

Magnit Sales Growth Slows

By [The Moscow Times](#)

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Fast-growing grocery chain Magnit said Wednesday that it had turned more cautious on full-year guidance after July sales growth slowed from the previous month.

Magnit said it expects 2011 full-year sales to grow 46 percent to 48 percent in ruble terms, slightly lower than its previous guidance of 49 percent, adding that it continues "to focus on the strategy of more aggressive expansion and customer acquisition."

Both Magnit and archrival X5 are in the midst of a major store-opening campaign to take advantage of the country's economic growth and the emergence of a middle class that spends more on food and other consumer goods.

Magnit's July sales rose 43 percent on the year to stand at 28.8 billion rubles (\$1.02 billion), after a 46 percent increase in June.

As of end-July, Magnit had 4,547 stores, translating into a 38.75 percent year-on-year increase in retail space.

(Reuters)

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