## Investment AB Kinnevik





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PRESS RELEASE

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## AVITO TRADING STATEMENT THIRD QUARTER

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

Avito owns and operates Russia's largest online classifieds site, Avito.ru, and reports unaudited results and key performance indicators for the third quarter 2014. During the third quarter 2014, all revenues were generated from the Avito.ru website.

Key performance indicators of the third quarter, 2014:

- Revenues of RUR 1,122m<sup>1</sup> (USD 28.5m<sup>2</sup>), grew by 77% compared with Q3 2013 (RUR 633m).
- Adjusted EBITDA margin of 65% or RUR 727m<sup>1</sup> (USD 18.5m<sup>2</sup>), compared to Q3 2013 (RUR 304m).
- Page views<sup>3</sup> amounted to 18bln compared to 11bln for the same period of previous year.
- Monthly audience<sup>4</sup> in September 2014 of 26.7m compared to 23.1m for the same period of previous year.

Key performance indicators for the nine months ended 30 September 2014:

- Revenues of RUR 3,043m<sup>1</sup> (USD 77.3 m<sup>2</sup>), grew by 89% compared to year-to-date September 2013 (RUR 1,609m).
- Adjusted EBITDA margin of 55.5% or RUR 1,688m<sup>1</sup> (USD 42.9m<sup>2</sup>), compared to year-to-date September 2013 (RUR 477m).
- Cash and cash equivalents in excess of USD 150m<sup>2</sup>.
- Page views<sup>3</sup> amounted to 52bln compared to 32bln for the previous year.

Avito provides no guidance on future performance.

## Use of non-GAAP financial measures

Adjusted EBITDA means net profit <u>plus</u> (1) depreciation and amortization expenses, (2) share-based compensation expense, (3) income tax expense less (A) finance income and expenses.

<sup>&</sup>lt;sup>1</sup> Non-audited IFRS data.

<sup>&</sup>lt;sup>2</sup> Russian ruble amount has been translated into U.S. dollars at a rate of RUR 39.3866 to \$1.00, the official exchange rate quoted as of September 30, 2014 by the Central Bank of the Russian Federation.

<sup>&</sup>lt;sup>3</sup> Source: Live Internet and the Company.

<sup>&</sup>lt;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 9 December 2014.

## For further information, visit www.kinnevik.se or contact:

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Investment AB Kinnevik is a leading, long-term oriented, investment company based in Sweden. Kinnevik primarily invests in consumer centric businesses that provide innovative and value-added technology-enabled services. Our main areas of focus are the Communications, e-Commerce, Entertainment and Financial Services sectors. We own significant stakes in over 50 companies that operate in more than 80 countries across five continents, with a particular emphasis on growth markets. The Kinnevik Group employs more than 90 000 people around the world.

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.

Non-audited IFRS data.

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