

# Investment AB Kinnevik

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PRESS RELEASE

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## AVITO TRADING STATEMENT

**Investment AB Kinnevik (publ) ("Kinnevik") today announced that Avito reported a trading statement for the second quarter 2014.**

Avito owns and operates Russia's largest online classifieds site, Avito.ru. Avito also has presence in Ukraine and during the second quarter, 2014 Avito owned and operated the leading classifieds site in Morocco. In principle all revenues are generated from Avito.ru.

Key performance indicators second quarter, 2014:

- Revenues of RUR 1,069m<sup>1</sup> (USD 31.8m<sup>2</sup>), grew by 85% compared to RUR 579m in the second quarter 2013.
- EBITDA margin of 53% or RUR 569m<sup>1</sup> (USD 16.9m<sup>2</sup>), compared to RUR196.3m in the second quarter 2013.
- Page views<sup>3</sup> amounted to 17bn for the second quarter 2014 compared to 11bn for the same period previous year.
- Monthly audience<sup>4</sup> in June 2014 of 25.8m compared to 24.3m for the same period of previous year.

Key performance indicators first half-year, 2014:

- Revenues of RUR 1,921m<sup>1</sup> (USD 57.1m<sup>2</sup>), grew by 97% compared to the first half-year 2013 (RUR 976m).
- EBITDA margin of 50% or RUR 962m<sup>1</sup> (USD 28.6m<sup>2</sup>), compared to the first half-year 2013 (RUR 172.7m).
- Cash position amounted to USD 137m<sup>2</sup> as per June 30, 2014.
- Page views<sup>3</sup> amounted to 34bn compared to 21bn for the first half-year 2013.

Avito provides no guidance on future performance.

### Subsequent events after the end of the reporting period

Avito signed a Transaction Agreement dated 13 June 2014 with subsequent Amendment dated 2 July 2014 with Schibsted ASA to merge their businesses in Morocco. The transaction will result in setting up a legal entity in Morocco controlled by Schibsted ASA and operating

under Avito brand name. Avito will not consolidate the merged unit and will report it as associate in its consolidated financial statements.

<sup>1</sup> Unaudited IFRS

<sup>2</sup> Russian ruble amount has been translated into U.S. dollars at a rate of RUR 33.6306 to \$ 1.00, the official exchange rate quoted as of June 30, 2014 by the Central Bank of the Russian Federation.

<sup>3</sup> Source: Live Internet and the Company

<sup>4</sup> Source: TNS Russia, desktop only

The information is of such character, which Kinnevik shall disclose in accordance with the law on Trading with Financial Instruments (1991:980) and/or the Securities Market Act (2007:528). The information was distributed for disclosure at 8.00 a.m. on 28 August 2014.

**For further information, visit [www.kinnevik.se](http://www.kinnevik.se) or contact:**

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*Kinnevik actively supports the companies in which it invests and plays an influential role on their respective Boards. Kinnevik was founded in 1936 by three Swedish families who continue to play a leadership role in the ownership of the Company and in the pursuit of its entrepreneurial ventures.*

*Kinnevik's shares are listed on Nasdaq OMX Stockholm's list for large cap companies under the ticker codes KINV A and KINV B.*