



Moscow, 12<sup>th</sup> March 2009

### ROLF Confirms Record Revenues for 2008

Moscow – 12 March 2009 – The Rolf Group of Companies, Russia’s leading automotive business, today issued preliminary, unaudited, full-year 2008 financial results, reporting record revenues and EBITDA.

For 2008, Revenues increased by 18% to \$4.67 billion compared to \$3.96 billion for the previous year. EBITDA increased by some 22% from \$294 million to \$360 million.

Commenting on the preliminary financial results, Rolf Group’s Chief Executive Officer Nick Hawkins said “2008 is a story of two completely different markets, with a first half of really very rapid growth across our business followed by a significant slowdown. These financial results and the underlying business performance are evidence both of the ability to do very well when the markets are in our favour but also to adapt to a changing market environment and to continue to demonstrate leadership in a completely different operating environment”

#### Business and Financial Highlights

Each of Rolf’s businesses showed revenue growth in 2008 with the Retail operation, including the fast-growing BlueFish used-car business, and the newly created Rolf SCS, a business that brings together Rolf’s strengths in finished vehicle logistics as well as spare parts, both showing growth of over 20%.

Revenue split (USD ‘000)	2004	2005	2006	2007	2008	% change
<b>Retail*</b>	517,771	919,360	1,298,273	1,851,927	2,306,678	+24%
<b>Distribution</b>	888,167	1,542,502	2,049,476	2,797,502	2,873,068	+3%*
<b>Spare Parts/Logistics</b>	49,241	99,379	187,736	288,517	348,195	+21%
<b>Intercompany sales</b>	(372,587)	(573,885)	(807,844)	(970,886)	(860,048)	-11%
<b>Total Revenues</b>	1,082,592	1,987,356	2,727,641	3,967,060	4,667,893	+17%

\*retail includes financial services

In 2008, Rolf sold or distributed 155 667 cars, 14 % growth compared to 2007 on a like-for-like basis.

\*2007 Distribution figures included 6 months contribution from Hyundai Distribution Business. Stripping this out and on a like for like basis distribution revenue therefore rose by 22 % in 2008

## **2009**

The challenges facing the auto market overall in Russia are by now well-documented and Rolf has taken steps from October 2008 to ensure that the business is of the right size and structure for the prevailing environment. This is an on-going process. Just yesterday Rolf announced the extension of its exclusive distribution with Mitsubishi Motors deal for another five years. As a Group, Rolf is relatively broadly based and is not solely dependent upon the sale of new cars. It is, however, obvious that the market dynamics in this sector are important to 2009 performance. Rolf analyses the market trends on a daily, weekly and monthly basis but until a clear pattern of sales emerges, the Group, in common with many other businesses in Russia and abroad, does not publish forecasts in respect of full-year 2009 performance. There is, however, no doubt that Revenues and EBITDA will not reach 2008 levels.

### **Financial Position**

Rolf's year-end debt was around \$800 million, including \$250 million in relation to its Eurobond. With a year-end cash balance of \$225 million, the net debt position was below \$600 million, a level significantly better than the limits of debt size that are imposed on the business by its lenders.

2009 is expected to see a reduction in Rolf's debt level given that the size of the business is likely to decrease. Debt reduction will be carried out in a way to allow the business financial flexibility in the course of 2009/10 and at the same time with a view to the interests of Rolf's lenders.

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