

**INDUSTRY REVIEW****Russian consumer market and  
FMCG retail chains rating****Demo-version****The results 2018-2019**

- Retail business statistics in Russia and regions
- Retail indicators in Russia
- Review of retail market of Russia in 2018-2019
- Rating of FMCG retailers by stores number, selling space in 2013-2018, net sales in 2013-2018

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.

## Contents

<b>About Russian consumer market and FMCG retail chains rating .....</b>	<b>3</b>
<b>Rating of FMCG retail chains of Russia .....</b>	<b>5</b>
<i>TOP 200 FMCG chains performance.....</i>	<i>5</i>
<i>Rating of FMCG retail chains by number of stores.....</i>	<i>10</i>
<i>Rating of FMCG retail chains by selling space.....</i>	<i>12</i>
<i>Rating of FMCG retail chains by net sales.....</i>	<i>21</i>
<b>Section I. Retail trends and development in Russia .....</b>	<b>26</b>
<i>Macroeconomic retail indicators .....</i>	<i>26</i>
<i>Main indicators of retail development.....</i>	<i>30</i>
<i>Government regulation of retailing .....</i>	<i>32</i>
<i>Structure of retail turnover by the category of products .....</i>	<i>36</i>
<i>Structure of retail turnover by the category of retailer .....</i>	<i>39</i>
<i>Food market inflation.....</i>	<i>42</i>
<i>Regional structure of retail turnover.....</i>	<i>44</i>
<i>Consumer incomes and expenditures .....</i>	<i>46</i>
<i>Consumer expectations and confidence index.....</i>	<i>55</i>
<b>Section II. Key events for FMCG retail in Russia .....</b>	<b>58</b>
<i>The most important events, capable to influence FMCG retail of Russia .....</i>	<i>58</i>
<i>Roskachestvo activities.....</i>	<i>59</i>
<i>Activity of INFOLine .....</i>	<i>60</i>
<b>Section III. Key events and plans of major FMCG chains .....</b>	<b>64</b>
<i>X5 Retail Group N.V.(TH Perekrestok, JSC) / Pyaterochka, Perekrestok, Karusel, Perekrestok Express, Perekrestok Hyper.....</i>	<i>64</i>
<i>X5 Retail Group N. V. / Pyaterochka.....</i>	<i>69</i>
<i>X5 Retail Group N.V. (TH Perekrestok, JSC) / Perekrestok.....</i>	<i>72</i>
<i>X5 Retail Group N.V. (TH Perekrestok, JSC) / Karusel.....</i>	<i>76</i>
<i>X5 Retail Group N. V. (Express-Retail, LLC) / Perekrestok Express.....</i>	<i>78</i>
<i>Magnit, PC / Magnit, Magnit Family, Magnit Hypermarket, Magnit Cosmetic, Magnit Apteka .....</i>	<i>79</i>
<i>Magnit, PJSC / Magnit, Magnit Family, Magnit hypermarket .....</i>	<i>79</i>
<i>Magnit, PJSC / Magnit Cosmetic, Magnit Apteka .....</i>	<i>90</i>
<i>Lenta, LLC / Lenta.....</i>	<i>92</i>
<i>Auchan Retail Russia / Auchan, Auchan-City, Nasha Raduga, Kazhdy Den, Kazhdy den.Hypermarket, Atak and V shage ot Vas, Auchan Supermarket, Moy Auchan .....</i>	<i>100</i>
<i>Auchan, LLC / Auchan, Auchan-City, Nasha Raduga, Kazhdy Den, Auchan Supermarket, Moy Auchan.....</i>	<i>100</i>
<i>Auchan, LLC / Nasha Raduga, Kazhdy Den.Hypermarket .....</i>	<i>104</i>
<i>Atak, LLC / Atak, V shage ot Vas.....</i>	<i>105</i>
<i>DIXY, GK (DIXY Yug, JSC) / DIXY retail chain, Megamart, Minimart, Viktoria-kvartal, Victoria, Cash .....</i>	<i>105</i>
<i>DIXY, GK (DIXY Group, PC) / DIXY, Megamart, Minimart.....</i>	<i>105</i>
<i>DIXY GK (Victoriya Baltiya, LLC) / Victoria, Kvartal, Deshevo .....</i>	<i>107</i>
<i>Metro AG / METRO, METRO Punct, real,- .....</i>	<i>108</i>
<i>METRO Cash&amp;Carry, LLC / METRO, METRO Punct .....</i>	<i>108</i>
<i>METRO Cash&amp;Carry, LLC / Fasol.....</i>	<i>111</i>
<i>O'KEY, GK / O'KEY, O'KEY-Express, DA!.....</i>	<i>112</i>
<i>O'KEY, LLC / O'KEY, O'KEY-Express .....</i>	<i>112</i>
<i>Fresh Market LLC / DA! retail chain.....</i>	<i>115</i>
<i>Hyperglobus LLC / Globus retail chain .....</i>	<i>117</i>
<b>Appendix 1. Federal Law No. 446-FZ "On Amendments to Article 5 of the Federal Law "On Development of Agriculture" and the Federal Law "Based on State Regulation of Trade Activities in Russia" .....</b>	<b>120</b>
<b>About INFOLine products .....</b>	<b>121</b>

## About Russian consumer market and FMCG retail chains rating

The industry review contains structured information about Russian retail market in the accounting period (the results of 2018-2019), 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 for 11 months 2018 has increased by 2.6% in comparable prices (by 5.7% in monetary terms) and exceeded 28.2 trillion rub. (including VAT), and the volume of sales of food products – 13.4 trillion rub. (in view of VAT). The 200 largest retail chains FMCG (including specialized chains and shops at gas stations) described in the survey form about 50% of the retail turnover of food products in Russia, and the share of the top 10 FMCG largest retail chains is about 30%.

**Relevancy:** 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 1.0% for Q3 2018. In 9 months 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 1.8%. The government predicts that in 2018-2020 the retail trade turnover in the Russian Federation will move to growth and the dynamics in physical terms will be 2.9%, 1.7% and 2% respectively. In 2021-2024 the growth of retail trade turnover in the Russian Federation will accelerate to 2.6%, 2.6% 2.7% and 2.8% respectively.

**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 (market capacity and dynamics), operational and financial indicators of largest FMCG chains from 2013. Results of 2017-2018. Tendency of development in 2019 and forecast for 2019-2036 (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:** 17-18th 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 format hypermarket – the selling space is over 2.5 thousand sq. m; format supermarket – the selling space from 0.5 to 2.5 thousand sq. m; format discounter – the selling space from 0.4 to 2.7 thousand sq. m; format convenience store, which includes both universal and specialized chains (alcohol, meat, milk, etc.), with a selling space of up to 0.5 sq. m.

### Research methods and data sources

- regular monthly expert interviews and interviews with representatives of more than 200 FMCG retail chains in Russia;
- questioning of more than 100 FMCG retail chains, monitoring and analysis of operational and financial indicators of more than **"700 FMCG retail chains"**;
- Researches **"Retail trade Food and consumer market in Russia. Results of 2017. Prospects for development in 2018-2019"** and **"Food retail and consumer market of Russia. Growth prospects in 2017-2019"**;
- Researches **"Retail Trade Non-Food and Consumer Market in Russia. Preliminary results of 2017. Development prospects in 2018-2020"** and **"Non-Food retail and consumer market of Russia. Growth prospects in 2017-2019"**;
- Research **"INFOLine Retail Russia TOP 100. Results of 2017. Trends of 2018. Forecast till 2020"**;
- monthly update of the unique database "1000 hypermarkets FMCG of Russia", which is carried out as part of the preparation of the Research **"The market of hypermarkets FMCG RF" (standard and extended versions)**;
- monitoring of the status of the retail real estate market, the implementation of investment projects, the introduction of retail properties: **"Shopping centers and hypermarkets FMCG and DIY of Russia. Projects of 2018-2021"**.

- Monitoring of more than 2,000 media outlets and identification of key events in the retail market FMCG, which INFOLine has been carrying out since 2002 as part of the service "**Thematic news: Food retail and FMCG RF retail chains**", "**Thematic news: Food industry and food market RF**" and "**Themed 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 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. Governmental regulation of retail. 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. 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 III. 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 2018-2019, new formats development, M&A, resignations and appointments, logistics, private label, interaction with consumers and suppliers, corporate events, top management and contact information.

**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 world-wide. 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.



Nixdorf).

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-

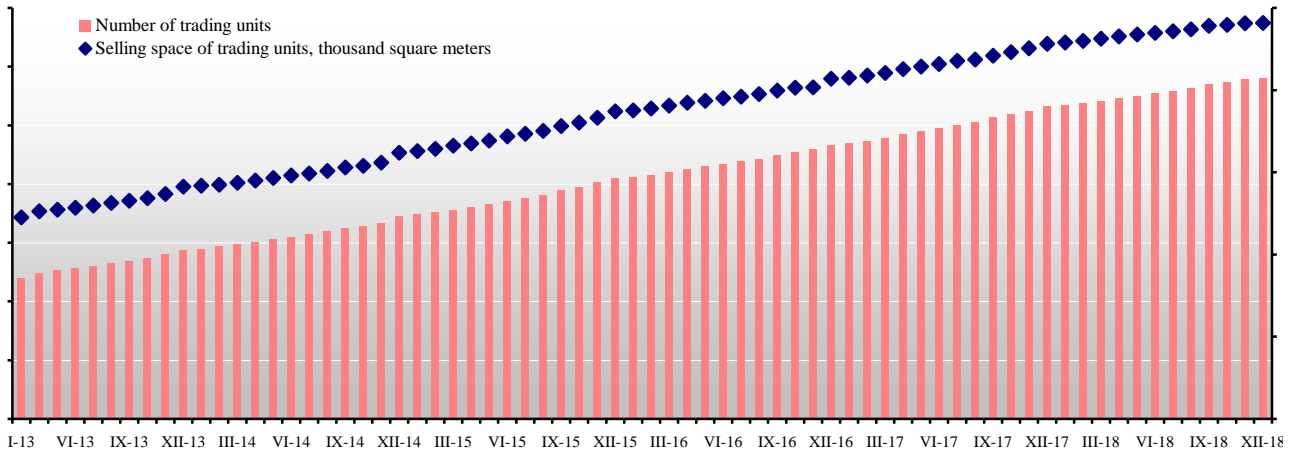
For additional information you are welcome to visit our sites at [www.infoline.spb.ru](http://www.infoline.spb.ru) and [www.advis.ru](http://www.advis.ru)

## Rating of FMCG retail chains of Russia

### TOP-200 FMCG chains<sup>1</sup> performance

Over **December 2018**, the number of stores belonging to TOP-200 retailers FMCG increased by \* while during **2018** this number increased by \*. In **December 2018** a total selling space increased by \* thousand square meters while for the period **2018** it increased by more than \* thousand square meters.

