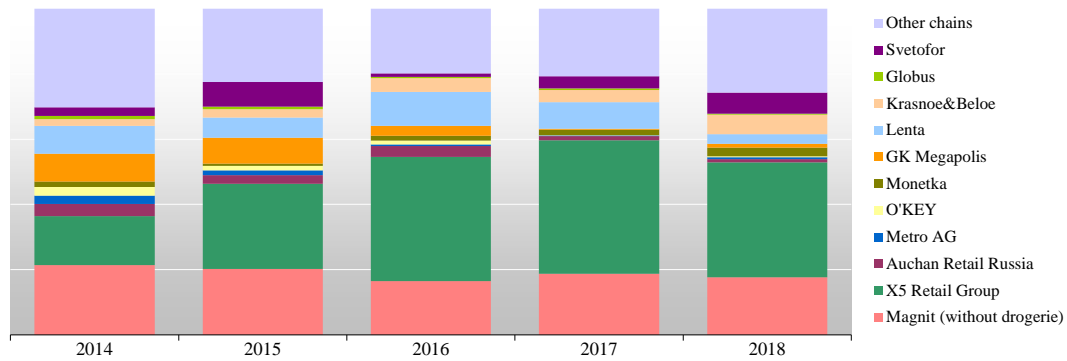
Data source: INFOLine

<...> The increase in the number of the Magnit chain facilities in 2018 (* objects, excluding Magnit Cosmetic and Magnit Apteka pharmacies) was lower than the record figure of 2017 (* objects, excluding Magnit Cosmetic and Magnit Apteka pharmacies). In connection with the optimization of the portfolio of large-format

²⁵ INFOLine does not include opening of Lenta stores and selling space as of the first day of the month, however, they are included in the official records of the chain.

facilities, the Magnit hypermarkets, the increase in selling space was mainly due to the Magnit discounters.

Figure 7. 200 major retailers' selling space growth structure (excluding retailers that decreased space)²⁶ in 2014-2018, %



Data source: INFOLine

<...> In 2018, GK O'KEY increased the selling space by 7.1 thousand sq. m., having opened 18 DA! Discounters and 2 O'KEY hypermarkets (one of them in Moscow, after renovation), and closed 3 DA! Discounters and O'KEY supermarket. In December 2017, X5 Retail Group acquired 32 supermarkets of O'KEY, which were by the end of April 2018, and in June 2018 were opened after rebranding into Perekrestok retail chain. <...>

Figure 8. 200 major retailers' selling space growth structure (exclusively of retailers with decreased space)²⁷ in 2017, %

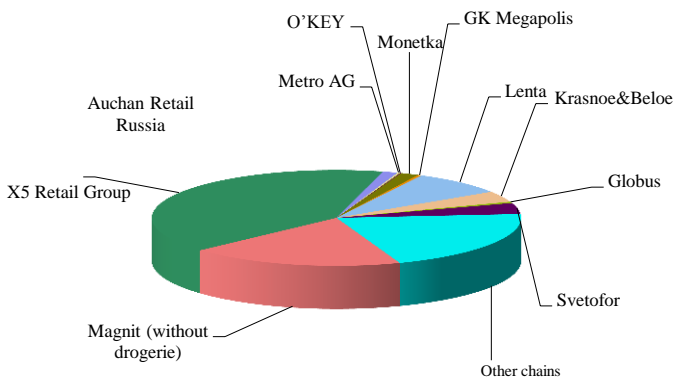
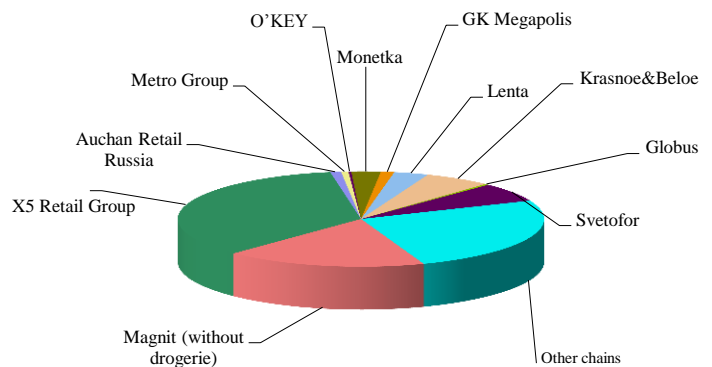


Figure 9. 200 major retailers' selling space growth structure (exclusively of retailers with decreased space)²⁸ in 2018, %



<...>

***** DEMO VERSION*****

The full text of the section contains structure and dynamics of TOP 200 FMCG retail chains for quarter, as well as for H1 and 9m depending on the publication.

***** DEMO VERSION*****

²⁶ INFOLine does not include opening of Lenta stores and selling space as of the first day of the month, however, they are included in the official records of the chain.

²⁷ INFOLine does not include opening of Lenta stores and selling space as of the first day of the month, however, they are included in the official records of the chain.

²⁸ INFOLine does not include opening of Lenta stores and selling space as of the first day of the month, however, they are included in the official records of the chain.



Section I. Retail trends and development in Russia

Macroeconomic retail trade indicators

Macroeconomic indicators

In Q3 2019 Russia's GDP growth, according to preliminary data of the FSGS amounted to *%. According to MED's estimation, the greatest positive contribution (about *p.p.) and export restoration was made by <...>

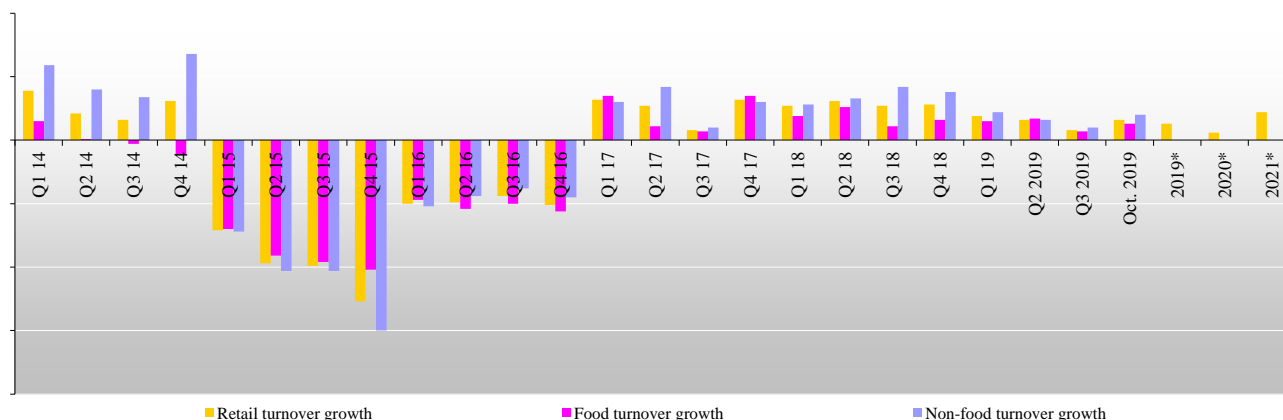
On September 30, 2019, the Ministry of Economic Development has published the new Forecast for the social and economic development of the Russian Federation for 2019–2024 <...>

Retail trade indicators

<...> In January-October 2019 retail turnover amounted to RUB *billion increased by *% in its commodity weight vs. January-October 2018 (during January-October 2018 it increased by *%). <...>

The dynamics of retail turnover in Russia in 2014-2019 and the basic forecast made by the Ministry of Economic Development and Trade for 2019-2024 are presented in the diagram.

Figure 10. Main consumer market indicators in 2013-2018 and forecast for 2019-2021, % against the same period of previous year



Data source: FSSS and the forecast of the Ministry of Economic Development and Trade from August 2019

<...>
In September 2019, the Ministry of Economic Development published a forecast of social and economic development of Russia, according to which the growth in retail sales in 2019 will reach *% (earlier – *%) and *% in monetary terms. <...>

Table 6. Retail turnover dynamics in Russia in 2014-2018 and forecast till 2019-2024

Period	Turnover. bn RUB	In % to corresponding period of previous year	
		In comparable prices, %	In current prices. %
2014	26356,2	102,7	111,3
...
Q1 2017	6753,1	98,4	104,0
...
2017	29745,5	101,3	105,3
October 2019	2894,5	101,6	105,5
January-October 2019	27126,1	101,5	106,4
...
2019 (forecast)	33617	101,3	106,5
2024 (forecast)

Data source: FSSS data, forecast of the Ministry of Economic Development from September 2019, calculations of INFOLine

In October 2019, the volume of the money base in its wide sense that characterizes money supply on the part of monetary regulation bodies increased by RUB * bn against September 2019 (increased by RUB * bn in October 2018).

<...>

Main indicators of retail development²⁹

Figure 11. Retail turnover in Russia in 2014-2019

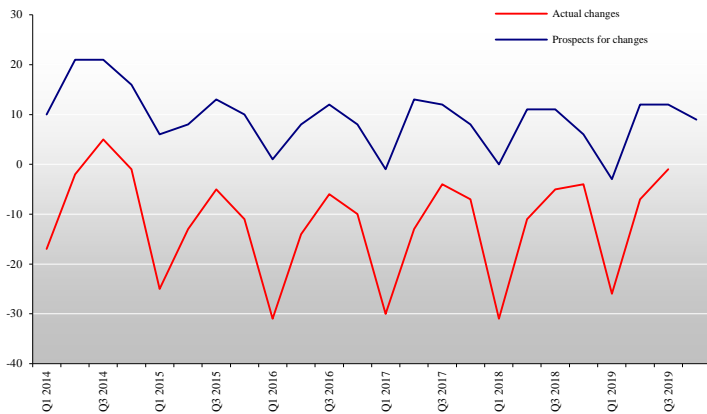
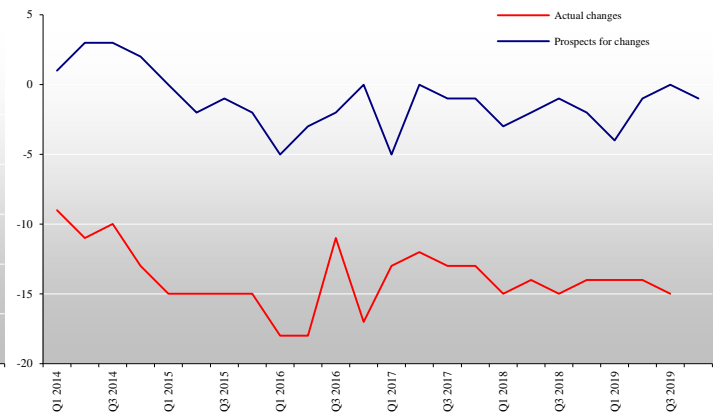


