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AV-TO by Amtel-Vredestein

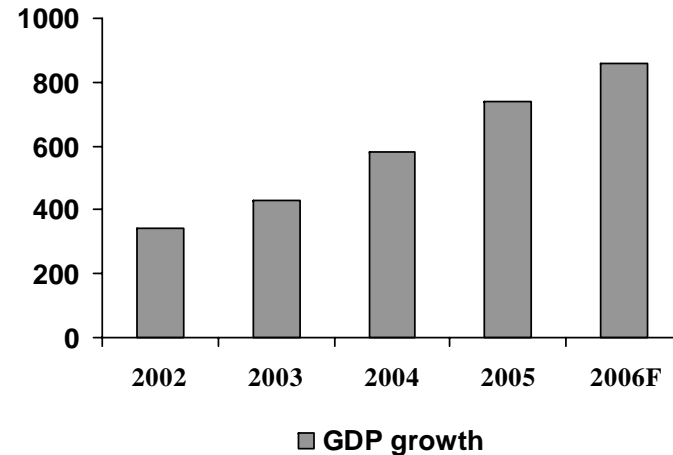
ACHIEVED:

- AV-TO is #1 network of multi-brand tyre service centers in Russia

TO BE ACHIEVED:

- To become the most profitable retail chain in auto parts, accessories and auto service in Russia

Tyre Retail in Russia Today



Opportunities

- Fastest growing sector in Russia
- 165 cars per 1000 people - twice lower than average in W. Europe
- Growth of disposable income

Current Weaknesses

- Single unit resellers and small chains
- Many as part of franchise systems of world leaders
- Overall, it is a fast-growing, yet highly fragmented market that is ripe for consolidation

AV-TO Today

100+
stores:
critical
mass is
achieved



AMTEL VREDESTEIN



AV-TO

Setting up logistic network



Recently acquired Pigma & Megashina

- **Pigma:** over 27,000 auto components from about 40 producers to more than 1500 customers in Russia and CIS
- **Megashina:** leading Russian tyre wholesaler and distributor; serves over 500 customers
- Merger of AV-TO and Pigma/Megashina is expected to produce a company with sales of approximately \$250 million



Format Transition

Large format

- Up to 1000 square meters

Wide product mix:

- Up to 24,000 SKU
- Auto-parts and components
- Accessories



Industry Best Practices

- To implement best world practices to build the most profitable auto-parts and accessories retail business in Russia and CIS