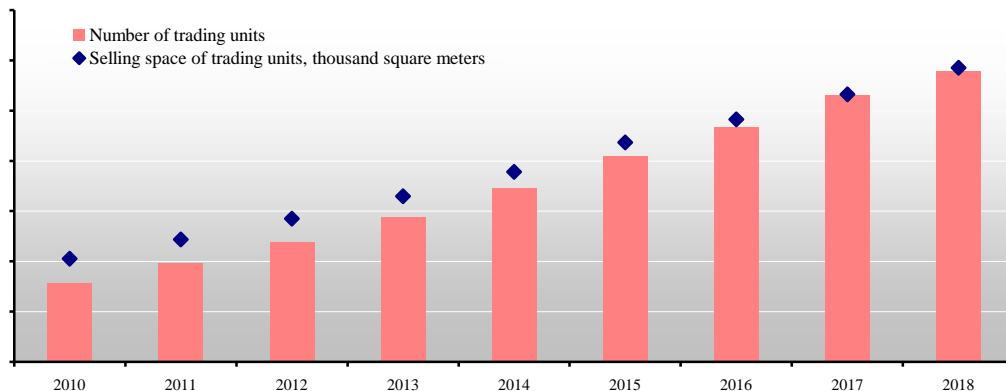
Figure 1. Dynamics of number of stores and their selling space of 200 largest retailers of Russia in 2013-2018 (at the end of the period)



Data source: INFOLine

As of **December 31, 2018**, a total number of TOP 200 retailers FMCG stores were \* while their total selling space was more than \* million sq. m.

Figure 2. Dynamics of number of stores and their selling space of 200 largest retailers of Russia in 2010-2018 (at the end of the period)



Data source: INFOLine

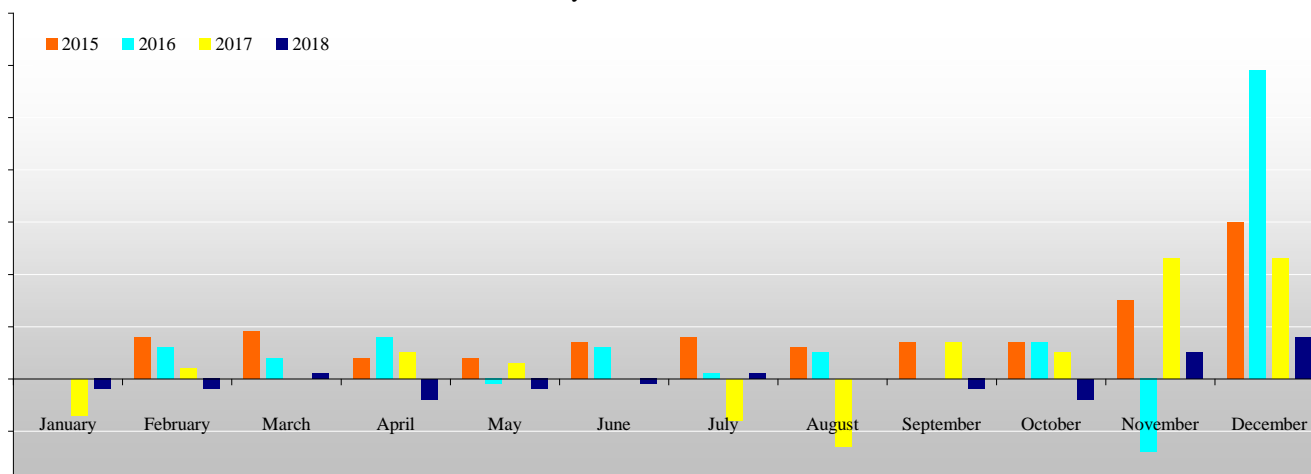
### Hypermarket Format Development<sup>2</sup>

In **December 2018**, the number of hypermarkets belonging to TOP-200 retailers FMCG increased by \* store while selling space increased by \* thousand square meters. Over the period of **2018**, a number of hypermarkets of TOP-200 retailers FMCG increased by \* stores while selling space expanded by \* thousand square meters.

<sup>1</sup> Data was corrected according to the 2018. Here in after the data for X5 Retail Group, Magnit and DIXY is presented as it was available at the date of this survey's preparation: Magnit-31 December 2018, X5 Retail Group-31 December 2018, DIXY-31 December 2018. Drogerie store chain Magnit Cosmetic is not included.

<sup>2</sup> INFOLine-Analytics defines the hypermarket format as stores with more than 2.5 thousand sq. m of selling space. Magnit Semeiny and Magnit OPT are not included into the hypermarket format, though Tander CJSC positions them as hypermarkets. According to the Magnit's policy since Q3 2018 all large format stores of the company in publications are represented as the supermarket format, but INFOLine preserves the hypermarket and supermarket frameworks for representativeness of the data.

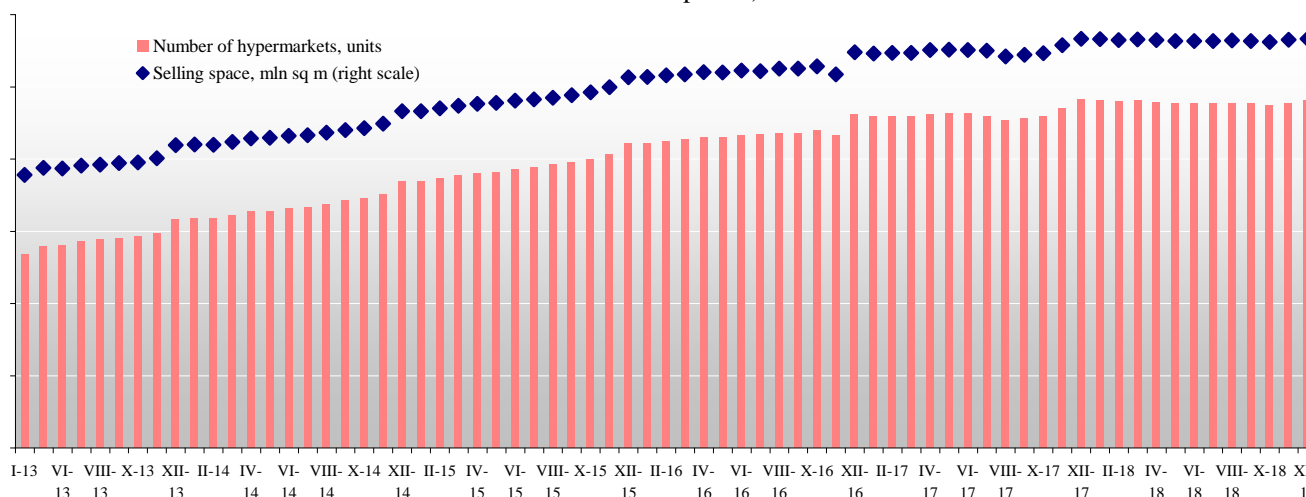
Figure 3. Dynamics of the net hypermarkets number increase among of 200 largest retailers of Russia in 2015-2018 on monthly basis, number of outlets



Data source: IA INFOLine

In **December 2018**, the following hypermarkets were **opened**: Lenta hypermarkets in ..., Karusel hypermakert in...  
 Meanwhile, in **December 2018** was **closed** a hypermarket ...

Figure 4. Dynamics of number of hypermarkets and their floorspace of 200 largest retailers of Russia in 2013-2018 (to the end of the period)



Data source: IA INFOLine

The total number of hypermarkets among TOP-200 FMCG retailers as of **December 31, 2018** was \*, with total selling space of \*million sq. m.

## Research (full version) also includes the description of development of supermarket format, discounter<sup>3</sup> format and convenience store format

### Rating of FMCG retail chains by number of stores

INFOLine *monthly* collects information regarding stores number among more than 200 major FMCG retailers

#### Expansion dynamics by number of stores

<sup>3</sup> As it has come to be generally accepted by the international retailers the format of discounter should meet the "one commodity - one demand" rule. But it is important to emphasize that in Russia the discounter format, as such, is non-existent. At the same time the specialists of INFOLine would like to distinguish two subformats of the convenience store format: soft discounters, for the formats of the number of the largest Russian players, such as Pyaterochka, Dixy, Magnit, Monетка, Maria-Ra, Narodnaya 7Ya, Verniy, Lider Ekonomii, Holdi, Polushka, Avoska, Molniya-Express, Grozd, Bayram, Aniks, Bravo, Pokupayka, Universam Udachnykh Pokupok, Proletarskiy, Pokupochka, etc. and convenience stores of small regional retailers.

Major retailers' stores number dynamics in 2016-2017 are presented in the table.