Figure 12. Average number of employees in retail in Russia in 2014-2019



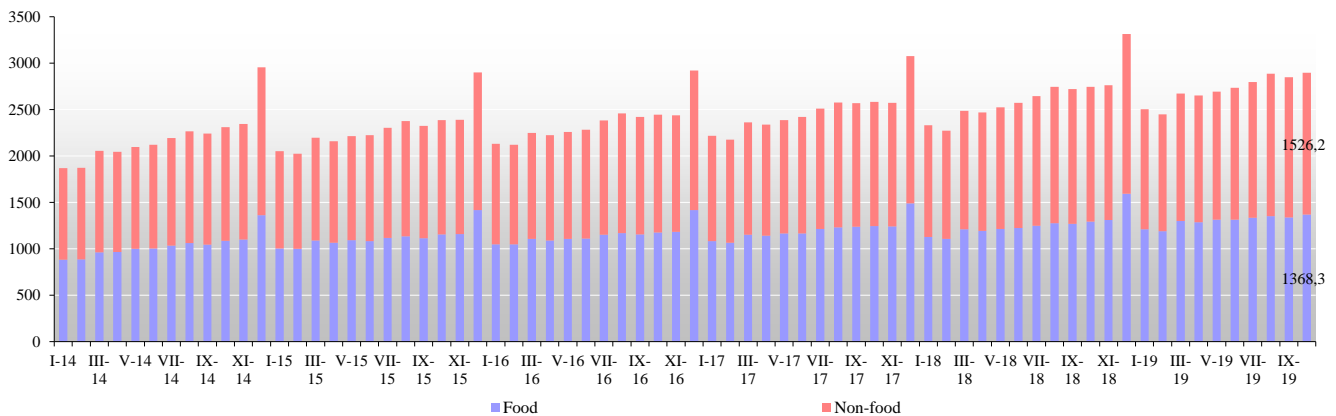
Data source: FSSS

Structure of retail turnover by the category of products

In October 2019, retail turnover decreased by *% (in October 2018 – by *%), including indicators for food products – by *% (in October 2018 decreased by *%), and non-food products – by *% (in October 2018 – decreased by * pp). <...>

<...> In October 2019 the share of food products in the structure of the retail turnover increased by * p.p. vs October 2018 and amounted to *%.

Figure 13. Retail turnover structure by product groups in 2014-2019 (by months), RUB bn



Data source: FSSS

Table 7. Structure of retail turnover in terms of product groups in 2014-2019

Indicator	2014	2015	2016	2017	2018	Oct. 18	Oct. 19	Jan-Oct 2018	Jan-Oct 2019
Retail turnover	26356.2	27526.8	28240.9	*	*	*	*	*	*
Food	12380.8	13412.3	13716.6	*	*	*	*	*	*
Non-food	13975.4	14114.5	14524.3	*	*	*	*	*	*
Food share. %	47.0	48.7	48.6	*	*	*	*	*	*
Non-food share. %	53.0	51.3	51.4	*	*	*	*	*	*

Data source: FSSS

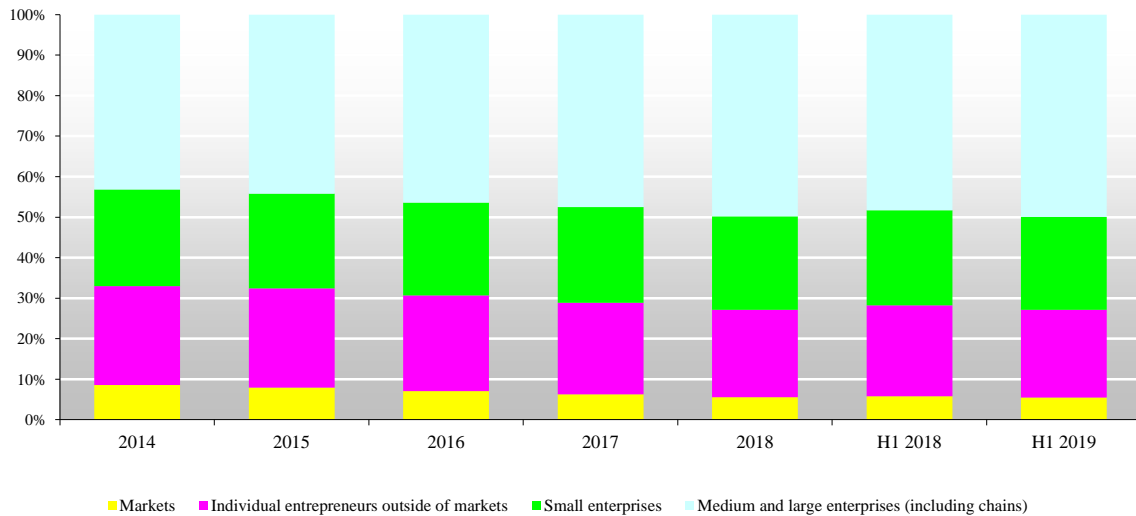
²⁹ The index of entrepreneurial confidence in retail is calculated as the arithmetic mean value of evaluation balances for the level of storage stock (with the opposite sign), changes in economic situation during the current quarter as compared with the previous one and expected changes in economic situation during the coming quarter (in percentage points). The seasonal component in time series of the index is not excluded.

Balance of indicators changes estimations (actual turnover changes; actual employees number changes; stock reserves actual changes of product mix; selling prices; average margin level; actual changes of investments into business expansion, repair and modernization; prospective changes in storage space; actual changes in provision with own financial resources; profit), which is determined as difference between respondents' share with "positive" and "negative" assessments of changes in comparison with the previous quarter (%). The seasonal component in time series of the index is not excluded.

Structure of retail turnover by the category of retailer

<...> The share of markets in the retail structure continued to decrease in H1 2019 (*pp. vs. H1 2018), and the share of medium-size businesses decreased by * pp., the share of small enterprises – by * pp. and the share of micro enterprises did not change. <...>

Figure 14. Retail turnover structure by business types in 2014-2019, %



Data source: FSSS

According to Rosstat (Federal State Statistics Service), the population purchased about 6% of food, tobacco and non-food products in retail markets and fairs in 9m 2019. <...>

Table 8. Structure of sales at markets and fairs in actual prices during 9m 2019, %

Product	Share of markets and fairs in total sales of the respective product group in actual prices, %	
	9m 2019	9m 2018
Meat and meat products	8.8	9.2
animal meat	23.8	25.0
poultry meat	6.5	6.7
products from meat and poultry meat	3.8	4.1
preserves from meat and poultry meat	3.1	3.2
Fish, crustaceans and shellfish	7.1	7.2
...

Data source: FSSS

<...>

Regional structure of retail turnover

The regional structure of the retail turnover of Russia is characterized by its inhomogeneity: in January-October 2019 *% of the turnover accounted for 11 territorial entities (Moscow, Moscow Region, St. Petersburg, Krasnodar Territory <...>

Figure 15. Retail turnover structure by regions of Russia in January-October 2018, %

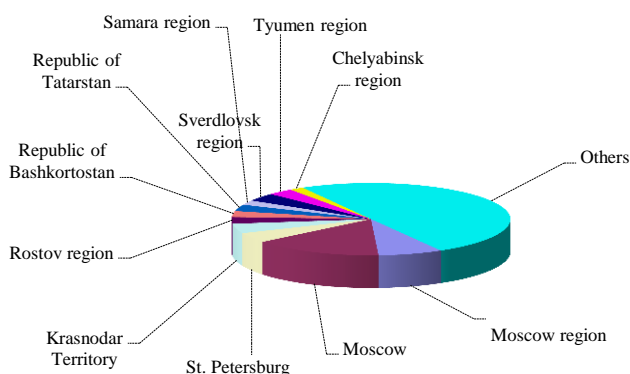
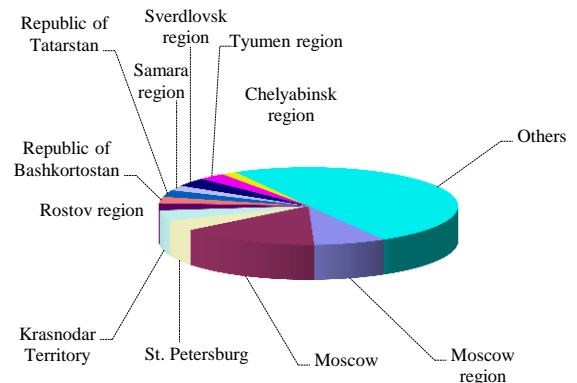


Figure 16. Retail turnover structure by regions of Russia in January-October 2019, %



Data source: FSSS

<...> In January-October 2019, the reduction of retail turnover volumes among the largest regions of the Russian Federation (share in the turnover of retail trade in the Russian Federation more than 1%) was demonstrated only by the Republic of Dagestan (*%). <...>

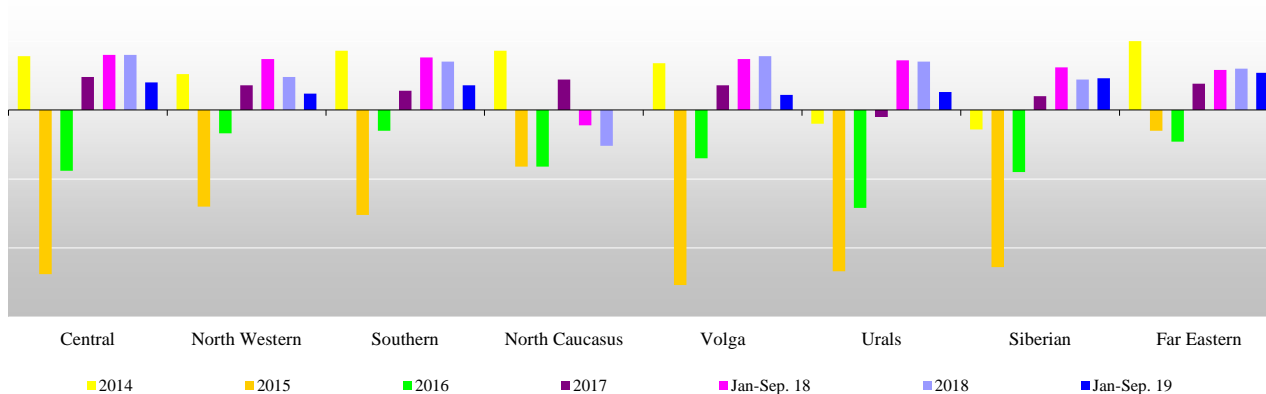
Table 9. Regional structure of retail turnover in the RF in 2014-2019, %

Region	2014	2015	2016	2017	2018	10m 2018	10m 2019
Central Federal District	*	*	*	*	*	*	*
Moscow region	*	*	*	*	*	*	*
Moscow	*	*	*	*	*	*	*
North Western Federal District	*	*	*	*	*	*	*
...

