



**Rambler**

What's new?

## FY2007 Results Presentation

9 April 2008

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Mark Opzomer, Chief Executive Officer

Rambler Media

Introductory Remarks



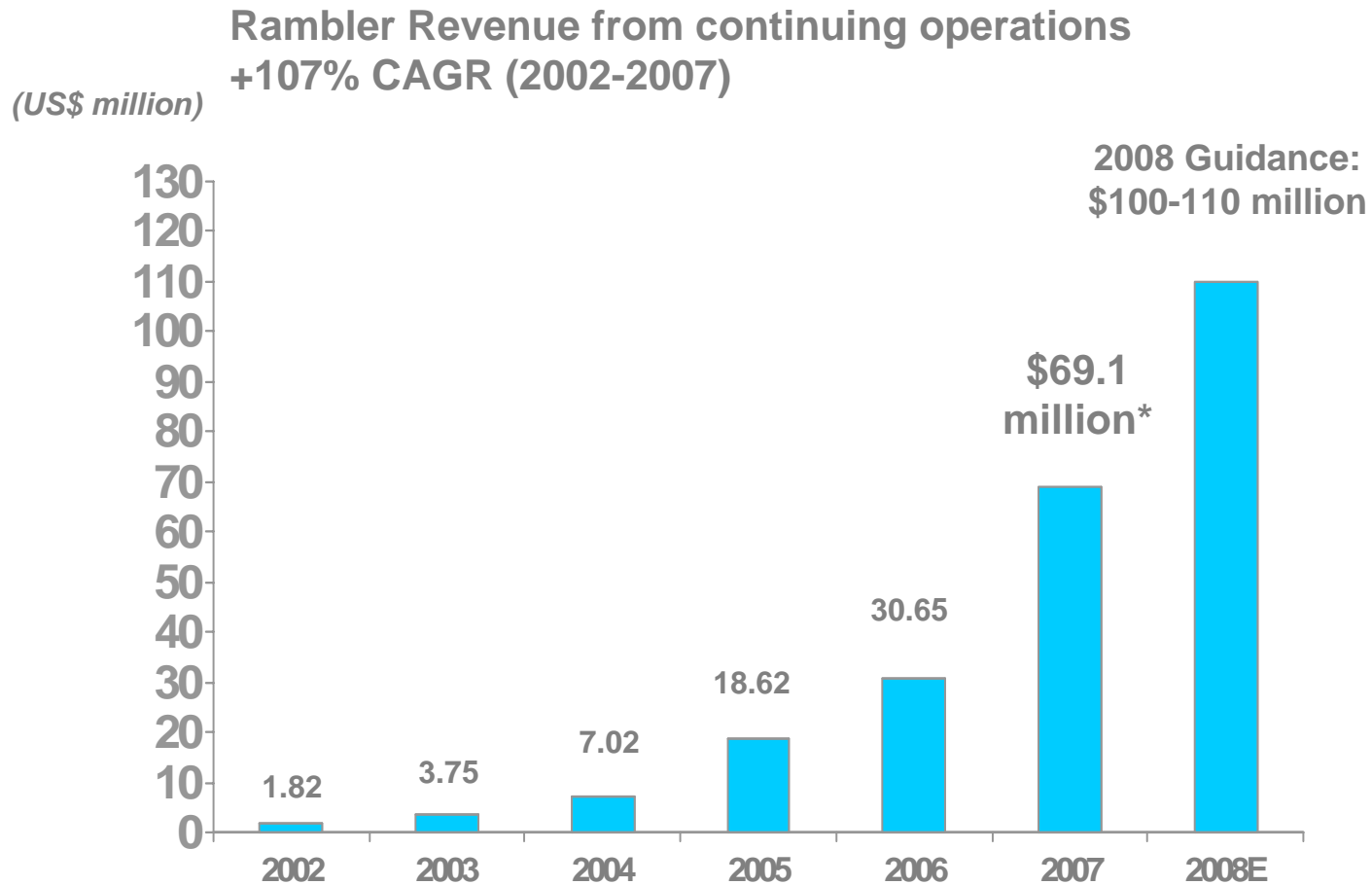
## 2007 – Financial Highlights

- Group revenue up 125%
- Like for like Sales up 77%
- Improving EBITDA to US\$7.6 million
- US\$12.0 million cash generated from operations
- Group net profit (after interest & tax) US\$5.7 million
- Sound business fundamentals  
& strong balance sheet

## 2007 – Implementing Change

- TV sold in January 2007
- Mark Opzoomer / Arthur Akopyan appointed
- Internal restructuring / cost control
- Sales development including Begun acquisition & partnership with Video International's IMHO VI
- New team
- Product redevelopment started
- Repositioning Rambler Brand started





\*including consolidated revenue of Begun from Aug 2007 of \$14.9 million.