Table 1. Number of stores of the largest FMCG chains during <sup>4</sup> in 2013-2018

Legal name	Brand	Main formats <sup>5</sup>	Number of stores as of period's end						Stores number dynamics during the period									
			2014	2015	2016	2017	2018	Dec.17	Dec.18	2017	2018	Dec. 17	Dec.18					
X5 Retail Group (TD Perekrestok, JSC)	Pyaterochka	D	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Perekrestok	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Karusel, Perekrestok Hyper	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Perekrestok Express	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	<b>All formats</b>	<b>All formats</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Magnit, PC (Tander, JSC)	Magnit hypermarket	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Magnit	D	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Magnit Family	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Magnit-Cosmetic	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	<b>All formats</b>	<b>All formats</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Lenta, LLC	Lenta,	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Lenta,	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	<b>All formats</b>	<b>All formats</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Auchan Retail Russia (Auchan, LLC; Atak, LLC)	Atak, V shage ot Vas	S, C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Auchan, Auchan-City, Nasha Raduga, Kazhdy Den, Auchan Supermarket, Moy Auchan	H, S, C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	<b>All formats</b>	<b>All formats</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
DIXY Ug, SC	Dixy	D	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Minimart	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Megamart	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Deshevo, Kvartal	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Victoriya	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Cash	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	<b>All formats</b>	<b>All formats</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Metro Group (METRO Cash and Carry LLC) <sup>6</sup>	METRO, METRO Punct, real,-	H, S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
SPS Holding	Krasnoe&Beloe	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
O'KEY LLC	O'KEY, O'KEY-Express	H, S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Fresh Market, LLC	DA!	D	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
O'KEY, LLC	<b>All formats</b>	<b>All formats</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
<i>Spar (all legal entities)<sup>7</sup></i>	<i>SPAR, SPAR Express, EUROSPAR, INTERSPAR</i>	<i>H, S, C</i>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Hyperglobus, LLC	Globus	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Monetka, GK (Element -Trade, LLC)	Monetka, Monetka Super, Rayt	H, S, D	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Maria-Ra GC	Maria-Ra	S, C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Intertorg Mall, LLC	Narodnaya 7Ya, Ideya, Norma, SPAR (franchising), Spar Express	H, S, C, D	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
GC Torgservis, LLC	Svetofor	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Albion-2002, LLC	Bristol, Bristol-Express	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Gorodskoy Supermarket, LLC	Azbuka Vkusa, AV Daily, AV Market, AV Market, Enoteka, Spar	H, S, C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*

Data source: INFOLine, according to the companies' data

## Rating of FMCG retail chains by selling space

INFOLine 1 monthly collects information about selling space dynamics for more than 200 major FMCG retailers of Russia.

### Performance for 2013-2018 and forecast 2019

According to results of 2018 the increment of selling space among 200 major chains came to more than \* thousand sq. m. (2017 - \* thousand sq. m., 2016 - \* thousand sq. m., in 2015 - \*, in 2014 - \* thousand sq. m., in 2013 - \* thousand sq. m.) or \*% (in 2017 - \*%, in 2016 - \*%, in 2015 - \*%, in 2014 - \*%, in 2013 - \*%). Therefore, as of 01 January 2019 the aggregate selling space of TOP 200 FMCG retail chains was more than \* million sq. m. <...>

<sup>4</sup> Includes chains with revenue of over RUB 11 bn in 2017.

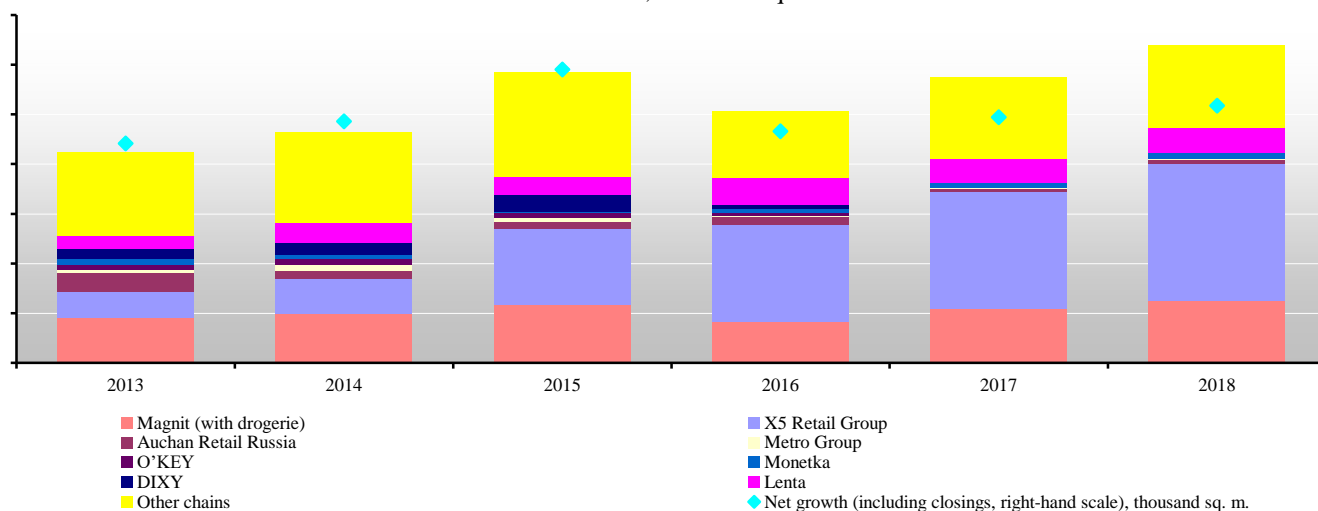
<sup>5</sup> H - hypermarket, S - supermarket, D - discounter, C - convenience store

<sup>6</sup> Without taking into account the franchise retail chain Fасol, the number of stores of which is more than 1000 franchising stores and 1 is owned by company.

<sup>7</sup> Taking into account subfranchising stores.



Figure 11. Dynamics of selling space growth of TOP 200 retailers of Russia (excluding retailers that reduced retail space) in 2013-2018, thousand sq. m



Data source: INFOLine IA

<...>

### Selling space dynamics of major retailers

Selling space of major retailers at the end of 2014-2018 and at the end of the reporting month, as well as the dynamics of selling space for the reporting month and for the period from the beginning of the year are presented in the table.

Table 2. Total selling space of major<sup>8</sup> FMCG chains of Russia in 2013-2018, thousand sq. m.

Legal name	Brand	Main formats <sup>9</sup>	Total selling floor space as of period's end					Dynamics of aggregate sales space for the period										
			2014	2015	2016	2017	2018	Dec.17	Dec.18	2017	2018	Dec. 17	Dec.18					
X5 Retail Group (TD Perekrestok, JSC)	Pyaterochka	D	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Perekrestok	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Karusel, Perekrestok Hyper	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Perekrestok Express	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	<b>All formats</b>	<b>All formats</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Magnit, PC (Tander, JSC)	Magnit hypermarket	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Magnit	D	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Magnit Family	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Magnit-Cosmetic	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
<b>All formats</b>	<b>All formats</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Lenta, LLC	Lenta,	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Lenta,	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	<b>All formats</b>	<b>All formats</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Auchan Retail Russia (Auchan, LLC; Atak, LLC)	Atak, V shage ot Vas	S, C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Auchan, Auchan-City, Nasha Raduga, Kazhdy Den, Auchan Supermarket, Moy Auchan	H, S, C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	<b>All formats</b>	<b>All formats</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
DIXY Ug, SC	Dixy	D	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Minimart	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Megamart	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Deshevo, Kvartal	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Victoriya	S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Cash	H	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
<b>All formats</b>	<b>All formats</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Metro Group (METRO Cash and Carry LLC) <sup>10</sup>	METRO, METRO Punct, real,-	H, S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
SPS Holding	Krasnoe&Beloe	C	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
O'KEY LLC	O'KEY, O'KEY-Express	H, S	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Fresh Market, LLC	DA!	D	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
O'KEY, LLC	<b>All formats</b>	<b>All formats</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
<i>Spar (all legal entities)<sup>11</sup></i>	<i>SPAR, SPAR Express, EUROSPAR, INTERSPAR</i>	<i>H, S, C</i>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*

<sup>8</sup> Includes chains with revenue of over RUB 11 bn in 2017

<sup>9</sup> H – hypermarket, S – supermarket, D – discounter, C – convenience store

<sup>10</sup> Without taking into account the franchise retail chain Fасol, the number of stores of which is more than 1000 franchising stores and 1 is owned by company.

<sup>11</sup> Taking into account subfranchising stores.





<...>

TOP 50 retailers' revenue dynamics in 2013-2018 are presented in the table.

Table 5. Net sales dynamics (excluding VAT) of the major FMCG chains in 2013-2018, bn RUB