Data source: FSSS

<...>

Figure 17. Retail turnover growth by districts in 2014-2019, in % against the same period of previous year in comparable prices



Data source: FSSS

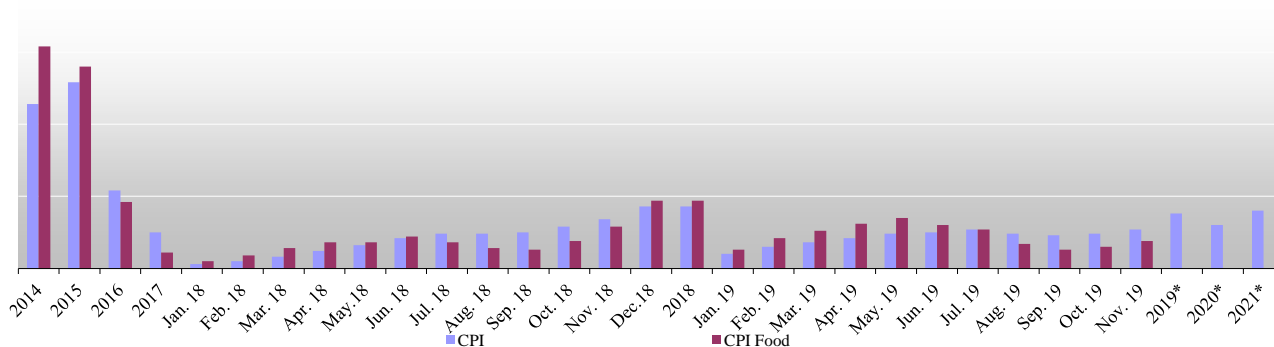
<...>

Food market inflation

Index of consumer prices

<...> In November 2019, the Consumer Price Index amounted to *% compared with October 2019 (in November 2018 – *%), the Food Price Index was *% (*% in November 2018), non-food – *% (*% in November 2018), services – *% (*% in November 2018). <...>

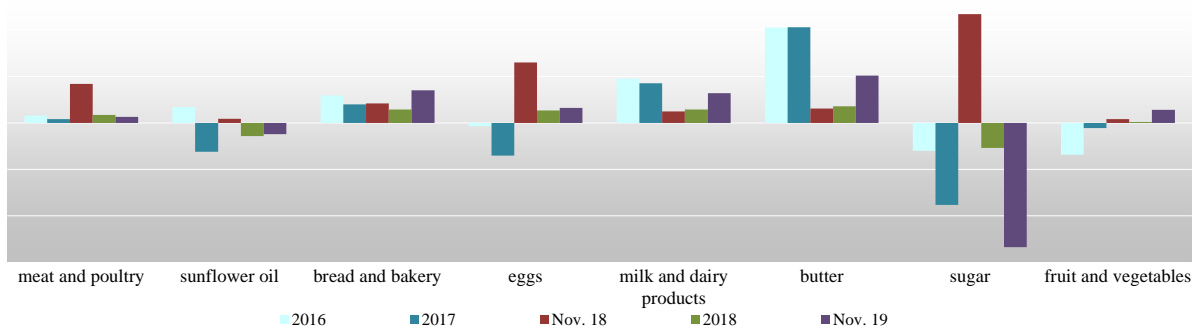
Figure 18. Consumer prices index as of the period's end in 2014-2019 and forecast for 2019-2021 (basic forecast), % against December of previous year



Data source: FSSS and the forecast of the Ministry of Economic Development and Trade from August 2019

<...> In November 2019, prices for granulated sugar decreased most of all among food products, by *%. The decrease in price was almost all constituent entities of the Russian Federation, and in 16 entities among them (except for the autonomous areas that make up the region) – by *% and more, most significant decrease was noted in Mari El Republic. <...>

Figure 19. Food price changing rates in 2014-2019, % against the same period of previous year



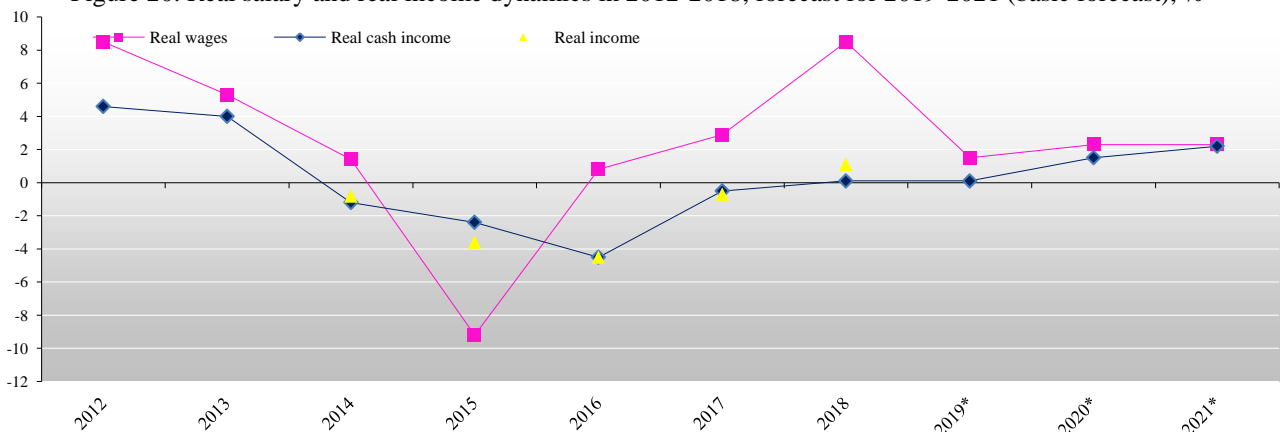
Data source: FSSS

Consumer incomes and expenditures

According to the updated basic forecast version of social and economic development of the Russian Federation for 2019–2024 published by the Ministry of Economic Development on September 30, 2019, real disposable incomes of the population in 2019 will grow by *% compared to the growth of *% expected before, while, in 2020-2021, the forecast remained the same: in 2020 - *%, in 2021 - *%. <...>

<...>

Figure 20. Real salary and real income dynamics in 2012-2018, forecast for 2019-2021 (basic forecast), %³⁰



Data source: FSSS and the forecast of the Ministry of Economic Development and Trade from August 2019

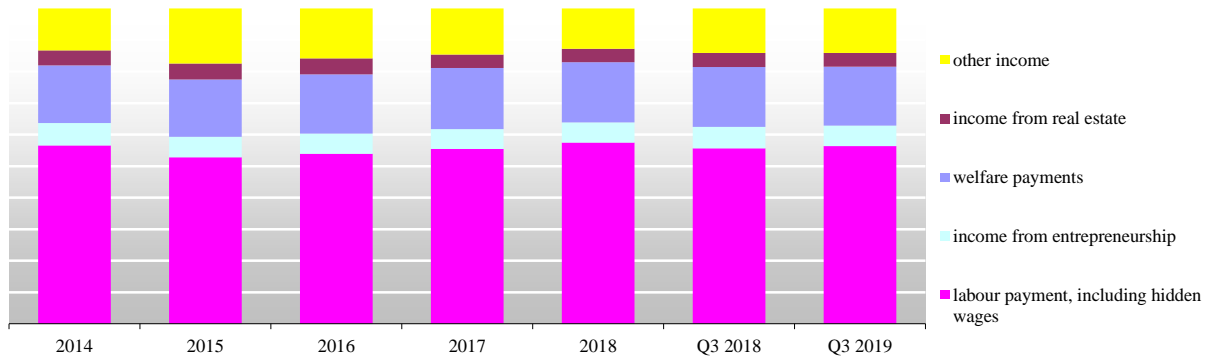
<...>

In 9m 2019, the share of the population with average per capita incomes of more than RUB 27 thousand has increased by * p.p. (from *% in 9m 2018 to *%). The share of the population with incomes within RUB 19-27 thousand slightly decreased from *% in 9m 2018 to *% in 9m 2019, and the share of the population with incomes below RUB 19 thousand decreased by *p.p. to *%. According to the MED, the share of the population with monetary incomes below the subsistence minimum will decrease from *% in 2019 to *% by 2022 and to *% by 2024. <...>

<...>

³⁰ The data for 2014-2018 were adjusted in accordance with the FSSS estimate calculated using the new methodology (Methodological Guidelines for Calculating Indicators of Monetary Incomes and Expenditures of Population approved by Order No. 680 of Rosstat dated November 20, 2018).