*H2 Comparison*

<i>(US\$ m)</i>	<b>H2 2006</b>	<i>H2 2007 guidance</i>	<b>H2 2007 actual</b>
<b>Revenue</b>	17.7	43-45	<b>48.6</b>
<b>EBITDA</b>	0.8	5.8-9.4	<b>7.1</b>
<b>EBITDA margin</b>	4%	13%-20%	<b>15%</b>
<b>Cash from Operations</b>	3.5	-	<b>11.4</b>

*Full Year Comparison*

<b>FY 2006</b>	<i>FY 2007 guidance</i>	<b>FY 2007 actual</b>	<i>2008 guidance</i>
30.6	63-65	<b>69.1</b>	<b>100-110</b>
1.6	6.4-10	<b>7.7</b>	<b>20-27</b>
5%	10-15%	<b>11%</b>	<b>20-25% budget</b>
5.7	-	<b>12.0</b>	-

Arthur Akopyan, Chief Financial Officer

Rambler Media



## Group H2 Results

US\$ '000	Jun - Dec 2006	Jun - Dec 2007
<b>Revenue</b>		
Rambler excl. Begun	17,683	33,650
Impact of Begun	-	14,921
<b>Total</b>	<b>17,683</b>	<b>48,571</b>
<b>Growth (%)</b>	<b>53%</b>	<b>175%</b>
<b>EBITDA</b>	<b>817</b>	<b>7,106</b>
<b>Margin (%)</b>	<b>4.6%</b>	<b>14.6%</b>
<b>Net Profit / (loss)</b>	<b>(2,548)</b>	<b>2,012</b>

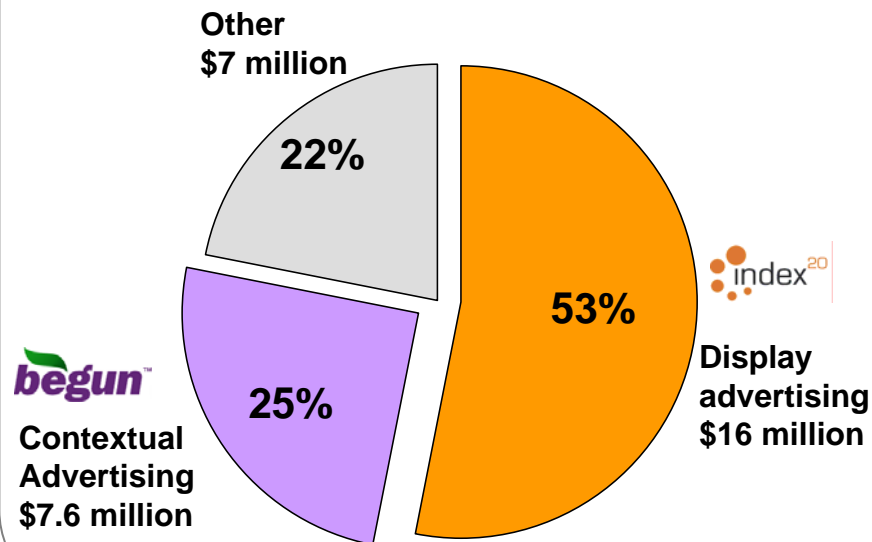
## Group Full Year Results

US\$ '000	Jan - Dec 2006	Jan - Dec 2007
<b>Revenue</b>		
Rambler excl. Begun	30,646	54,162
Impact of Begun	-	14,921
<b>Total</b>	<b>30,646</b>	<b>69,083</b>
<b>Growth (%)</b>	<b>64%</b>	<b>125%</b>
Investment income	1,574	902
Operating expenses	(32,086)	(67,524)
<b>EBITDA</b>	<b>1,624</b>	<b>7,631</b>
<b>Margin (%)</b>	<b>5.3%</b>	<b>11.1%</b>
Depreciation and Amortisation	1,490	5,170
<b>Net Profit / (loss)</b>	<b>(3,035)</b>	<b>5,664</b>
Gain / (Loss) from discontinued operations (included in net profit above)	(3,056)	7,089

