

Magnit Profits Surge

By [The Moscow Times](#)

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Magnit, Russia's largest food retailer by stores, topped profit forecasts for the third quarter.

Net profit amounted to 2.96 billion rubles (\$98.8 million), or \$102 million based on the average exchange rate for July through September.

"Quick growth remains the priority of our expansion. ... Rapid-growing companies cannot have EBITDA margin comparable to companies with lower growth rates," chief executive and controlling shareholder Sergei Galitsky said. Magnit plans to spend \$1.8 billion on opening another 1,000 or so stores this year, financing this mainly with bank loans and domestic bonds. Its margin on the basis of earnings before interest, taxes, depreciation and amortization declined to 8.39 percent from 9.3 percent a year ago.

(Reuters)

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