Figure 21. Cash income structure by sources in 2014-2019, %³¹



Data source: FSSS (new methodology)

<...>

In September 2019, real pay increased by *% against September 2018 (in September 2018 – increased by *%). Comparing to August 2019, real pay in September 2019 increased by *% (in September 2018 – by *%). In January-September 2019, real pay increased by *% (in January-September 2018 – by *%). <...>

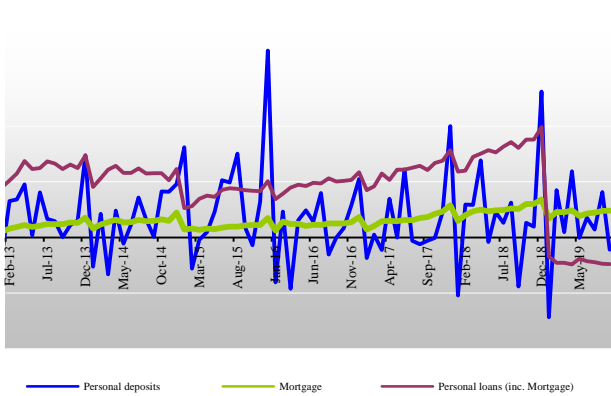
Banking sector, personal loans & deposits over time

As of October 1, 2019, according to CBR, the amount of private deposits attracted by lending institutions amounted to RUB *bn and increased by RUB *bn or by *% compared to the beginning of the year. <...>

<...>

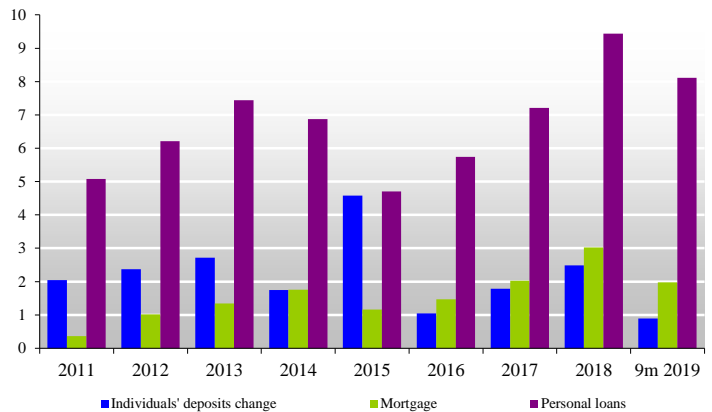
<...> According to 4,000 lenders submitting information to the National Bureau of Credit Histories (NBCH), in Q3 2019 compared with Q2 2019 has slightly improved, but in fact remained flat – *p. (rounded) (in Q2 2019 – also *p.). <...>

Figure 22. Loans issuance and volume dynamics of individuals' deposits in rubles and in currency of 2013-2019 (by months), RUB tn.



Data source: the Central Bank of the Russian Federation

Figure 23. Loans issuance and volume dynamics of individuals' deposits in rubles and in currency of 2013-2019 (by years), RUB tn.



Data source: the Central Bank of the Russian Federation

<...> According to the NBCH, as of November 1, 2019, the number of citizens formally subject to the law on bankruptcy of individuals amounted to * thousand people. <...>

<...>

Consumer expectations and confidence index

<...>

³¹ The data was adjusted in accordance with the FSSS estimate calculated using the new methodology (Methodological Guidelines for Calculating Indicators of Monetary Incomes and Expenditures of Population approved by Order No. 680 of Rosstat dated November 20, 2018).



Section II. State regulation of retail trade

State regulation of retail

<...>

Alcohol Beverage Market Regulation

<...>

On November 4, 2019, the President signed Federal Law No. 357-FZ "On Amendments to the Administrative Offenses Code of the Russian Federation" intended to establish administrative responsibility for the production and/or trafficking of powdered alcohol-containing products. <...>

<...>

Tobacco Market Regulation

<...>

On November 18, 2019, the Government of the Russian Federation signed Executive Order No. 2732-r to approve the concept of implementing a state policy on tobacco and other nicotine-containing products consumption control for the period up to 2035. <...>

Regulation of online trade

On November 8, 2019, Draft Law No. 831855-7 "On Amending Article 1 of the Law of the Russian Federation "On Protection of Consumer Rights"" was introduced to the State Duma of the Russian Federation. According to it, the government has the right to regulate the activities of owners of goods and services aggregators that participate in the conclusion of sale and purchase agreements remotely. <...>

Tax regulation

<...>

Product Quality Regulation

In November 2019 GOST R 58233-2018 "Wheat Bread. Specifications" came into force. It contains requirements for popular kinds of bread made of wheat baking flour (Krasnoselsky bread, Ukrainskaya flatbread, Saratovsky kalach). It replaced two GOSTs: GOST 26987-86 "White Bread from Wheat Flour of High, First and Second Grades. Specifications" and GOST 27842-88 "Wheat Bread. Specifications". <...>

Marking the products

On July 5, 2019, the Government of the Russian Federation signed Decree No. 860 "On Approval of Regulations for the Labeling of Shoe Products by Means of Identification and Applications of a State Information System to Monitor the Turnover of Products Subject to Mandatory Labeling by Means of Identification with Respect to Shoe Products". Shoe labeling will be introduced in stages: <...>

<...>

Category	Terms of introduction of goods marking	
	Experiment	Start of mandatory marking
Drugs	01.02.2017-31.12.2019	1.01.2019-partially, 1.01.2020-fully

...

...

...

<...>

Non-cash payments in retail trade

<...> In November 2019, in the report "Approaches of Bank of Russia to the development of competition on the financial market", CBR proposed to consider the possibility of introducing a mechanism for free transfer of funds from the card of the salary bank to the account of the same individual opened in another bank. To do this, Bank of Russia offers to: <...>

Faster Payment System (FPS)



<...> On January 28, 2019, the Bank of Russia launched the Faster Payment System (FPS), a new service enabling individuals to make instant transfers by mobile phone number to any bank participating in FPS. To make a transfer, it is enough to know the mobile phone number and the beneficiary's bank name. <...>

Regulation of cash transactions

In April 2020, cash withdrawal will be available at the cash desks of trade and service enterprises (TSE) for all operations. This was announced in September 2019 at the Eastern Economic Forum by Vladimir Komlev, Head of the National Payment Card System (NPCS). <...>

Other news

<...>

Section III. Activity of INFOLine

INFOLine specialists at the Peterfood 2019 international food exhibition in St. Petersburg



INFOLine held a session on the topic *"What is Changing on the North-West Market on the Cusp of 2020?"* on November 19, 2019 as part of the Big City Trade forum at the *Peterfood 2019* international food exhibition in St. Petersburg.

The session included the following focus areas:

- Trends dictated by the consumer: latest requirements for the product composition, packaging, "functionality"
- Ratings of retail players by revenue, outlets, as well as the success of work with them according to the assessment of suppliers. Whom is it profitable to work with in 2020?
- Netto, Dieta-812, Smile, Gastronom 811, Polushka, Lime... who will follow them to leave the market?
- Rapid growth of online food trading: which categories are losing serious profits by not using this channel? etc.

INFOLine specialists at the "Neva Retail Days" industry forum



A plenary discussion called "Trade City Business" was held on November 19, 2019 as part of the *"Neva Retail Days"* industry forum in St. Petersburg. Its moderators were Ivan Fedyakov, CEO of INFOLine, and Nikita Kuznetsov, Director of the Department for Internal Trade Development, Digital Labeling of Goods and Legalization of Products Turnover of the Russian Ministry of Industry and Trade.

Experts and speakers were:

- Viktor Evtukhov, State Secretary of the Ministry of Industry and Trade;
- Dmitry Kostygin, co-owner of Ulmart
- Maria Evnevin, co-owner of Maxidom
- Marita Koskinen, Prisma
- Sergey Vydrin, Magnit
- Alexander Ilyin, X5 Retail Group.

Analysis of successful strategies implemented by Russian retailers over the past 20 years and a look into the future



A conference called *"HOW TO MAKE MONEY BY CREATING AND DEVELOPING RETAIL CHAINS"* was held in Moscow on **December 10, 2019** in honor of the 20th anniversary of the *Retail.ru* portal. *Ivan Fedyakov*, Head of *INFOLine Group* made a report on the history of Russian retail development over the past 20 years. The strategy of leading and most successful companies developing on the Russian market, analysis of industry development phases were first introduced, the current trends and development forecast of the industry in the nearest future was described.



INFOLine study is supported and used by authorities, leading industry unions and associations in their work:



You can ask your questions and learn more about INFOLine study by phone: +7 (495) 772-7640 or +7 (812) 322-6848 ext. 154 or by email retail@infoline.spb.ru.



Section IV. Key events and plans of major FMCG chains

X5 Retail Group N.V.(TH Perekrestok, JSC) / Pyaterochka, Perekrestok, Karusel



Company's name: *X5 Retail Group N. V. (TH Perekrestok, JSC)* Address: 119049, Moscow, Koroviy Val, 5, BC Oasis, 109029, Moscow, Srednyaya Kalitnikovskaya str., 28 Phones: +7(495)6628888, (495)7899595. Fax: +7(495)6628888 ext. 61-145 E-mail: info@x5.ru

Web: *www.x5.ru* Social nets: *www.facebook.com/X5RetailGroup*, *www.vk.com/x5retailgroup*, *www.youtube.com/user/x5retailgroup*, *www.zen.yandex.ru/x5retailgroup*

Executive officer: *Stephan DuCharme, Chairman of the Supervisory Board of X5 Retail Group N.V.; managing partner of L1 Retail (retail subdivision of LetterOne); Igor Shekhterman, X5 CEO, Chairman and Member of the Management Board*

Regional presence

As of September 30, 2019, X5 Retail Group managed **15 752** shops with a total selling space of **7008.558** thousand sq. m. The chain included 14 850 Pyaterochka discounters, 811 Perekrestok supermarkets, 91 Karusel hypermarkets.

As of 9m 2019 X5 Retail Group was present in 65 of 85 regions of Russia. Regional presence of X5 Retail Group's outlets is shown in the table.

Table 10. Regional presence of X5 Retail Group's outlets as of 30.09.2019³²

Federal District	Region	Format in region ³³
North-Western	Arkhangelsk Region	D
	Vologda Region	S, D
	Leningrad Region	S, H, D
	Murmansk Region	D
	Novgorod Region	S, H, D
	Pskov Region	D
	Karelia Republic	S, D
	Komi Republic	D
	Saint Petersburg	S, H, D
...

Source: the company's data, mass media, INFOline estimations

<...>

Chain development

In 2018, the net increase in the number of X5 Retail Group properties amounted to 2310 stores: 2297 Pyaterochka discounters, 122 Perekrestok supermarkets, 1 Karusel hypermarket. <...>

In Q3 2019, the net increase in the number of X5 Retail Group properties amounted to 492 stores: 465 Pyaterochka discounters, 26 Perekrestok supermarkets, 1 Karusel hypermarket was shut down. In 9m 2019, the net increase in the number of X5 Retail Group properties amounted to 1321 stores: 1328 Pyaterochka discounters, 51 Perekrestok supermarkets, while 3 Karusel hypermarkets and 55 Perekrestok Express stores were shut down.

As of October 2019, X5's own market share is 11.6%. "Where do we see ourselves in 10 years? Firstly, we should occupy at least 20% of the grocery retail market. Our like-for-like should be significantly higher than all our competitors have," X5 CEO Igor Shekhterman said at investor day in London on October 23, 2019. <...>

Results and expectations

In Q3 2019 total net retail sales of X5 Retail Group increased by 12.8% y-o-y (13.9% y-o-y, incl. VAT) in roubles (RUB), driven by: 3.9% increase in like-for-like sales and growth of retail space by 8.4%. <...>

The X5 Retail Group's key financial indicators in 2017-2018, H1, Q3 and 9m 2018-2019 (IFRS and managerial accounting) are presented in the table below (negative indicators – in brackets).