Legal name	Brand	Main formats <sup>17</sup>	Data	2013	2014	2015	2016	2017	2018	2018 vs. 2017, % <sup>18</sup>
X5 Retail Group (TH Perekrestok, JSC)	Karusel, Perekrestok Hyper	H	IFRS (revenue)	*	*	*	*	*	*	*
	Perekrestok	S		*	*	*	*	*	*	*
	Pyaterochka	D		*	*	*	*	*	*	*
	Perekrestok Express, Kopeika	C		*	*	*	*	*	*	*
	<b>All formats</b>	<b>All formats</b>		*	*	*	*	*	*	*
Magnit, PC (Tander, JSC)	Magnit hypermarket	H	IFRS (revenue)	*	*	*	*	*	*	*
	Magnit	D		*	*	*	*	*	*	*
	Magnit Family, Magnit-OPT	S		*	*	*	*	*	*	*
	Magnit-Cosmetic	C		*	*	*	*	*	*	*
	<b>All formats</b>	<b>All formats</b>		*	*	*	*	*	*	*
Lenta, LLC	Lenta	H, S	management accounting, IFRS	*	*	*	*	*	*	
Auchan Retail Russia (Auchan, LLC; Atak, LLC)	Auchan, Auchan-City, Auchan Supermarket, Moy Auchan, Nasha Raduga, Kazhdy Den, Atak	H, S	estimation, management accounting	*	*	*	*	*	*	
DIXY Ug, JSC	Dixy, Megamart, Minimart, Kvartal, Victoriya, Cash	H, S, C, D	IFRS	*	*	*	*	*	*	
Metro Group (METRO Cash and Carry LLC)	METRO, METRO Punct, real,-	H, S	2013-2017 IFRS, (financial year from Apr, 1 to Mar, 31 ), H1 2017-2018 - INFOLine calculations according IFRS	*	*	*	*	*	*	
SPS Holding	Krasnoe&Beloe	C	estimation	*	*	*	*	*	*	
O'KEY LLC	O'KEY, O'KEY-Express	H, S	IFRS (revenue)	*	*	*	*	*	*	
<i>Spar (all legal entities)<sup>19</sup></i>	<i>SPAR, SPAR Express, EUROSPAR, INTERSPAR</i>	<i>S, H, C</i>	<i>management accounting</i>	*	*	*	*	*	*	
Hyperglobus, LLC	Globus	H	RAS, management accounting, estimation	*	*	*	*	*	*	
Monetka, GK (Element - Trade, LLC)	Monetka, Monetka Super, Rayt	H, S, D	RAS, management accounting	*	*	*	*	*	*	
Maria-Ra GC	Maria-Ra	C, D	management accounting	*	*	*	*	*	*	
Intertorg Mall, LLC	Narodnaya 7Ya, Ideya, Norma, SPAR (franchising)	H, S, C, D	management accounting	*	*	*	*	*	*	
GC Torgservis, LLC	Svetofor, Mayak	S	management accounting, estimation	*	*	*	*	*	*	
Albion-2002, LLC	Bristol, Bristol-Express	C	management accounting	*	*	*	*	*	*	
Gorodskoy Supermarket, LLC	Azbuka Vkusa, AV Daily, AV Market, Enoteka	H, S, C	IFRS, management accounting (fin. year – 1 Apr-31Mar.)	*	*	*	*	*	*	

Data source: INFOLine data

**Full version also includes the description of the aggregated financial performance for the largest chains with revenue of more than 11 billion rubles.**

## Section I. Retail trends and development in Russia

### Macroeconomic retail indicators

#### Macroeconomic indicators

On November 28, 2018, the Ministry of Economic Development (MED) published Forecast of Social and Economic Development of the Russian Federation till 2036. The Forecast consists of two main scenarios (basic and conservative), forward-looking indicators are divided into three six-year periods (2019-2024, 2025-2030, 2031-2036). According to this document, MED predicts decrease in growth rates of the global GDP to 3.2% by 2024. The global economy will continue to grow further at the rate slightly lower than 3% being below the long-term average levels (3.6% for the last 30 years). <...>

#### Retail trade indicators

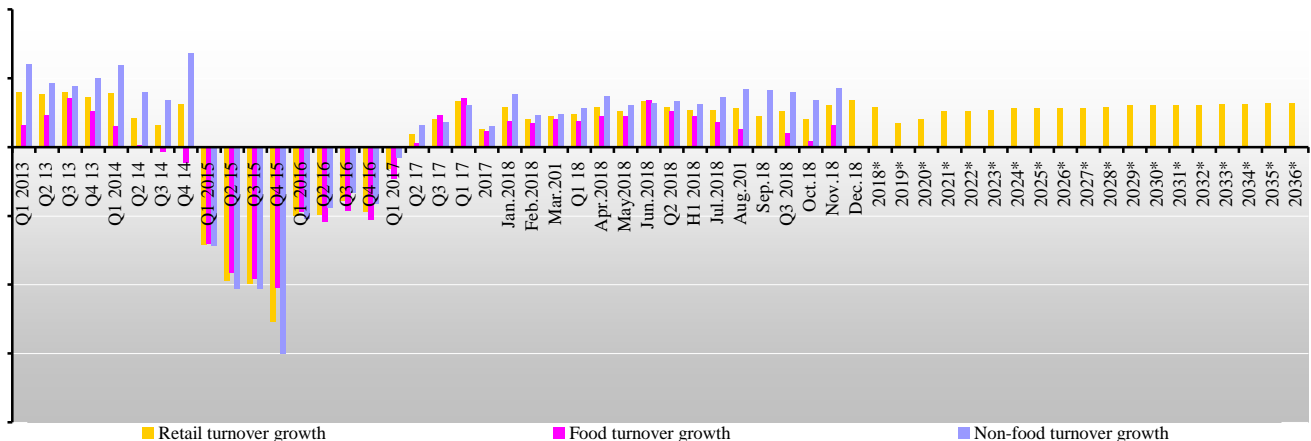
<...>

<sup>17</sup> Legend: D - discounter, H - hypermarket, S - supermarket, C – convenience store

<sup>18</sup> The negative values in parentheses

<sup>19</sup> Taking into account subfranchising stores.

Figure 5. Main consumer market indicators in 2013-2018 and forecast till 2019-2036, % against the same period of previous year



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

Due to the background of a slowdown in food inflation, the retail trade turnover in rubles in December 2018 amounted to \*% (in December 2017 – \*%), while food-products retail market turnover in rubles sped up growth and amounted to \*% (in December 2017 – \*%) and the turnover of retail trade in non-food product increased up to \*% (in December 2017 – \*%). <...>

Table 6. Retail turnover dynamics in Russia in 2013-2018 and forecast till 2018-2036

Period	Turnover, bn RUB	In % to corresponding period of previous year	
		In comparable prices, %	In current prices, %
2013	*	*	*
...	...	...	...
2016	*	*	*
Q1 2017	...	...	...
...	...	...	...
Q4 2017	*	*	*
2017	*	*	*
January 2018	*	*	*
...	...	...	...
Q1 2018	*	*	*
...	...	...	...
Q3 2018	*	*	*
9m 2018	*	*	*
...	...	...	...
Q4 2018	*	*	*
2018	*	*	*
2019 (forecast)	*	*	*
...	...	...	...
2036 (forecast)	*	*	*

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

## Main indicators of retail development<sup>20</sup>

According to FSSS (the Federal State Statistics Service) in Q4 2018 the business confidence index reached \* pp. According to FSSS in Q4 2018 actual changes in retail turnover increased by \* pp. vs. Q3 2018 up to \*pp. and by \* pp. vs. Q4 2017 to \* pp. <...>

<sup>20</sup> 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.



Figure 6. Entrepreneur confidence index in Russia in 2013-2018

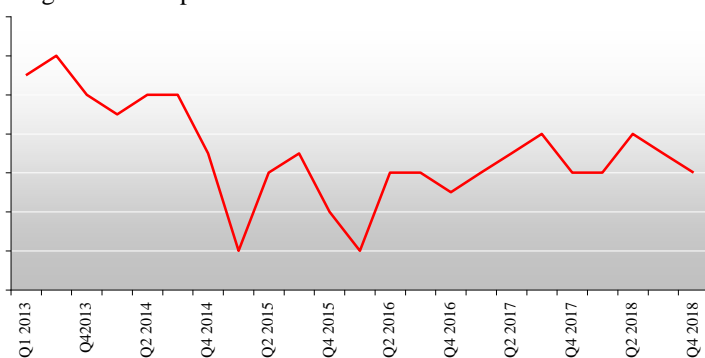
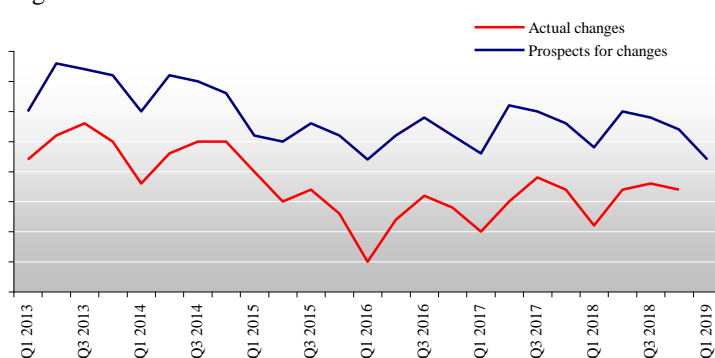


Figure 7. Assessment of economic situation in Russia in 2013-2019



Data source: FSSS



## Government regulation of retailing

### The Trade Act

On November 28, 2018, the President of the Russian Federation signed Federal Law No. 446-FZ "On Amending Article 5 of the Federal Law "On Development of Agriculture" and the Federal Law "On Fundamental Principles of State Regulation of Trade Activities in the Russian Federation". <...>

### Self-regulation in the consumer market and the Code of Good practice

In December 2018, a meeting of the Commission on the Code of Good Practices Application was held. The Commission adopted a number of decisions aimed at excluding unfair practices from business and applying fair practices in determination and application of penalties by retail chains and suppliers, as well as in termination of existing contracts and signing new supply contracts between retail chains and suppliers that have been repeatedly caught in the production and supply of unsafe, counterfeit and adulterated goods by control bodies and monitoring organizations. <...>

### The Non-stationary Trade Regulation

On December 5, 2018, Draft Law No. 601732-7 "On Amendments to the Federal Law "On the Principles of State Regulation of Trade Activities in the Russian Federation" and Article 28 of the Federal Law "On General Principles of Local Government in the Russian Federation" (in Terms of Improving Legal Regulation of Non-Stationary and Retail Delivery Trade)" was introduced in the State Duma of the Russian Federation. In order to establish general principles and rules of regulation of non-stationary trade in the Russian Federation, as well as to create favorable conditions for trade activities in the Russian Federation using non-stationary and mobile trading facilities, the draft law proposes to:

- Clarify the terminology and bring it into conformity with modern market requirements <...>

### Alcohol Beverage Market Regulation

On December 10, 2018, the Russian Government signed Resolution No. 1505 "On Restriction of Conditions and Places of Retail Sale of Alcohol-Containing Non-Food Products". The signed resolution prohibits the retail sale of alcohol-containing non-food products with an ethyl alcohol content of more than 28% of the finished product volume below the price set by the Ministry of Finance of Russia for retail sale of vodka, alcoholic beverages and other alcoholic products with an alcohol content over 28% per 0.5 liters of finished products. <...>