US\$ '000	Jan - Dec 2006	Jan - Dec 2007
Display / Banner advertising	16,136	33,297
Paid Search / Contextual advertising	7,575	24,864
Listing fees, other advertising	3,710	4,781
Mobile and Value Added Services	2,341	4,283
Other revenue	884	1,858
<b>Total</b>	<b>30,646</b>	<b>69,083</b>

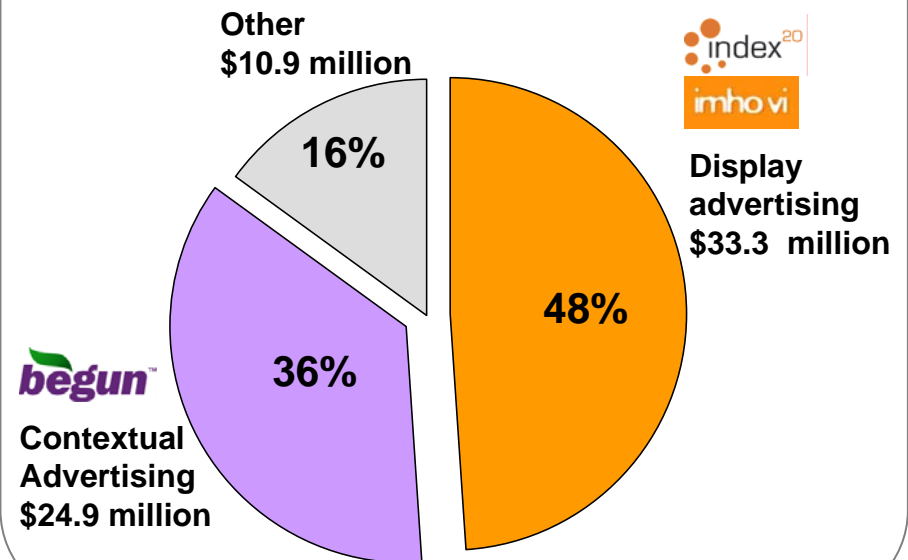
### 2006 Rambler Group revenue breakdown

(US\$ million)



### 2007 Rambler Group revenue breakdown

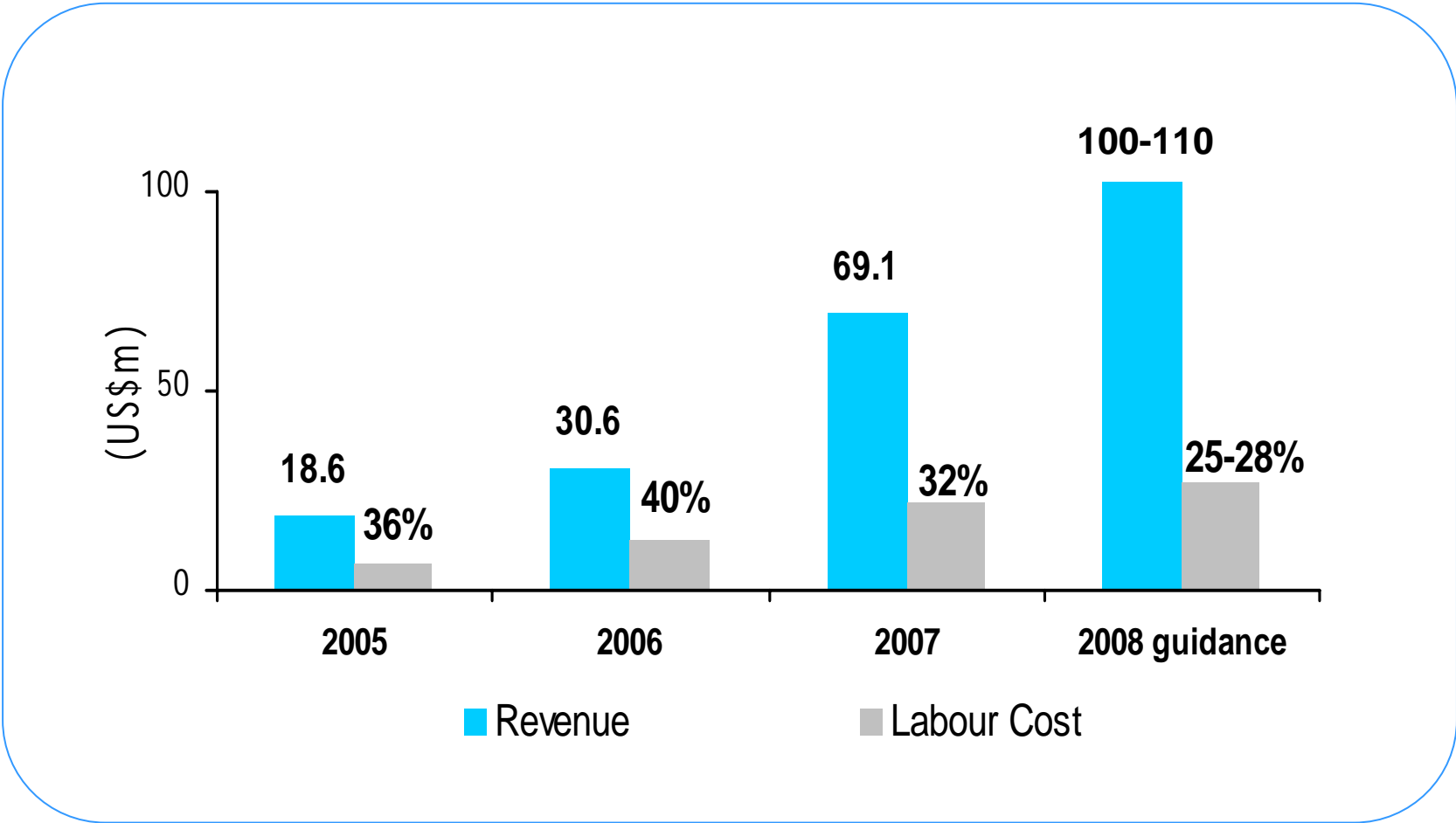
(US\$ million)