³² The data is updated every quarter.

³³ The classification of modern trade objects is given in [Appendix 1](#).

Table 11. The X5 Retail Group's key financial indicators (the company in total) in 2017-2018, H1, Q3 and 9m 2018-2019

Indicator	2017	2018	H1 2018 (IAS 17)	H1 2019 (IAS 17)	H1 2019 (IFRS 16)	Q3 2018 (IAS 17)	Q3 2019 (IAS 17)	Q3 2019 (IFRS 16)	9m 2018 (IAS 17)	9m 2019 (IAS 17)	9m 2019 (IFRS 16)
Total revenue, bn RUB	*	*	*	*	*	*	*	*	*	*	*
Total revenue growth, %	*	*	*	*	*	*	*	*	*	*	*
Net revenue, bn RUB ³⁴	*	*	*	*	*	*	*	*	*	*	*
Net revenue growth, %	*	*	*	*	*	*	*	*	*	*	*
LfL (revenue), %	*	*	*	*	*	*	*	*	*	*	*
LfL (average ticket), %	*	*	*	*	*	*	*	*	*	*	*
LfL (traffic), %	*	*	*	*	*	*	*	*	*	*	*
Gross profit, bn RUB	*	*	*	*	*	*	*	*	*	*	*
Gross margin, %	*	*	*	*	*	*	*	*	*	*	*
Reviewed net profit, bn RUB	*	*	*	*	*	*	*	*	*	*	*
Reviewed net profit margin, %	*	*	*	*	*	*	*	*	*	*	*
Net profit, bn RUB	*	*	*	*	*	*	*	*	*	*	*
Net profit margin, %	*	*	*	*	*	*	*	*	*	*	*
EbitDA, bn RUB	*	*	*	*	*	*	*	*	*	*	*
EbitDA profitability, %	*	*	*	*	*	*	*	*	*	*	*

Data source: X5 Retail Group's data

<...>

The X5 Retail Group's Net revenue growth of (the company in total) for 2018-2019 by months (managerial accounting) are presented in the table below (negative indicators – in brackets).

Table 12. The X5 Retail Group's Net revenue growth (of the company in total) for 2018-2019 by months

Indicator	Oct.18	Nov.18	Dec.18	Jan.19	Feb.19	Mar.19	Apr. 19	May 19	Jun. 19	Jul. 19	Aug. 19	Sep.19
Net revenue growth, %	*	*	*	*	*	*	*	*	*	*	*	*

Data source: X5 Retail Group's data

<...>

Table 13. The X5 Retail Group's average ticket and number of purchases dynamics (of the company in total) for 2018-2019 by months

Indicator	Oct.18	Nov.18	Dec.18	Jan.19	Feb.19	Mar.19	Apr. 19	May 19	Jun. 19	Jul. 19	Aug. 19	Sep.19
Average ticket dynamics, %	*	*	*	*	*	*	*	*	*	*	*	*
Number of purchases dynamics, %	*	*	*	*	*	*	*	*	*	*	*	*

Data source: X5 Retail Group's data

Online

X5 Retail Group expects 50% of its revenue to come from digital channels in 2029, Igor Shekhterman said at the company's investor day in London. Digital channels include personalized promo, express delivery, digital channels, 5Post service and new businesses. The share of new businesses in revenue should be about 20% by 2029. X5's plans to develop online channels include: <...>

Logistics: data

As of September 30, 2019 X5 Retail Group operates 43 DCs with total space of 1.216 mln sq. m. The share of centralized supplies in 9m 2019 remains at 94% as following the results of H1 2019 2019. The company owns 5 direct import hubs.

As of September 30, 2019 the car fleet was 4029 cars.

Table 14. DCs of X5 Retail Group as of 9m 2019

Federal District	Total space, thousand sq. m	Number of DC
Central	587	16
North-Western	151	6
...

Source: company's data

Table 15. Openings of X5 Retail Group's distribution centers

Region	City	Address	Opening date	Total space, thousand sq. m
Tatarstan Republic	Zelenodolsk	crossing of M-7 Volga and R-175 Kazan-Yoshkar-Ola federal highways ³⁵	11.11.2019	39,5
...

Source: corporate data, media, INFO Line estimations

³⁴ The net retail revenue is the operational revenue without VAT. It is different from total revenue, which includes franchising and other incomes.

³⁵ Developer - Romex-Kuban construction and development group. The cost of project is about RUB 1 bn. The DC unites 8 storage zones: dry and alcoholic warehouses, zones for storage of fresh products, frozen products, caviar, fruits and vegetables, as well as a complex of gassing bananas. In each section, the necessary temperature regime is maintained to preserve the freshness of products. Capacities of DC "Kazan" allow to process 5 000 tons of cargo a day and to serve 1 200 trade objects. The complex already provides Pyaterochka discounters in more than 100 settlements of Tatarstan, Udmurtia, Mari El and Chuvashia. At full capacity, the complex will process the products of about 600 suppliers.

Logistics: plans

In 2020-2021 X5 plans to open 2 new distribution centers every year. By 2021 the company plans to increase the share of direct import from 3.5% in 2018 to 10%.

Table 16. Planned openings of X5 Retail Group's distribution centers

Region	City	Address	Opening date (plan)	Total space, thousand sq. m
Smolensk Region	Smolensk	Poltavskaya str., 8A (Phoenix park) ³⁶	Q4 2019	16
...

Source: the company's data, mass media, INFOLine estimations

The X5 Retail Group logistics and transport strategy up to 2025 is aimed to reduce costs and delivery time as well as ensure a wide range of products available on store shelves. It will allow to: <...>

Interaction with consumers

As of September 30, 2018 three company's retail formats in total saw 38.7 million users of loyalty cards, thus the traffic penetration reached 68% in Pyaterochka, 55% in Perekrestok and 78% in Karusel.

Interaction with suppliers

As of December 31, 2018 X5 collaborates with 5633 suppliers. At the same time, the share of TOP 30 suppliers exceeds 31.3%. <...>

Corporate events

On November 12, 2019, X5 Retail Group announced placing X5 FINANCE LLC 001P-07 series ruble bonds in the amount of RUB 5 bn. The coupon rate on bonds with an offer after 2.5 years is set at 6.65% per annum. <...>

IT-technologies

Big data. The company started working on Big Data in 2016. The company has already launched big data projects that test consumer behavior. Big data works with the data from the loyalty program – about 14 million tickets a day.

The targets for Big data direction are listed in X5 presentation from the Investor Day (October 23, 2019): <...>

Key Big data projects:

- **Pricing.** Transformation of pricing from decentralized, manual decision-making to centralized and based on AA tools <...>

In November 2019, X5 Retail Group launched a service to automate the provision of data segments for customers and partners enabling them to use the accumulated purchase history data on for targeted digital advertising. <...>

X5 Retail Group N.V. (TH Perekrestok, JSC) / Karusel



Company's name: X5 Retail Group N. V. (TH Perekrestok, JSC / Karusel retail chain)
 Address: 109029, Moscow, Srednyaya Kalitnikovskaya str., 28 str. 4
 Phones: +7(495)6628888 Hot line: +7(800)2005665 Fax: +7(495)6628888. E-mail: info@x5.ru
 Web: www.karusel.ru Social nets: www.facebook.com/karuselgiper, www.vk.com/karusel_giper, www.twitter.com/karusel_giper, www.instagram.com/karuselgiper, www.youtube.com/channel/ucrl4lw5sly9n0cxpnbinqc
 Executive officer: Denis Tkach, acting CEO and CFO

Chain development

As of September 30, 2019, the Karusel retail chain included 91 Karusel hypermarkets with a total retail space of 366.4 thousand sq. m. <...>

Online

In April 2019, Karusel launched a Click&Collect service in hypermarkets in Moscow (on Bartenevskaya Street on the 26th km of Novorizhskoe Highway) and in St. Petersburg (Savushkina Street and Kolomyazhsky Passage). <...>

³⁶ The construction of the object started in the mid of October 2018.

Collaboration with external delivery services



[igood5](http://igood5.ru)



Sbermarket (earlier instamart)



golama



SaveTime

City and region	Date of release	Date of release	Date of release	Date of release
Moscow and Moscow Region	August 2018	January 2018		
Saint-Petersburg and Leningrad Region	April 2018			
Kazan	September 2018			
Orenburg	November 2018			
Belgorod	December 2018			

Data source: companies' data

<...>

5POST (IKS 5 OMNI, LLC)



Company's name: X5POST (IKS 5 OMNI, LLC) Address: 109029, Moscow, Srednyaya Kalitnikovskaya str., 28, blg 4 Phones: +7(495)6628888 ext. 27481, 13327 E-mail: omni@x5.ru; roman.golub@x5.ru Web: www.fivepost.ru Executive officer: Timofey Triumfov, commercial director of 5Post, Alexey Artyukhov, director for information technologies of 5Post

Development of postamates network

5POST (X5 OMNI) is a new division of X5 Retail Group created to develop a service for delivery of orders from online stores and marketplaces in pick-up points and automated pick-up points (postamates) in Pyaterochka supermarkets, Perekrstok supermarkets and Karusel hypermarkets. <...>

As of 2019, up to 76% of Russian households are within the 5POST reach. By 2020, X5 plans to cover 90% of the country's households. The goal of 5POST is to serve 20% of Russian and international E-commerce shipments by 2021. <...>

Logistics: data

At the beginning of September 2019, X5 OMNI (5 Post) connected 8 sorting centers in the Moscow, Kaluga, Leningrad, Rostov and Nizhny Novgorod regions.