### Tobacco market regulation

On December 5, 2018, the Federal Anti-Monopoly Service announced its decision to check the market for tobacco products, nicotine-containing products and devices for nicotine consumption in ways other than tobacco smoking. "We don't know much about this market, we haven't analyzed it before. The study was initiated by the Department for Control over Advertising and Unfair Competition," said Andrey Tsyganov, Deputy Head of the Federal Anti-Monopoly Service. In December 2018, the Ministry of Health developed a

new concept, according to which the sale of cigarettes and vaping devices will be banned by 2050. <...>

### **Product quality regulation**

In December 2018, the Head of the Ministry of Agriculture Dmitry Patrushev reported that an updated version of the Doctrine of Food Security of Russia was introduced to the government. The current Doctrine of Food Security was approved in 2010. "Of course, time goes on, groundwork has been laid for its revision," said Mr. Patrushev. "How is it different from the old one? At present, we have fully provided ourselves with a number of goods. It means that some indicators are changing: now we are not measuring our own production in the current consumption in our country, we are already talking about possible export," the Minister said. <...>

### **Marking the products**

On December 25, 2018 the President of the Russian Federation signed No. 488-FZ "On Amendments to the Federal Law "On Principles of State Regulation of Trade Activities in the Russian Federation" and Articles 4-4 and 4-5 of the Federal Law "On the Use of Cash Registers in Settlements in the Russian Federation". The document provides for creation and implementation from January 1, 2019 of the state information system for monitoring the movement of goods from the manufacturer to the end user using control (identification) signs. This system is an integral part of the process of mandatory goods labeling ensuring trade transparency and traceability. Introduction of mandatory labeling of goods with identification means is designed to protect the state interests, legitimate interests of economic entities and the rights of consumers, to prevent the spread of counterfeit and adulterated products in the Russian Federation. <...>

### **The Cash Registers Regulation**

On December 7, 2018, Draft Law No. 603170-7 "On Amendments to the Federal Law "On the National Payment System" was introduced in the State Duma of the Russian Federation, which proposes to set requirements to the application of electronic wallets and other electronic means of payment issued by foreign payment service providers (AliPay, WeChat, etc.) in the Russian Federation. These requirements are aimed at ensuring timely settlements of foreign payment service providers with Russian banks, minimizing risks in the areas of AML/CFT and information security. <...>

### **National Food Aid Program**

In December 2018, member of the State Duma Committee on Agricultural Issues Arkady Ponomarev said at the "Russian Agricultural Holdings – 2018" conference that the government will not introduce food cards for the poor. Ponomarev pointed out that it is needed to introduce cards not for an expanded range of products, including manufactured goods, but for specific products, and then it can be implemented from the point of view of the budget. The implementation of the relevant proposal will stimulate domestic demand and the development of processing industries, Ponomarev said. In addition to the fact that the introduction of cards will support the population, they can be a serious impetus for the development of domestic consumption and the development of the domestic market, according to Ponomarev's opinion. <...>

### **Other regulatory news**

On December 25, 2018, the President of the Russian Federation signed No. 487-FZ "On Amendments to Article 25-1 of the Federal Law "On the Development of Small and Medium-Sized Businesses in the Russian Federation". The document amends Article 25-1 of the federal law dated July 24, 2007 "On the Development of Small and Medium-Sized Businesses in the Russian Federation". The amendment provides that for the fulfillment of the Corporation's obligations under independent guarantees issued by the said corporation in connection with loans and credits attracted, guarantees and independent guarantees issued to legal entities and individual entrepreneurs in order to ensure fulfilling obligations by small and medium-sized businesses, the Corporation is provided with state support at the expense of the federal budget in the manner, form and amount determined in accordance with the budget legislation of the Russian Federation. The federal law comes into force on January 1, 2019. <...>

## Research (full version) includes information on the key events in the government regulation of Russian retail market

### Structure of retail turnover by the category of products

<...>

In December 2018 the share of food products in the structure of the retail turnover increased by \*p.p. comparing to December 2017. <...>

Table 8. Structure of retail turnover in terms of product groups in 2013-2018

Indicator	2013	2014	2015	2016	2017	2018	Q4 2017	Q4 2018	Dec. 17	Dec. 18
Retail turnover	*	*	*	*	*	*	*	*	*	*
Food	*	*	*	*	*	*	*	*	*	*
Non-food	*	*	*	*	*	*	*	*	*	*
Food share, %	*	*	*	*	*	*	*	*	*	*
Non-food share, %	*	*	*	*	*	*	*	*	*	*

Data source: FSSS

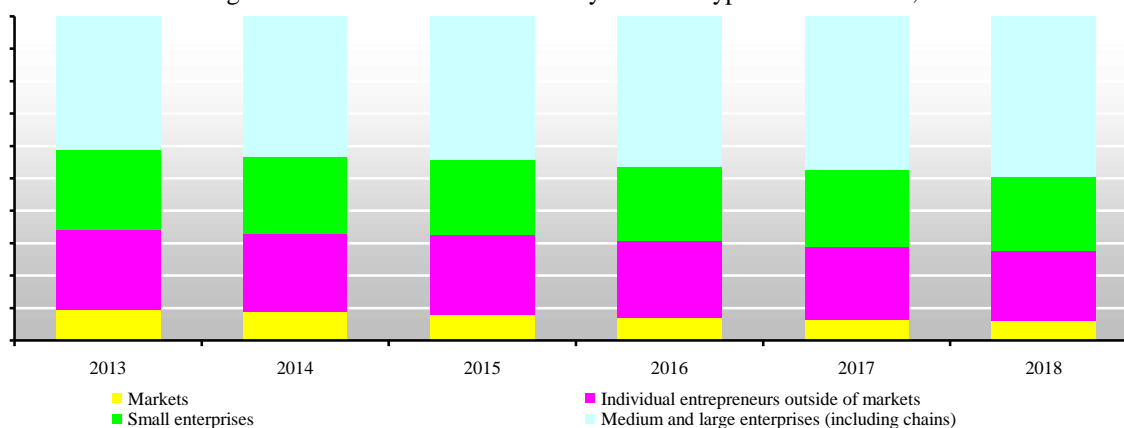
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## Research (full version) also includes sales dynamics of the major food and non-food retailers

### Structure of retail turnover by the category of retailer

The share of markets in the retail structure continued to decrease in 2018. The share of small enterprises is also decreasing – by \*pp vs. 2017 and of individual entrepreneurs increased by \* pp vs. 2017. The share of medium-size businesses increased by \*pp vs. 2017 and micro enterprises unchanged. The share of large businesses (largely, retail chains) increased by \*pp vs. 2017.

Figure 8. Retail turnover structure by business types in 2013-2018, %



Data source: FSSS

<...>

## Research (full version) also contains information on structure of sales in the markets and at fairs, detailed information on unorganized trade: number of markets, trading places, market structure and the managing subjects and other.

### Regional structure of retail turnover

The regional structure of the retail turnover of Russia is characterized by its inhomogeneity: in 2018 \*% of the turnover accounted for 11 territorial entities (Moscow,

the Moscow region, Saint-Petersburg, the Sverdlovsk region, the Krasnodar Krai, the Samara region, the Republic of Tatarstan and Bashkortostan, the Tyumen region, the Chelyabinsk and Rostov regions). <...>

Figure 9. Retail turnover structure by regions of Russia in 2017, %

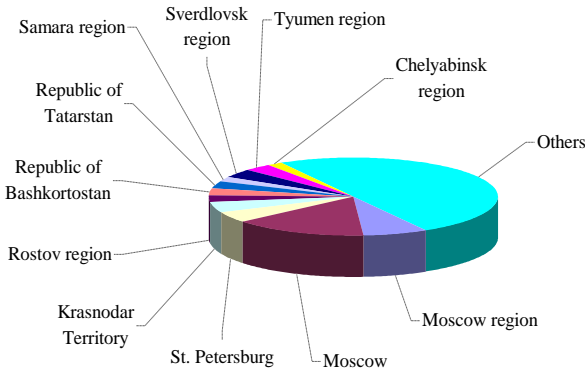
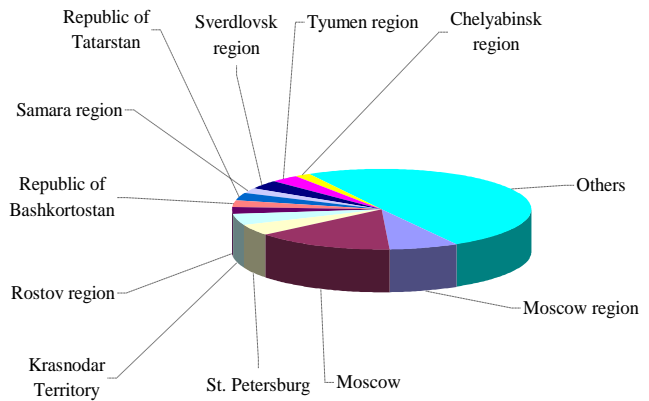


Figure 10. Retail turnover structure by regions of Russia in 2018, %



Data source: FSSS

<...>

In 2018 the greatest reduction (more than 5%) of retail turnover volumes against 2017 among the largest constituent entities of the Russian Federation (share in the retail turnover over the Russian Federation is more than 1%) was demonstrated by <...>

