



Innovative  
technologies in footwear  
production

# Financial Performance in 2016 acc. to RAS

WESTFALIKA

Rossita

Lisette

St. step

PESHEKHOD  
FABRIKA OBUVI

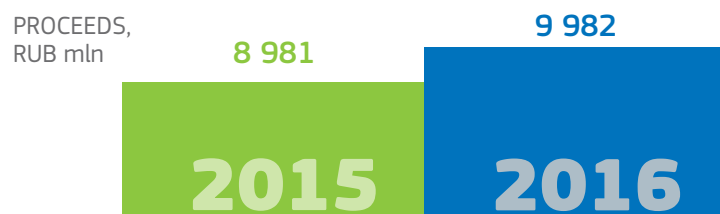
EMILIA ESTRA  
*Shoes Couture*

SNOW GUARD

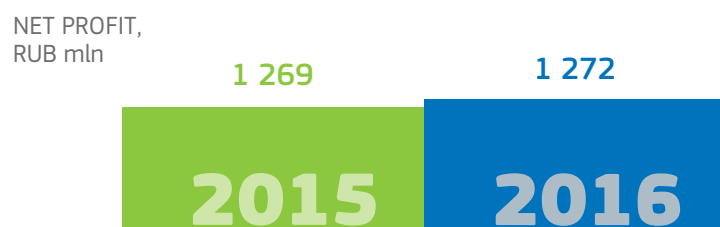
all.go

March 2017

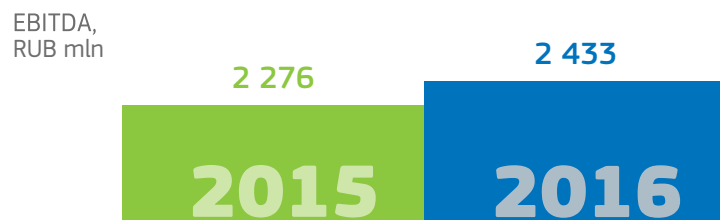
# Key Financial Indicators according to Russian Accounting Standards



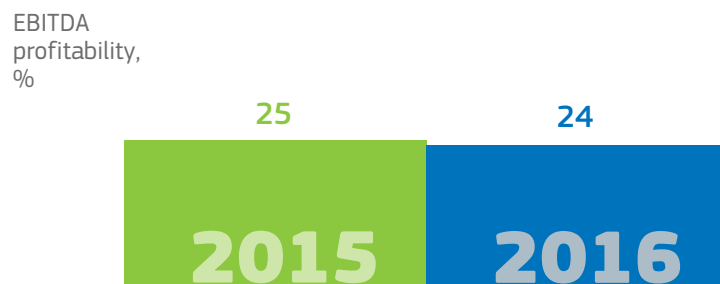
**Proceeds** of the Company for the reporting period increased **by 11 %** and made **10 bln rubles**.



**Net Profit** — **1.3 bln rubles**, growth as compared to 2015 — **0,3%**.



**EBITDA** grew **by 7%** — and made **2.4 bln rubles**.



**EBITDA profitability** — **24%** (in 2015 — 25%).

# Dynamics of Key Financial Indicators

	2015	2016	growth, %	times
Proceeds, RUB mln.	8 981	9 982	11	1,11
EBITDA, RUB mln.	2 276	2 433	7	1,07
EBITDA profitability, %	25	24	-3,8	0,96
Net profit, RUB mln.	1 269	1 272	0,27	1,00
Net margin, %	14,1	12,7	-9,78	0,90



# Assortment Adjustment and Development

- Obuv Rossii adjusted its collections to the changed consumer preferences having increased the share of classical footwear of popular colours and having decreased the number of more expensive designer models.
- Taking in to account the growing popularity of the casual style, Obuv Rossii started expanding the assortment of such footwear including own production under the S-TEP and all.go brands.
- In 2016, the Company introduced a new brand name, Medelista, on the market offering shoes made of high quality imitation materials that are more affordable.



**Like-for-like sales** in all networks that are part of the Group increased **by 9.4%.**

Growth of **retail sales in pairs** made up **10%.**



 medelista

# Related Products

The assortment of related products consists of over

# 4500 SKU



Sales of outdoor clothing increased by

# 42%

in 2016

According to the results of 2016, the share of related products (with consideration of clothing) in the trade receipts of the Company was 27.3%.

Obuv Rossii stores offer: bags and haberdashery, hats and accessories, hosiery, shoe care products, products for home, a special line of foot care products.



Diversification of the assortment makes it possible for Obuv Rossii to increase sales and the average basket size, to induce complex sales and increase customer loyalty.

# Financial Services

Obuv Rossii improved its system of financial services having issued prepaid Arifmetika MasterCard having started providing loans to cards to its customers.

The volume of payments for services at cash registers in retail outlets is

**100**  
mln rubles

The monthly volume of credits to Arifmetika MasterCard is over

**150** mln rubles



Over  
**800** thousand  
Arifmetika cards  
have been issued.





# Production

## Implementation of the production development program in 2016:



- In summer, the capacity of the cutting and sewing workshop was increased due to the purchase of seven Orisol sewing robots;



- A line for the production of special footwear started to operate;



- In autumn, Obuv Rossii expanded its manufacturing facilities 1.5 times;



- In winter, Obuv Rossii and Orisol opened a joint training centre, the first one in Russia and CIS.

# Russian Shoe Market

In 2015, the shoe market seriously sank in size (by 18-20%), but **in 2016** no decrease was observed, **the situation on the market became stable.**

According to forecasts of Discovery Research Group, **in 2017 some increase is to be expected: by 6-7% in size and by 10-11% — in money terms.**

In 2017, Obuv Rossii will further improve the assortment, develop online and mobile sales, financial services and increase its volumes of output.





# Financial Performance of Obuv Rossii GC

RUB mln	2010	2011	2012	2013	2014	2015	2016
Proceeds	1587	2203	3335	4967	8113	8981	9982
Growth as compared to previous period, %	19	39	51	49	63	11	11
EBITDA	184	288	529	912	1567	2276	2433
EBITDA profitability	12	13	16	18	19	25	24
Equity capital	778	1141	2216	2837	4197	5540	7003
Assets	1420	2354	4140	5655	10950	12619	15409



Thank you for your attention!

[www.obuvrus.ru](http://www.obuvrus.ru)