Logistics: plans

By the end of 2019, X5 plans to operate over 11 DCs, more than 8000 postamates and pickup points. The plan by 2021 – over 15 thousand. By results of a pilot project held in 900 stores, where postamates were installed, the traffic grew by 1.6%, above X5 expectations. <...>

Interaction with marketplaces

In November 2019, 5Post began shipping parcels from Aliexpress.com. 5700 stores in the Moscow, Central Chernozem, non-Chernozem, North-Eastern, North-Western, Southern, North-Caucasian, Ural, Volga-Vyatka and Volga divisions of the Pyaterochka retail network are connected to the issuance of orders. <...>

Interaction with Logistics Operators

<...>

Partnership with postamates chains

By the end of 2020 Ozon and X5 Retail Group plan to open over 4000 postamates and 2000 pickup points in Pyaterochka stores in most regions of the retail chain's presence. So, the partnership with 5POST will allow the Internet platform to open about 6,000 pick-up points in the next year and a half. The agreement was signed in April 2019, and an additional one – 2019. <...>



***** DEMO VERSION*****

Research (full version) contains the description of 8 largest FMCG chains in Russia:

X5 Retail Group N.V. (Pyaterochka, Perekrestok, Karusel); Magnit, PJSC (Magnit, Magnit Family, Magnit Cosmetic, Magnit Apteka); DKBR Mega Retail Group Limited (Krasnoe&Beloe, Krasnoe&Beloe plus, Bristol, Bristol Express, Sem pyatnits, Smart-express, DIXY, Megamart, Minimart, Victoria-kvartal, Victoria, Cash); Severgroup, LLC (Lenta, Utkonos); Auchan Retail Russia (Auchan, Auchan-City, Nasha Raduga, Kazhdy Den, Kazhdy den.Hypermarket, Atak, V shage ot Vas, Auchan Supermarket, Moy Auchan); Metro AG (METRO, METRO Punct, real,-); O'KEY, GK (O'KEY, DA!); Hyperglobus LLC (Globus).

The description of each chain includes news according to the sections:

- Chain development (operational results, plans of further development);
- Performance and expectations (key financial indicators and plans);
- Investment projects;
- New formats (launch and/or plans to launch new formats);
- Store openings (during the last month);
- Store closures (during the last month);
- M&A deals;
- Appointments and resignations;
- Online (development, and/or plans of development of own internet shops);
- Collaboration with external delivery services;
- Private label (key private label of the chain, their development and plans to the future expansion);
- Own production;
- Logistics (opening new distribution centers, the level of supply centralisation, etc.);
- Interaction with consumers (actions, loyalty programs, etc.);
- Interaction with suppliers (working conditions with suppliers, new partners, etc.);
- Corporate events (other news by the chain (judicial proceedings, labor relations, etc.)).
- IT projects

A section with regional presence of companies was added.

For perception convenience, planned openings of outlets are given in tables.

***** DEMO VERSION*****

Appendix 1. Classification of FMCG retail chains outlets used by INFOLine

Table 17. Classification of FMCG retail chains outlets used by INFOLine

Format	Hypermarket	Supermarket	Convenience store	Soft discounter	Hard discounter
Retail space, sq. m	From 2500	500-2500	50-500	350-1500	250-2000
Price level	Low, medium	Medium+	Medium	Low	Low
Range, thousand	30-60	5-30	0.6-13	2-7	0.5-3
Share of Non-Food in assortment, %	15-40%	10-25%	<10%	<15%	<15%
Logistics features	Mostly goods are stored directly in trading floors	-	-	Centralization level of supplies is over 80%	Mostly goods are stored directly in trading floors
Average share of PL in SKU, %	from 10%	from 10%	from 5%	from 15%	from 20%

For The base "700 FMCG retail chains" INFOLine uses the following classification of retail objects of modern formats:



- Hypermarket** – a large-format self-service store located in a detached building or in a shopping center. The retail space of such object is over 2500 sq. m. The product range - 30-60 thousand items. The average ticket in the format - RUB 900-5000 depending on the chain and the store, average revenue per 1 retail outlet - RUB 900 mln without VAT per year. A special feature of the format is that stock reserves are also kept at the territory of the retail outlet³⁷.
- Supermarket** – a large self-service store located in a detached building, shopping center, on the first floors of residential buildings. The retail space of objects varies from 500 to 2500 sq. m., the product range includes from 5 thousand items (supermarket) to 30 thousand items (large-format supermarket), and has a relatively high share of non-food products (10%-25%), the share of PL in SKU - from 10%. The average check in the format in 2019 is about RUB 600, depending on the retail chain and the store, the average revenue per 1 retail outlet is RUB 250 mln without VAT per year. The format mainly has higher level of trade margins than hypermarkets and convenience stores, and a greater share of fresh goods in the range. Supermarkets target middle-class shoppers³⁸. Also the supermarket format includes freshmarkets and shopping facilities integrated with HORECA.
- Convenience store (Minimarket)** - a small-format self-service store or a store with significant prevalence of self-service, located on the first floors of residential buildings, in basements, in detached objects. The retail space of the objects varies from 50 to 500 sq. m. The range includes from 0.6 to 13 thousand items. In 2019 the average check in the format is about RUB 300, depending on the retail chain and the store, the average revenue per 1 retail outlet is RUB 50 mln without VAT per year. The "minimarket" format also includes specialized retail chains and stores at filling stations, which are operated by retail companies, which include more than 5 stores at filling stations. Some specialized chains in the course of work have transformed into universal ones due to expansion of the product range (for example, Krasnoe&Beloe, earlier liquor store).
- Specialized convenience store (Specialized minimarket)** - a small-format convenience store focused on one or more key product categories. The main specialization areas of food retail chains in Russia are meat, alcohol, bakery products, tea/coffee, etc. A number of specialized chains are developed by large manufacturers and distributors. The main characteristics of specialized chain stores are deep and rich assortment within the key product groups, small retail space (mainly up to 150 sq. m.), the trade is mainly over the counter or

³⁷ INFOLine refers to the format of "hypermarket" large-format objects under the Magnit brand, positioned by the company as a supermarket format (previously, these stores were classified by the company as Magnit Hypermarkets), because the retail area of these retail objects exceeds 2.5 thousand square m. In addition, the hypermarket format includes objects like Megamart (GC Dixy), Lenta, etc., the retail space of which may be less than 2.5 thousand square meters, but they are positioned by the company as hypermarkets.

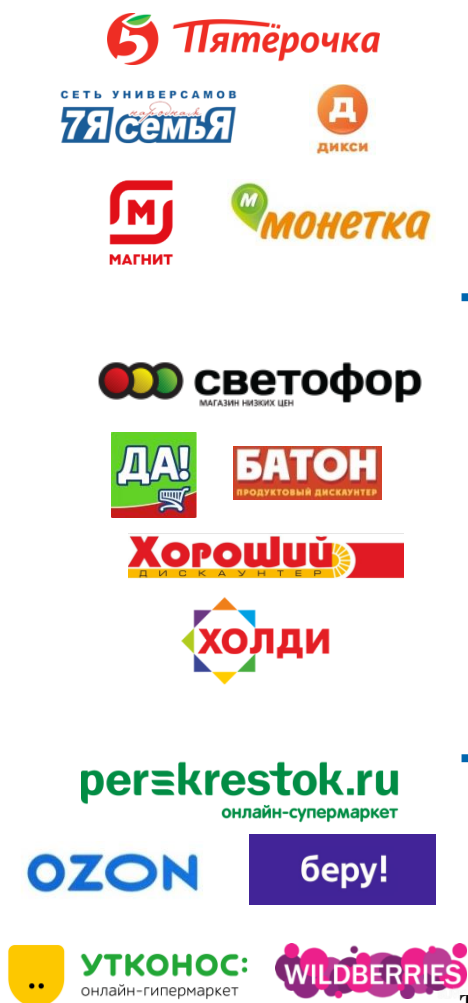
³⁸ INFOLine also refers to the format "supermarket" the objects of retail chains Atak and Auchan-supermarket (positioned as supermarkets-discounters). All objects of "Azбука Vkusa" retail chain, as well as objects under the SPAR brand are referred to the "supermarket" format (even if the retail space of objects is less than 500 sq. m).

mixed (over the counter and self-service). It should be noted that the product range of these chains is not completely highly specialized and includes a limited list of everyday goods.³⁹

- **Soft discounter** - a chain of self-service stores from 20 retail outlets located on the first floors of residential buildings, in basements, in detached objects. The retail space varies from 350 to 1500 sq.m., the product range consists of 2-7 thousand items, the share of non-food in SKUs of soft discounter is less than 15%, the share of PL in SKUs – more than 15%. In 2019 the average check in the format is RUB 250-350, depending on the chain and the store, the average revenue per 1 retail outlet is RUB 110 mln without VAT per year. The peculiarity of the format is low level of trade margins, developed logistics system (presence of DC/warehouse) with a high level of supplies centralization (80%).⁴⁰
- **Hard discounter** - a chain of self-service stores of a warehouse format (minimum of commercial equipment, sale is carried out from pallets or boxes, there are practically no racks), from 15 retail facilities located on first floors of residential buildings, in basements, in detached objects. The retail space varies from 250 to 3000 sq.m., the product range consists of 0.5-3 thousand items, the share of non-food in SKUs of hard discounter is less than 15%, the share of PL in SKUs – more than 20%. In 2019 the average ticket in the format is about RUB 250 depending on the chain and the store, the average revenue per 1 trade facility is RUB 150 mln without VAT per year. The peculiarity of the format is the low level of trade margin, the minimum number of personnel, which is interchangeable. The product range is dominated by either private labels or little-known brands. The number of well-known brands in each product category is limited, a significant part of the product range consists of products with a long shelf life. The pricing policy of the format assumes a minimum margin⁴¹.
- **Online** - online stores and marketplaces that sell food products without using traditional formats of FMCG retail facilities. This channel includes the following online shops: Wildberries.ru (uses delivery points and courier delivery), Ozon.ru (uses delivery points, postmates and courier delivery), Utkonos (uses courier delivery from a warehouse) and www.perekrestok.ru (uses courier delivery from dark-store) as well as marketplaces Goods.ru, Beru! etc. Sales of chains, developing both traditional offline formats and online stores, belong to the main format of a retail chain.

Traditional trade formats include counter shops, pavilions, kiosks, points in the markets:

- **Kiosk (stall)** - a free-standing non-stationary trading object designed for small-scale trade (for the purposes of the study, the results of sample measurements adopted an average area of about 4 square meters. m);
- **Pavilion** - a free-standing shopping facility (non-capital structure), including kiosks converted for the sale of cigarettes as a result of the allocation of the inner zone and the organization of the entrance door. Also, INFOLine refers to the minimarket format the retail chains, consisting of over 5 stores at filling stations, managed by retail companies.
- **Counter shop** – various types of retail objects performing trade over the counter or mainly over the counter (for the purposes of the Study, according to the results of sample measurements, an average area of about 80 square meters was adopted), including the majority of consumer cooperation stores and objects of the "Railway trading company", etc.