Figure 11. Retail turnover structure by federal districts of Russia in 2017, %

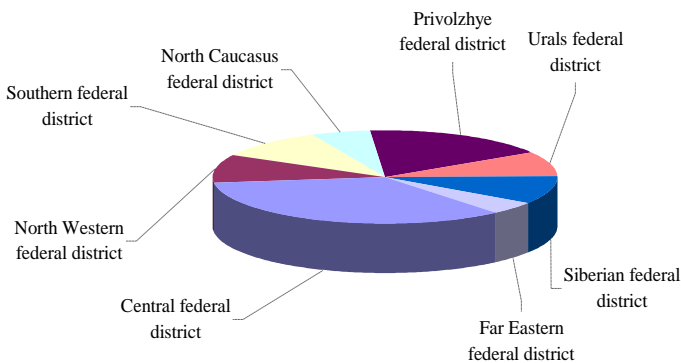
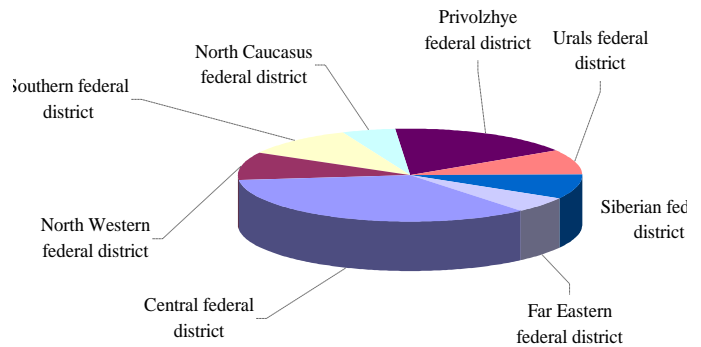


Figure 12. Retail turnover structure by federal districts of Russia in 2018, %



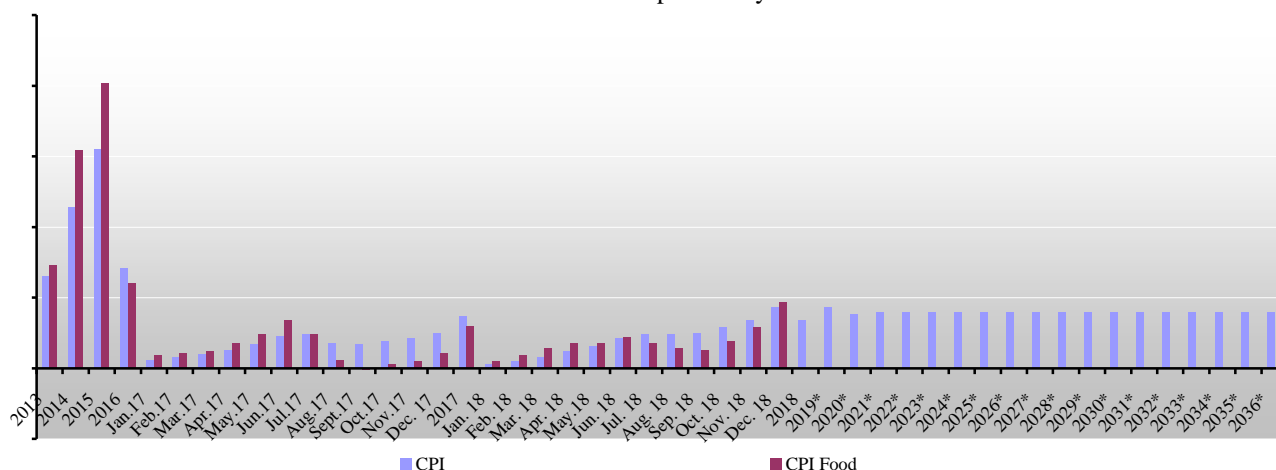
Data source: FSSS

<...>

## Food market inflation

In December 2018, the Central Bank of the Russian Federation published a forecast of the main macroeconomic indicators under the baseline scenario in 2019-2021 in the report on monetary policy. According to the forecast, annual inflation will temporarily accelerate to \*-% in 2019 from \*-% at the end of 2018. <...>

Figure 13. Consumer prices index as of the period's end in 2013-2018 and forecast for 2019-2036 (basic forecast), % against December of previous year



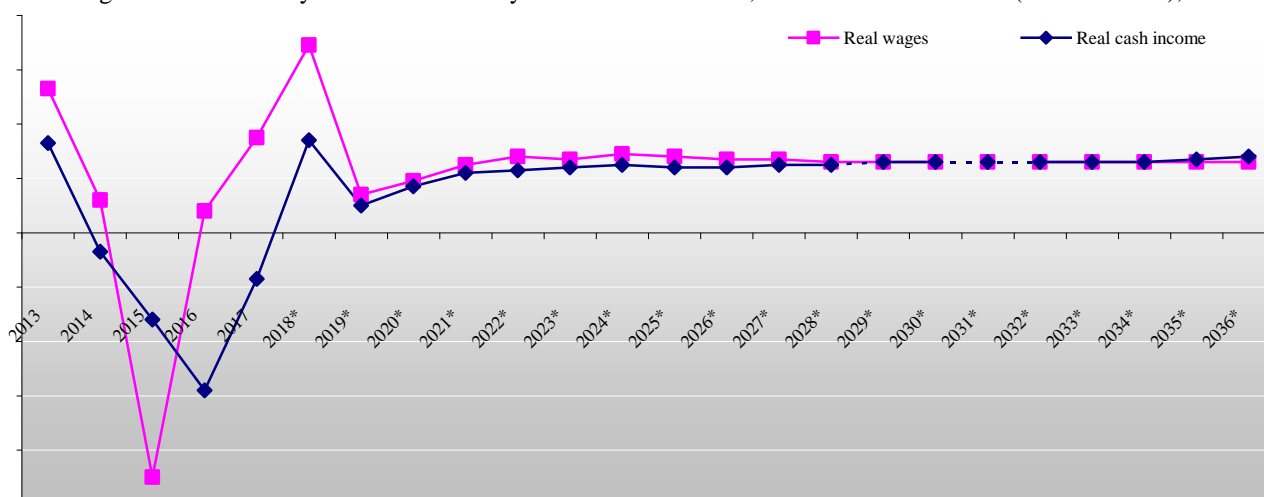
Data source: FSSS

## Research (full version) also contains the information on dynamics of price changes for consumer products in Russia and 8 regions of Russia

### Consumer incomes and expenditures

During 2018, population's real income has decreased by \*% (compared to \*% in 2017), and real wages have increased by \*%, compared to the decrease of \*% in 2017 <...> On November 28, 2018, MED published Forecast of Social and Economic Development of the Russian Federation until 2036. According to the document, salary growth will be promoted by sustained economic growth and labor productivity rise. As a result, growth of the real wage in the long term will stabilize at the level of \*%, and generally in 2019-2036 there will be an increase by \*times. <...>

Figure 14. Real salary and real income dynamics in 2013-2018, forecast for 2019-2036 (basic forecast), %



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

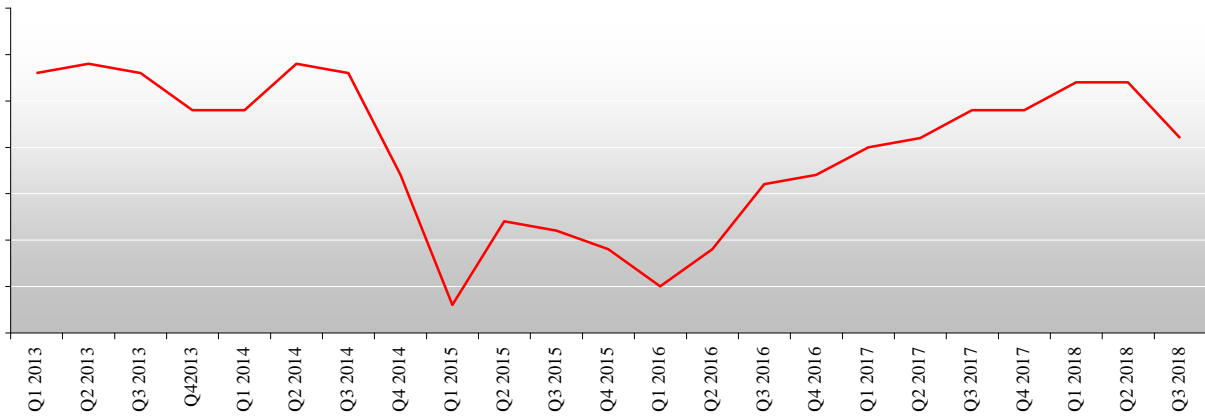
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### Consumer expectations and confidence index

Despite the economic situation remaining complicated, the population demonstrates demand recovery. Besides, the situation of an increased level of loan burden on the population continues to aggravate.

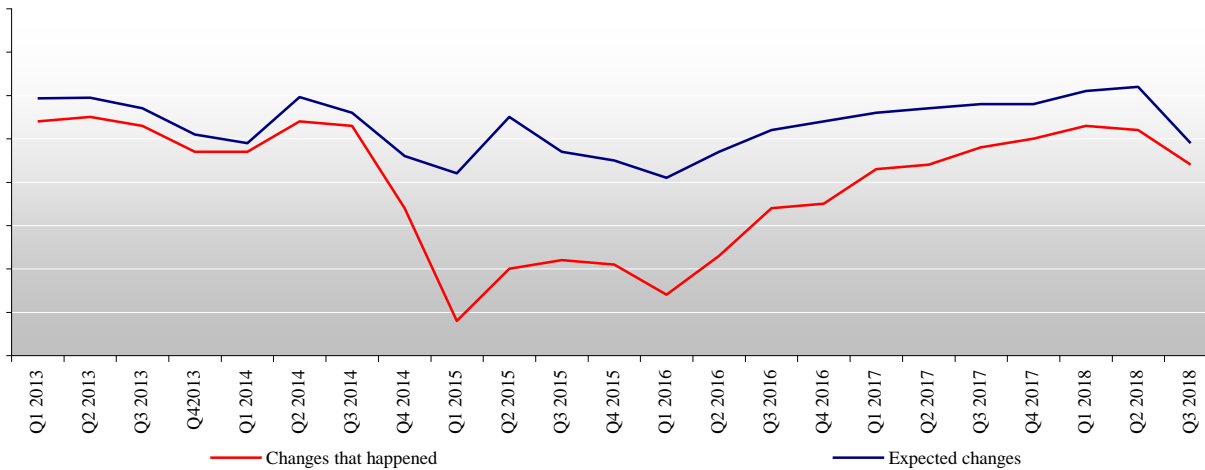


Figure 83. Consumer confidence index in Russia 2013-2018



Positive changes in the country's economics during the next 12 months are anticipated by \*% of surveyed in comparison with \*% in Q4 2018, <...>