- Improving EBITDA of US\$7.6 million in FY 2007
- Including and in spite of US\$6.0 million of costs as follows :
  - US\$2.8 million tax provisions
  - US\$1.8 million foreign currency translation
  - US\$0.8 million management restructuring
  - US\$0.6 million consultancy fees
- On track for 20%+ EBITDA margin for FY 2008

US\$ '000	Jan - Dec 2006	Jan - Dec 2007
Commissions - banner sales	1,576	3,725
Content costs	521	1,573
Traffic acquisition cost - banner and revenue sharing	2,190	5,272
Traffic acquisition cost - contextual	1,001	7,188
Data center costs	851	1,122
Mobile COS	1,980	3,493
<b>Subtotal direct costs</b>	<b>8,119</b>	<b>22,373</b>
Labor	12,293	21,992
Share options	260	134
Marketing and advertising	3,196	5,879
Provisions for taxes other than on income	2,557	2,826
Legal and professional	1,586	2,969
General expenses	1,223	2,687
Office rent	830	1,335
Other	401	351
Foreign currency exchange loss	131	1,808
Depreciation	893	1,415
Amortization	597	3,755
<b>Subtotal labor &amp; SG&amp;A</b>	<b>23,967</b>	<b>45,151</b>
<b>Total</b>	<b>32,086</b>	<b>67,524</b>

Reducing labour cost as a proportion of revenue



## Cash balance

- As at December 2007, Rambler had consolidated cash balance of approximately US\$31.5m (Dec. 2006: US\$18.5m – *before proceeds from TV disposal and before acquisition of Begun*).

## Capital expenditures

- The Company has recorded approximately US\$5 million of CAPEX for 12 months 2007 (2006: US\$3.61m).

## Cash spent on acquisitions

- During 2007, the Company spent approximately US\$18.1m on acquisitions (2006: US\$5m).

Mark Opzoomer, Chief Executive Officer

Rambler Media

Concluding Remarks

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- Product improvements/launches
- Sales optimisation and new price policy
- Further integration with Begun
- Marketing initiatives include:
  - New Brand
  - New positioning
  - New visual language
  - Product campaigns and partnerships

- Strong sales growth, improving profit
- Underlying business principles sound
- Experienced, focused management team
- Confirm previous guidance
- Rambler is in a powerful position to exploit the opportunities in Russia's dramatically growing internet and advertising markets

Questions





**Rambler**

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