³⁹ The specialized stores comprise such chains as the retail chain of liquor stores Bristol, chains selling meat products - "Velikoluksky meat processing plant", "Myasnov", a chain of fixed prices stores Fix Price, etc.

⁴⁰ INFOLine refers to the "soft discounter" format a number of Russian majors, such as Pyaterochka, Dixy, Magnit, Monetka, Maria-RA, Narodnaya 7YA, Verny, etc.

⁴¹ Experts of INFOLine refer to the "hard discounter" format such chains as Svetofor (GC Torgservis), Holdi (GC Holiday), Horoshy (GC Komandor), DA! (GK O'KEY (Fresh Market, LLC)), Nizkotsen (Hollifood, LLC), Pobeda (Gulliver, JSC), Khleb-Sol (Slata, LLC), Baton (GK Krasny Yar), Radius (TD Fresh-25, LLC), Nakhodka (Elite, LLC), Horoshy (Prodtorg, LLC), Matryoshka (Sakhtorg65, LLC; Amurtorg28, LLC; Habtorg27, LLC) etc.

About INFOLine products

Amid economic instability, rapid market consolidation and increased price competition, the issue of monitoring and analysis of retail trade, consumer and industrial markets is particularly acute. An effective solution of this problem is possible only in the presence of a professional and highly effective information Department. INFOLine agency is your information department that works for the benefit and development of your business; moreover, all employees will be able to use the services of this department. INFOLine is an independent company. It has been working on the industry research market of Russia since 2001. The market researches on different fields of Russia's industry, construction and real estate market, logistics and FMCG, DIY&Household, conducted by INFOLine specialists in 2005-2019 are the best on market. This was acknowledged by many of our customers and partners. The information is prepared basing on analysis and inquiry of over 1000 largest retail chains in Russia.

"INFOLine Retail Russia TOP 100. Results of 2019. Tendencies of 2020. Forecast until 2022".

Research "**INFOLine Retail Russia TOP 100. Results of 2018. Tendencies of 2019. Forecast until 2022**" contains:

- A unique rating of retail chains INFOLine Retail Russia TOP-100
- A comprehensive analysis of the retail trade industry and particular segments (FMCG, DIY&Household, furniture, baby products, fashion, appliances and computer equipment, mobile devices, cosmetics and drogerie, pharmacy segment and online retail)
- Expectations of consumer market dynamics in 2020-2021
- Analysis of success stories of the fastest growing and efficient retail chains in Russia
- Description of sales channels and omni-channel strategies of the TOP 100 retail chains
- Analysis of M&A deals, appointments and resignations
- **NEW! Key strategies of retailers**
- 100 business profiles on retail chains included in INFOLine Retail Russia TOP 100
- Analysis and forecast of retail trade indicators in Russia



Publication date	June 2020
Method of provision:	Printed and electronic
Standard version	RUB 60,000
Extended version	RUB 100,000
Language	Russian English - on request

Research "**INFOLine Retail Russia TOP 100. Results of 2019. Tendencies of 2020. Forecast until 2022**" contains the following sections:

- **PART I. Indicators of retail trade in Russia** – dynamics of macroeconomic indicators, retail trade turnover, financial condition of households, market structure and level of consolidation of retail trade.
- **PART II. INFOLine Rating of the largest Russian retailers TOP-100** - Russian retail market structure and forecast for 2021. Indicators of INFOLine Retail Russia TOP-100 rating: dynamics of profit and revenue per 1 sq. m by rating segments, net increase of retail space of TOP-100 retail chains. INFOLine Retail Russia TOP-100 Rating by revenue, rank rating, ratings by number of stores and retail space, net revenue, sales density, the fastest growing and fastest-falling chains.
- **PART III. Market survey of DIY and FMCG suppliers** – sales dynamics of the largest FMCG and DIY suppliers, the share of sales of the largest suppliers through chains segment, sales of the largest suppliers through the Internet, the interaction of the largest suppliers with retail chains, development of companies and state regulation, barriers to suppliers development, etc.
- **PART IV. Largest M&A deals at the retail market** - Analysis of consolidation processes and description of M&A deals by segments, realized in 2018-2019
- **PART V. Appointments and resignations at the retail market** - appointments and resignations of key executive managers in retail companies by segments, as well as in regulative bodies
- **PART VI. Development of online trade** - rating of chains by online sales, key events in the development of online trade in 2018-2019, which can have an impact on the development of offline networks, state regulation of online trade.
- **PART VII. TOP-100 largest chains in Russia** - business profiles include a standardized structured description of operational indicators (number of objects, retail space), financial indicators and performance indicators, key events of the chain, the main formats of trade, investment activity, regional representation, development of logistics and private labels, information about TOP management and beneficiaries, as well as plans and development prospects, descriptions of online shops of chains.

Extended version of the research "**INFOLine Retail Russia TOP 100. Results of 2019. Tendencies of 2020. Forecast until 2022**" is available in two formats: the main format is **MS Power Point** or **PDF** and additionally a **MS Excel table** with operational, financial indicators and contact data on chains.



HIT!!! A VARIETY OF INDUSTRY REVIEWS IN A SINGLE INNOVATIVE FORMAT

"Food retail and the consumer market of Russia. The results of 2019 and trends for 2020". Development prospects up to 2022"

Content:

- Structured description and analysis of FMCG market trends and prospects
- **NEW! Stages of retail trade development**
- Scenario forecasts of industry development up to 2022, developed by INFOLine specialists
- Market survey of FMCG suppliers: results of 2019, forecast for 2020
- FMCG retail chains (TOP-10) ratings by financial and operational indicators
- FMCG retail chains (TOP-5) ratings in the context of trade formats (hypermarket, supermarket, discounter, convenience store, specialized chains (segments "alcohol" and "meat products"))
- **NEW! Capitalization of public companies**
- Development of online and foodtech by retail chains and interaction with delivery services
- Indicators of the commercial real estate market, Rating of shopping centers owners, the largest completed projects, projects under construction, investment plans of the largest developers
- Business profiles on the largest FMCG companies in Russia: X5 Retail Group, Magnit, Lenta, Auchan Retail Russia, Dixy GC, Krasnoe&Beloe, Bristol, Metro AG, O'KEY Group, Globus, Monetka GC and two segment leaders: VkusVill - natural products, Svetofor – hard discounters.
- **NEW! Key strategies of retailers**

The product is released in 3 stages:

- **DECEMBER 2019 - STAGE I. Analytical presentation "Food retail and the consumer market of Russia. Preliminary results of 2019."** The presentation contains data on the results of 9m 2019 and INFOLine forecasts as of the end of 2019. Analytical presentation contains 8 parts: Indicators of retail trade and market. Key events of the retail trade. Indicators of FMCG retail trade. Indicators of the largest FMCG retailers. Online&Foodtech, Russia's largest FMCG retail chains. Regional development of FMCG retail. The condition of the shopping centers market.
- **FEBRUARY 2020 – STAGE II. Analytical presentation "Food retail and the consumer market of Russia. Operational results of 2019. Tendencies of 2020."** Updated macroeconomic indicators, financial and operational indicators of the largest chains in 2019; market development trends for 2020 are described. Ratings by formats (hypermarket, supermarket, discounter, convenience store, specialized chains) updated at the end of 2019. The review also presents the largest investment projects for the construction of shopping centers, hypermarkets and entertainment centers.
- **APRIL 2020 – STAGE III. Industry review "Food retail and consumer market of Russia. The results of 2019. Tendencies of 2020. Development prospects up to 2021"** Ratings of retail chains on federal districts markets are updated by the end of 2019. Market survey of the largest FMCG suppliers Forecast for the development of FMCG retail trade.



Publication date **April 2020**
 Price **RUB 150,000**
 Language **RUS, ENG**
PPT, PDF + Excel

NEW! Industry review "Food retail and consumer market of Russia.

INFOLine has developed a new quarterly Industry review **"Retail Food and consumer market in Russia"**.

The quarterly review contains:

- Structured information about the development of FMCG retail in Russia
- Overview of key events that occurred on the Russian FMCG retail market
- Description of new concepts and formats
- Development of TOP-200 FMCG retailers in Russia
- Ratings of the largest FMCG retailers by revenue, number of retail facilities, volume of retail space at the end of the quarter.



Publication date **Every quarter**
 Price **RUB 50,000**
 Language **RUS, ENG**
PPT, PDF + Excel

COMPLETED RESEARCH IN THE AREA "RETAIL TRADE OF THE RUSSIAN FEDERATION"

Name	Content	Publication date	Price
<p>Industry review "<u>Food retail and the consumer market of Russia. The results of the 2018 and trends for 2019". Development prospects up to 2021</u>" PDF+PPT</p>	<p>Overview of the development of the food retail industry. Analysis of consumer behavior of the population and state regulation. FMCG retail industry performance overview. Ratings of FMCG segment retailers by revenue, number of retail outlets, retail space, formats. Description of online trade development in the FMCG segment. Forecasting of the main indicators of the industry development.</p>	<p>June 2019/Update in April 2020</p>	<p>RUB 150,000</p>
<p>Industry review "<u>Non-Food retail and the consumer market of Russia. The results of the 2018 and trends for 2019". Development prospects up to 2021</u>" PDF+PPT</p>	<p>Overview of indicators of the consumer goods retail industry as a whole and each segment separately: DIY, Household and furniture, household and computer equipment and mobile devices, fashion and children's products, cosmetics and drogerie, pharmacies, online-trade. The review includes ratings of FMCG segment retailers by revenue, number of retail outlets, retail space, formats. Overview of the vector of development of the industry by describing the most important events. Forecasting of the main indicators of the industry development.</p>	<p>June 2019/Update in June 2020</p>	<p>RUB 150,000</p>
<p>Industry review "<u>Production of food and beverages in Russia. The results of the 2018 and trends for 2019"</u>" PDF+PPT</p>	<p>Analysis of the state of the food industry as a whole and individual segments (meat, fish, oil and fat, dairy, flour, confectionery, cereals, pasta, sugar, tobacco, etc.). Review of the dynamics of food production, consumption and sales. Analysis of indicators of export, import of products and international activities of companies. Analysis of current trends in the food market. Formation of the rating of the largest food industry companies in Russia.</p>	<p>April 2019</p>	<p>RUB 150,000</p>
<p>Review "<u>INFOLine Retail Russia TOP 100. Results of 2018. Tendencies of 2019. Forecast until 2021"</u>"</p>	<p>Ranking and comparative analysis of operational and financial indicators of the 100 largest retail chains in Russia in the following segments: FMCG, fashion, DIY&Household and furniture, household and computer equipment and mobile devices, pharmacies, cosmetics, perfumes and drogeri, children's products, and online. Structured description of the 100 largest retail chains in the format of business profiles, as well as analysis of M&A transactions in retail. Analysis of trends in online trade and omnichannel strategy of TOP-100 retailers in Russia.</p>	<p>June 2019/Update in June 2020</p>	<p>RUB 100,000</p>
<p>HIT! Research "<u>DIY Market in Russia. Results of 2018. Tendencies of 2019. Forecast until 2021"</u>" PDF+PPT+Excel TOP 50 retail chains</p>	<p>Analysis of the state of retail trade in construction (Hard DIY) and finish materials (Soft DIY), analysis of key trends of DIY market development. Comparative analysis of operational and financial indicators of the largest universal and specialized DIY retail chains. Analysis of the development of the main formats of DIY retail chains, description of trends in the development of online trade. Description of regional development of retail and wholesale-retail DIY trade in Russia. Description of the largest DIY retail chains businesses</p>	<p>July 2019</p>	<p>from RUB 50,000</p>
<p>Industry review "<u>Current trends in the food market of Russia and the world: 2018-2019."</u>" PDF+PPT</p>	<p>Description of global and Russian trends in the production and promotion of food. Analysis of the activities of key industry participants. The best world and Russian practices in product development in the form of examples and descriptions. TOP-250 Russian novelties in different categories of food.</p>	<p>March 2019</p>	<p>RUB 70,000</p>