Figure 84. Consumers' assessment of economic situation in Russia in 2013-2018



Data source: FSSS

<...>

**Research (full version) also includes the structure of consumer income and expenses, credit and monetary policy, results of the household panel following the results of the complete period, average ticket value analysis, consumer expectations and confidence indexes and etc.**



## Section II. Key events for FMCG retail in Russia

### *The most important events, capable to influence FMCG retail of Russia*

 **ЧЕРКИЗОВО**  
с 1974



On December 5, 2018 it became known that Cherkizovo Group bought Altai Broiler poultry farm for the compensation of RUB 4.6 bn. Press-release of the company states: "... The company closed the deal on acquisition of local producer Altai Broiler. Purchase of the poultry farm will allow Cherkizovo to enter the market of the Siberian Federal District". Cherkizovo will continue to produce goods under the Altai Broiler brand and in future may launch production under other brands. It is to be recalled that Cherkizovo Group reported on its intention to acquire Altai Broiler JSC from Prioskolye Company in the summer of 2018. <...>



**Freshlocker**

In December 2018 it became known that Freshlocker was creating a network of food delivery terminals in Moscow for the delivery of food products and ready-to-eat food ordered from online food retailers. The company plans to increase the number of food delivery terminals in Moscow to 100 units in 2019. Representatives of Freshlocker say that now people can order food in the online store, after that the goods will be delivered to the food delivery terminal located on the way home or near the customer's home.

#### Online

**Яндекс** Маркет

On December 11 2018, Yandex.Market launched its own catalogue of alcoholic beverages in the test mode where users can compare prices for individual products and contact the seller via contacts on the website. There are spirits, beer and wine in the catalogue. As explained to RBC by Polina Upitis, Yandex.Market representative, the company launched a new category of products from December 11 in the test mode. Testing is planned to be completed in the 1st quarter of 2019, after that the list of partners will be expanded significantly. <...>

 **СБЕРБАНК**



In December 2018, Sberbank and Mastercard announced the pilot launch of the Sberbank TapOnPhone application. The mobile application will allow trade companies to accept payment by bank cards and NFC devices in one touch of the smartphone and will replace POS terminals for retail outlets and private entrepreneurs. Sberbank is the acquirer of the project and takes part in the application development. The Sberbank TapOnPhone application is created for small and medium-sized businesses in the service sector (taxis, cafes, restaurants, courier delivery, etc.). The technology works with any smartphone based on Android 6.0 and above with NFC support. <...>

### *Roskachestvo activities*



<...> From December 11 to January 7, the Verry supermarket chain stores hold an information campaign for consumers about the Russian high-quality goods launched in conjunction with the Russian Quality System (Roskachestvo). In addition, consumers can participate in special promotions and receive gifts. The campaign is held in 657 outlets located in 11 regions of the country. <...>

In December 2018, Minister of Agriculture Dmitry Patrushev reported the growth of sales of Russian wine in the country's market in 2018. The Minister noted that winemaking became a prestigious industry for business development in the field of agriculture. "The most important thing is that our wine, our sparkling wine becomes competitive. It is actively bought by foreign countries, mostly members of the CIS, but all the same. It participates in various competitions and takes very worthy places," said Dmitry Patrushev. In the last decade, the development of winegrowing in the country receives significant state support: state investment in the industry amounted to RUB 4.5 bn over the previous five years.

### *Activity of INFOLine*



In December 2018, INFOLine specialists summarized preliminary results of 2018 at the annual Vedomosti newspaper conference. Speaking at the final Vedomosti newspaper conference, INFOLine CEO Ivan Fedyakov dwelled upon the latest research and results of monitoring and auditing of the consumer market in the presentation "Retail Market of Russia on the Threshold of 2019". <...>

## Section III. Key events and plans of major FMCG chains

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



Company's name: *X5 Retail Group N. V. (TH Perekrestok, JSC)* Address: 109029, Moscow, *Srednyaya Kalitnikovskaya str., 28* Phones: (495)6628888, (495)7899595. Fax: (495)6628888 ext. 41-265 E-Mail: *info@x5.ru* Web: *www.x5.ru* Online store *www.e5.ru*  
Executive officer: *Stephan DuCharme, Chairman of the Supervisory Board; Igor Shekhterman, CEO*

#### Chain development

As of September 30, 2018, X5 Retail Group managed 13685 shops with a total selling space of 6155.08 thousand sq. m. The chain included 12822 Pyaterochka soft discounters<sup>21</sup>, 59 Perekrestok Express convenience stores, 712 Perekrestok supermarkets, 92 Karusel hypermarkets. As of mid-December 2018, the amount of outlets exceeded 14 thousand. <...>

In 2019, X5 will reduce plans for openings in 2019, said Svetlana Demyashkevich, Financial Director of the company, during the presentation to the investors and analysts in London in October 2018. It is planned to open approximately 2 thousand outlets, 1.8 thousand out of which will be Pyaterochka stores. Sergey Goncharov, CEO of the Pyaterochka chain, said that they plan to achieve greater efficiency and therefore intend to focus on the return on invested capital. Meanwhile, the convenience store format can potentially increase by 10% annually up to 2021.

The X5 strategy will be mainly focused on improving the existing business. Reducing the rate of store opening will help improve their quality. However, the company retains the potential for new outlets. <...>

#### Results and expectations

For 9 months 2018, the retail revenue of X5 Retail Group amounted to RUB 1104.132 bn, having grown by 19.0% against RUB 927.482 bn following 9 months 2017 results. In Q3 2018, the retail revenue of X5 Retail Group amounted to RUB 372.934 bn, having grown by 17.6% against RUB 317.131 bn following Q3 2017 results. <...>

The X5 Retail Group's key financial indicators for 2016-2018 (IFRS and managerial accounting) are presented in the table below (negative indicators – in brackets).

Table 7. The X5 Retail Group's key financial indicators (the company in total) in 2016-2018

Indicator	2016	2017	2018	9 m. 2017	9m. 2018	Q4 2017	Q4 2018
Total revenue, bn RUB	*	*	*	*	*	*	*
Total revenue growth, %	*	*	*	*	*	*	*
Net revenue, bn RUB <sup>22</sup>	*	*	*	*	*	*	*
Net revenue growth, %	*	*	*	*	*	*	*
LfL (revenue), %	*	*	*	*	*	*	*
LfL (average ticket), %	*	*	*	*	*	*	*
LfL (traffic), %	*	*	*	*	*	*	*
Gross profit, bn RUB	*	*	*	*	*	*	*
Gross margin, %	*	*	*	*	*	*	*
Net profit, bn RUB	*	*	*	*	*	*	*
Net profit margin, %	*	*	*	*	*	*	*
EbitDA, bn RUB	*	*	*	*	*	*	*
EbitDA profitability, %	*	*	*	*	*	*	*

Data source: X5 Retail Group's data.

<sup>21</sup> As it has come to be generally accepted by the international retailers the format of discounter should meet the "one commodity - one demand" rule. But it is important to emphasize that in Russia the discounter format, as such, is non-existent. At the same time the specialists of INFOline would like to distinguish two subformats of the convenience store format: soft discounters, for the formats of the number of the largest Russian players, such as Pyaterochka, Dixy, Magnit, Monетка, Kopeika, Maria-Ra and others, and convenience stores. In this section we are using the term of a convenience store meaning a soft discounter.

<sup>22</sup> The net retail revenue is the operational revenue without VAT. It is different from total revenue, which includes franchising and other incomes.

### Investment activity

<...> By the end of 2019 X5 Retail Group is planning to open 25 stores in the Republic of North Ossetia-Alania and create at least 300 new jobs. Particularly, by the end of this year, the retail chain was planning to increase the number of stores in the republic to 15 supermarkets, 8 of them – in Vladikavkaz. As of late December 2018, 11 Pyaterochka discounters are operating in the region, 8 of which are in Vladikavkaz.

### New projects

<...> In November 2018, X5 Retail Group announced that it is working on the creation of infrastructure for delivery of online purchases from any online stores to automated pickup points. A source close to the negotiations said that the retailer and China Post are discussing creating a channel for delivery of cross-border parcels based on X5 Retail Group sorting centers and parcel terminals of the Group. "China is certainly the most important supplier of cross-border parcels. We are negotiating with a number of major Chinese companies and are already testing joint marketing activities with such online players as JD.com and Aliexpress," said X5 Retail Group press office.

### M&A deals

In December 2018, the media reported that X5 Retail Group bought part of the Kamilla chain stores (Optovik LLC) in Naberezhnye Chelny. The company Optovik doesn't disclosed the buyer, the details of the transaction will be announced before the end of 2018. "At the moment, a deal is being prepared for the sale of rental places of Kamilla LLC.

<...>

### Logistics: plans

In mid-2019 it is planned to launch a DC in Smolensk at the address: Poltavskaya str., 8A (Phoenix industrial park), with total space of 16 thousand sq. m. In mid-October 2018 the construction started. <...>

### Interaction with suppliers

According to [the presentation for investors](#) the company cooperates with 5 thousand suppliers from Russia, the CIS, Europe, Asia, Africa, and Latin America. In 2017, the company had built partnerships with 1,050 thousand new suppliers. <...>

### Interaction with consumers

In December 2018, X5 Retail Group and the Pension Fund of the Russian Federation announced the start of cooperation in the development and implementation of technology that will allow pensioners and people approaching retirement age to receive discounts in stores of Pyaterochka, Perekrestok and Karusel retail chains. In 2019, X5 Retail Group plans to launch a digital social card as a pilot project based on the mobile application of the Pension Fund of the Russian Federation using information systems.