The periodic industry report "Russian consumer market and FMCG retail chains rating"

Contains structured information on retail chains development, new stores openings, new formats, merges and acquisitions, corporate events, logistics, results and expectations, investment plans and interaction with suppliers of the leading FMCG chains. The review also contains: macroeconomic indicators, statistic data and analytic information on retail trade and retail chains in Russia in the reporting period.

The periodic industry report "Russian consumer market and FMCG retail chains rating" contains:

Rating of FMCG retail chains

- Operational results of TOP 200 FMCG chains
- Rating of Russia's FMCG retail chains by number of outlets
- Rating of Russia's FMCG retail chains by retail space volume
- Rating of Russia's FMCG retail chains by revenue

Section I. Development of retail trade in Russia

- Macroeconomic retail trade indicators
- Structure of retail turnover by categories of products and organizations.
- Regional structure of retail trade turnover.
- Food market inflation.
- Consumer incomes and expenditures
- The state of the banking system and the dynamics of loans and deposits of the population
- Consumer expectations and confidence index.

Section II. Government regulation of retail trade

Section III. Major developments in the FMCG retail trade

- Marking of products
- Events in the market of online sales and FMCG delivery
- The most important events that can have an impact on FMCG retail trade in Russia
- Activity of INFOLine

Section III. Cases on the Russian retail development

Section IV. FMCG retail chain development events and plans (TOP-200)

Appendix 1. Structure of retail turnover by subjects of the Russian Federation in 2014-2019

Appendix 2. Retail trade turnover by the RF subjects 2015-2020



Publication date:	on monthly basis
Number of pages:	From 150
Method of provision:	electronic version
Price of single purchase	20 000
Price of year (12 months) subscription, RUB	120 000 / 150 000
Language of provision	Russian or English

Periodic quarterly review Foodtech: online trade and delivery services. INFOLine Russia TOP online food retail Rating

Contains analysis and structured description of the consumer market and the most important events that can affect the online trade in food products, including state regulation of trade activities of online stores (adoption of laws, legislative initiatives), quarterly monitoring of the largest online stores and delivery services (information on key events, operational, financial and investment activities).

Periodic quarterly review **Foodtech: online trade and delivery services. INFOLine Russia TOP online food retail Rating** contains:

- Availability of online stores of the largest FMCG chains
- Rating of FMCG online stores, marketplaces and delivery services
- Traffic statistics of websites of online stores, marketplaces and delivery services

Section I. Regulation of online trade

- Government regulation of online trade and online trade in the FMCG segment.

Section II. Events and trends in the online trade industry

Section III. Cases on the development of online trade

Section IV. Delivery service indicators and key events

Section V. Indicators and main events of online stores of the largest FMCG chains

Section VI. The largest marketplaces and online retailers in the Food market

Section VII. Projects of Yandex and Mail.ru Group

Annual subscription by link **Foodtech: online trade and delivery services. INFOLine Russia TOP online food retail Rating. Results of 2018-2019.** Review with results of the year by link **Foodtech: online trade and delivery services. INFOLine Russia TOP online food retail Rating. Results of 2018..**



Publication date:	every quarter
Number of pages:	From 70
Method of provision:	electronic version
Price of single purchase	50 000
Price with year subscription (4 quarters), RUB	100,000
Language of provision	Russian

PERIODIC PRODUCTS

Name	Content	Periodicity	Price
<p>HIT! Russian consumer market and FMCG retail chains rating</p> <p>PDF + Excel Available in English!</p>	<p>The monthly analytical report contains analysis of development and characterization of events in retail trade and consumer market of Russia, structured description, comparative analysis, monitoring of investment activity and dynamics of organic growth, ranking of operational and financial indicators of more than 200 largest FMCG retail chains in Russia.</p>	On monthly basis	RUB 10,000 When subscribing for a year
<p>NEW! Foodtech: online trade and delivery services. INFOLine Russia TOP online food retail Rating</p> <p>PDF</p>	<p>Analysis of trends in the development and state regulation of online trade in food and related products in Russia. Consumer behavior within the omnichannel shopping model. Structured description, comparative analysis, monitoring of operational, investment and financial activities of FMCG online stores, online hypermarkets, marketplaces and delivery services. Rating of online stores and delivery services INFOLine Russia TOP online food retail.</p>	Every quarter	RUB 50,000 (RUB 25,000 - when subscribing for a year)
<p>NEW! Food retail and consumer market of Russia</p>	<p>Structured information about the development of FMCG retail trade in Russia, an overview of key events that occurred in the Russian food retail chain FMCG Russia, a description of new concepts and formats, the development of TOP-200 FMCG retailers in Russia, ratings of the largest FMCG retailers by revenue, number of retail facilities, volume of retail space.</p>	Every quarter	RUB 50,000 (RUB 25,000 - when subscribing for a year)
<p>Bank of novelties at food market:</p> <ul style="list-style-type: none"> - milk and dairy products - confectionery - frozen food - oils, fats and sauces - meat products, etc. <p>PDF</p>	<p>Review of novelties produced by manufacturers of food and consumer goods. The description of the new products contains: product image, list of ingredients (for foreign novelties also in the original language), the date of market launch, the website of the manufacturer, the characteristics of the implementation, the type of packaging and other necessary information about the competitive product.</p>	On monthly basis	RUB 10,000
<p>HIT! Thematic news Retail trade of the Russian Federation:</p> <ul style="list-style-type: none"> - FMCG chains - DIY market - industry news (meat, dairy, bakery industries, etc.) - commercial real estate <p>HTML+PDF+Word</p>	<p>Thematic news is operative and periodic information about the branch of the Russian economy you are interested in, prepared by monitoring the activities of Russian and foreign companies, thousands of business and industry media, news agencies, federal ministries and local authorities.</p>	Daily/ Weekly	from RUB 5,000
<p>INFOLine Summary Retail trade of the Russian Federation</p> <p>HTML+PDF+Word</p>	<p>A digest of the most relevant events in the industry according to individual criteria. You can order translation of INFOLine Summary into foreign languages. An ideal solution for operational daily informing of TOP managers of the company about the situation in the market.</p>	Individually	from RUB 10,000

ANALYTICAL DATABASES ON RETAIL TRADE CHAINS

Analytical databases provide opportunities to analyze, evaluate and forecast the development of retail trade and consumer market in Russia. Includes structured description, comparative analysis and ranking of operational and financial indicators of FMCG, DIY&Household, furniture segment chains in Russia. Also includes information on logistics, distribution centers of networks are described, the description of the main formats of trade in the retail market.

INFOLine analytical databases contain contact information, information on TOP management (General Director, Director for purchases, Financial Director, IT Director), the total number of stores, total retail space and financial indicators of chains, regional presence, the number of distribution centers, etc.

Name	Content	Publication date	Price
HIT! Analytical database 700 FMCG chains of Russia. 2019 PDF, Excel bonus when purchasing an extended version	The database contains the main macroeconomic indicators of retail trade and indicators of the largest retail chains, the history of development, the current state and prospects of the FMCG retail chains, ratings of FMCG chains by operational, financial indicators, logistics and formats.	June 2019/Update in March 2020	from RUB 60,000
HIT! Analytical database 300 universal DIY chains of Russia. 2019 PDF, Excel bonus	The database contains a description of the largest players in the DIY market, the Top ranking of the largest DIY operators in Russia, which includes net revenue, revenue per area unit, financial indicators, EBITDA dynamics and debt burden, and more.	July 2019	RUB 35,000
Analytical database 300 universal DIY chains of Russia. 2019 PDF, Excel bonus	The database contains comparative analysis and ranking of operational and financial indicators of more than 50 largest specialized DIY chains. Ratings of specialized DIY chains by areas: doors, insulation and roofing materials, ceramic tiles, fasteners, paints, flooring, wallpaper, plumbing, power tools.	October 2019	RUB 35,000
NEW! Analytical base 200 retail chains Household and home furniture of the Russian Federation. 2019 PDF, Excel bonus	The database contains a comparative analysis and ranking of operational and financial indicators of the largest retail chains Household and home furniture chains. A structured description of the largest players in the Household and home furniture market.	December 2018 / Updated in November 2019	RUB 60,000

Periodical products for the food industry, agriculture and retail trade, etc.

Product name	Product description	Periodicity	Price, RUB per month
Thematic news Retail trade of the Russian Federation	Operational and periodic information about the branch of the Russian economy you are interested in	Daily	5,000
Thematic news Food Market (more than 15 areas of the food industry!)		2 times a week	6,000
Periodic monthly review Bank of novelties in the food industry market	Overview of new products in the food market of the Russian Federation and abroad	1 time per month	12,500

Attention! *The above set of products and areas is not complete.*



In addition to initiative ready-made products, INFOLine allows customers to receive a range of individual information services to solve specific problems arising in the course of the company's activities. These are custom-made researches, compilation of databases, assortment and price monitoring, individual monitoring at the request of clients, etc.