<...>

### Corporate events

In December 2018 X5 Retail Group launched its annual project X5-Friday, under which employees of the company's offices work together with store employees. The project runs from mid-November to the end of the year for the sixth year in a row, in the period prior to the New Year, when the outlets are experiencing the highest load. In 2018, more than 5 thousand persons took part in the project. <...>

## X5 Retail Group N. V. / Pyaterochka

<...>

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

X5 Retail Group N.V. (Pyaterochka, Perekrestok, Karusel and Perekrestok-express); Magnit, PJSC (Magnit, Magnit Semeiny, Magnit-Cosmetic retail chains); Auchan Groupe (Auchan, Auchan-City, Nasha Raduga, real,- and Atak retail chains); Metro Group (METRO, METRO Punct and real- retail chains); GC DIXY JSC (Dixy

trading chain, Megamart, Minimart, Viktoria-kvartal, Deshevo, Semeynaya Kopilka, Viktoria, Kesh) ; Lenta, LTD. (Lenta retail chain); O'KEY, LTD. (O'KEY, O'KEY-Express retail chain); Hyperglobus, LLC (Globus retail chain)

### **The description of each chan includes news according to the sections:**

- Chain development (operational results, plans of further development);
- Performance and expectations (key financial indicators and plans);
- Investment projects;
- Private label (key private label of the chain, their development and plans to the future expansion);
- Resignations and appointments;
- M&A;
- New formats (introduce and/or plans on introduce new formats to the market);
- Logistics (opening new distribution centers, the level of supply centralisation, etc.);
- Store openings (during the last month);
- Store closures (during the last month);
- Co-operation with consumers (actions, loyalty programs, etc.);
- Co-operation with suppliers (working conditions with suppliers, new partners, etc.);
- Corporate events (other news by the chain (judicial proceedings, labor relations, etc.).

## About INFOline products

Currently the most topical issue for the companies is monitoring and analysis of industry and general business events in Russia and the world. It is impossible to solve this problem without a professional and highly efficient information department. INFOline is exactly such department. It will work for the benefit of your business. All your colleague and employees are welcome to make use of our services. INFOline is an independent company. It has been working on the industry research market of Russia since 2001. The retail industry study conducted by INFOline during 2005-2018 is the best on the market. This was acknowledged by many of our customers and partners. There is a range of information products especially prepared for FMCG retail companies:



### Russian consumer market and FMCG retail chains rating, Industry review

It contains structured information regarding the development of retail chains, commissioning of new stores, new formats, M&A transactions, corporate events, logistics, operational results and expectations, investment plans and interaction with suppliers regarding the leading FMCG chains. The review also contains: macroeconomic figures, statistic data and analytical information regarding the development of retail and chains in Russia during the month under report.

Russian consumer market and FMCG retail chains rating contains:

#### TOP 200 FMCG chains performance

- Rating of FMCG chains by number of stores
- Rating of FMCG chains by selling space
- Rating of FMCG chains by net sales

#### Section I. Development of retailing in Russia

- Macroeconomic retail indicators
- Government regulation of retailing
- Structure of retail turnover by the category of product
- Structure of retail turnover by the category of retailer
- Regional structure of retail sales
- Inflation and the food market
- Consumer incomes and expenses
- Consumer expectations and confidence index

#### Section II. Key events for FMCG retail in Russia

- Important events for FMCG retailers

#### Section III. Key events and plans of major FMCG retailers



Publication date:	<b>monthly</b>
The number of pages:	<b>From 150</b>
Method:	<b>Electronic</b>
Price, rub./month	<b>20 000</b>
Price when subscribing for a year, rub	<b>120 000/150 000</b>

### Complete research reports on retail

Title	Contents	Publication date	Price, roubles
<b><u>HIT! Food retail of Russia. Results of 2017. Forecast till 2020</u></b>	Review of the industry development vector, the industry development forecast; Analysis of the consumer behavior of the population; Review and Analysis of the state regulation. Overview of FMCG retail indicators; FMCG retailers ratings by revenue, by number of commercial properties, by selling space, by formats;	August 2018	150 000
<b><u>Non-Food retail of Russia. Results of 2017. Forecast till 2020</u></b>	Overview of the industry indicators as a whole and its sectors by retail trade types in non-food products separately (DIY&Household trade and furniture, household and computer equipment and mobile devices, fashion and children's goods, cosmetics and drogerie, in the pharmacy segment, online trade); Ratings of different segments retailers by revenue, by number of retail facilities, by selling space;	August 2018	150 000
<b><u>"INFOline Retail Russia TOP 100. Results of 2017. Tendencies of 2018. Forecast until 2020". Extended version</u></b>	Overview of the Russia's retail market; INFOline Retail Russia TOP 100 ratings of retailers by revenue, by number of commercial properties, by selling space, by sales density and its dynamics, by financial performance; key events of online trade development in 2017-2018, able to influence offline retail chains; structured description of M&A deals on the Russia's retail market; business profiles of Russia's TOP 100 Food and Non-Food retail chains, by segments: FMCG (38 retail companies), Fashion (19), household appliances, computer equipment and mobile devices (13), Pharmacies (12), DIY&Household and furniture (8), Children's goods (3), Cosmetics and drogerie (4), other retail chains (3 – Bookvoed, Fix Price and Ozon.ru). The extended version additionally contains a supplement in MS Excel format, including contact information and TOP management of companies, operational and financial results in 2013-2017, the company's rating place and share on the market and in the segment.	August 2018	100000
<b><u>"INFOline Retail Russia TOP 100. Results of 2017. Tendencies of 2018. Forecast until 2020". Standard version</u></b>			60000
<b><u>Agro-industrial complex of the Russian Federation: Prospects for development in 2018-2019</u></b>	Review and analysis of the industry state as a whole and its sectors by activity. Review of the production dynamics and consumption of agricultural products, the vector of the industry development by describing the most important events. The idea of state regulation and support of the industry. The identification and description of major M&A. The analysis of export and import products indicators and international activities in the sector.	June 2018	150 000

Title	Contents	Publication date	Price, roubles
<b><u>Production of food and beverages in the Russian Federation: Prospects for development in 2018-2019</u></b>	The dynamics of food production and consumption and the vector of industry development by describing the most important events. Review and analysis of the industry state as a whole and its sub-sectors. Representation of state regulation and industry support, analysis of export and import products performance and international activities of industry companies.	June 2018	150 000
<b><u>NEW! A brief overview of children's goods market in Russia. Trends of 2017. Development prospects until 2019. Rating of the 50 largest retail chains for children's goods</u></b>	A review of children's goods market indicators; ratings of retailers by revenue, by number of commercial properties, by selling space, by financial performance; description of the main trends, crucial events, market development forecast.	December 2017	150 000
<b><u>HIT! Analytical Database "700 FMCG retail chains of the RF"</u></b>	Description of 700 FMCG retailers in Russia, specifying: contacts, director of procurement and other top managers, regional representation, description of 600 DC.	Q3 2018	80 000
Analytical Database " <b><u>300 universal DIY retail chains RF-2017"</u></b>	Presentation of a structured description of the largest DIY market players, a compiled rating of the top largest DIY operators in Russia. The database includes operational and financial indicators, as well as contact details and information on the TOP management of 300 DIY retail chains.	June 2018	35 000
<b><u>HIT! Research "DIY Market. Analysis of regions. Trends of 2017. Forecast until 2019"</u></b>	The research describes the situation in the retail market of building and finishing materials and DIY in Russia as a whole and in 60 regions of 9 Federal Districts. It provides the description and prospects of key formats development, including Internet trade in the DIY market. The Ratings of DIY retail chains and detailed business information for TOP operators DIY are presented. It includes the description of the preferences of DIY goods consumers in Russia.	Q3 2018	80 000
Research " <b><u>Household Market. Analysis of regions. Trends of 2017. Forecast until 2019"</u></b>	Analysis and forecast of development of trade in goods for the home, garden (market and household), description and rating of retailers and retail formats Household & DIY, and information about consumer preferences for goods buyers for the home, garden and building-finishing materials. The research includes the database 100 of the largest household retail chains.	September 2018	70 000
Research " <b><u>FMCG hypermarkets market in Russia", Database "1100 FMCG hypermarkets in Russia"</u></b>	Analysis of the macroeconomic state of the FMCG retailers market in Russia, history and development prospects of different formats and "hypermarket" format, business profiles of 30 retailers, developing the format of "hypermarket", a database of 1000 operating hypermarkets of FMCG chains.	June 2017/Update on demand	75 000
<b><u>NEW! Review "The largest hypermarkets and shopping centers under constructions in the Russian Federation. Projects 2018-2021"</u></b>	Structured description of 250 projects of construction and reconstruction of shopping centers and hypermarkets in the Russian Federation with the contact details of the project participants (investor, developer, general contractor, designer, equipment suppliers and other project participants).	January 2018	35 000

### Periodical information products on food industry, food market, retail etc.

Title	Description of the product	Periodicity	Price in roubles per month
Industry news " <b><u>News of Retail in the RF"</u></b>	Latest and periodic information about RF industry of your interest	Daily	5 000
Industry news " <b><u>Food Industry and Food Market"</u></b> (more than 15 segments of food industry!)		Twice per week	6 000
Periodical monthly report " <b><u>Bank of Innovations on Food Market"</u></b>	Review of new products on the food market of the RF and abroad	Once per month	12 500

**Please, take note!** *The above-mentioned selection of our products is not complete.*



Besides the completed pilot products INFOLine offers its customers a package of individual information services for solution of specific problems that might arise in the process of the company's operation. These are custom-made research reports, compilation of data bases, product mix and prices monitoring, special monitoring on our customer's request etc.

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