

**X5 REPORTS FIRST QUARTER 2011 RESULTS:**

**RUR NET SALES UP 48% DRIVEN BY HEALTHY LIKE-FOR-LIKE SALES,  
NEW STORE OPENINGS AND CONTRIBUTION FROM KOPEYKA  
INTEGRATION**

**IMPROVED GROSS MARGIN OF 23.8% AND EBITDA MARGIN OF 7.3%**

**NET PROFIT UP 23% TO USD 97 MLN**

**2011 SALES GROWTH AND NEW STORE OPENINGS OUTLOOK REITERATED**

**Amsterdam, 26 May 2011** - X5 Retail Group N.V., Russia's largest retailer in terms of sales (LSE ticker: "FIVE"), today announced its IFRS results for the first quarter ended 31 March 2011, reviewed by auditors.

**Q1 2011 Highlights**

- Net sales increased 48% year-on-year in RUR terms to RUR 112,554 mln or 51% in USD terms to USD 3,845 mln;
- Net sales growth in RUR terms was driven by 12% LFL sales increase, 17% from new store openings and 19% contribution from acquired Kopeyka stores;
- Gross profit totaled USD 914 mln, for a gross margin of 23.8%;
- EBITDA amounted to USD 281 mln, for an EBITDA margin of 7.3%;
- X5 reported net profit up 23% year-on-year to USD 97 mln, for a net margin of 2.5%.

**2011 Outlook**

X5 outlook for 2011 is:

- Gross sales to exceed RUR 500 billion (inclusive of VAT) representing top-line growth of over 40%.
- The Company plans to open approx. 540 new stores this year, including over 500 discounters, 20-25 supermarkets, 5-10 hypermarkets.
- Capital expenditure plan of up to RUR 35 bln exclusive of VAT (RUR 40 bln inclusive of VAT) with the following breakdown: 55% - new store openings, 12% - Kopeyka integration, 15% - maintenance and reconstruction, 7% - logistics, 11% - IT and other.
- Kopeyka integration fast-tracked with approx. 650 stores to be rebranded in 2011 and most synergies from sales density increase and margin improvement to Pyaterochka level expected in 2012; full synergies to be achieved in 2013. Integration costs estimated to be RUR 5.4 bln this year, including approx. RUR 4.6 bln of CapEx and RUR 750 mln of OpEx.

X5 Retail Group CEO **Andrei Gusev** commented:

*“X5’s results this quarter reflect three major priorities: Profit margin improvement, stepped up organic growth and launch of fast-tracked integration of Kopeyka.*

*“Gross margin and EBITDA margin improved this quarter as we managed to pass on rising food inflation more effectively in our pricing policy while optimizing the level of reinvestment in our value propositions and negotiating better promotion terms with suppliers.*

*“We are focused on organic growth with plans for opening approximately 540 stores this year. Organic performance in the first quarter benefited from new stores and LFL sales at discounters and a strong recovery in supermarkets thanks to trading up by consumers.*

*“The accelerated integration of Kopeyka stores is progressing well, with about 200 regional stores expected to be rebranded by end of May 2011. We are confident of delivering initial synergies from 2012 through higher sales densities, better purchasing terms and administrative cost reduction.”*

X5 Retail Group CFO **Kieran Balfe** added:

*“We are focused on strengthening cash generation through a combination of top-line growth, operational efficiency and working capital improvement. Our objective is to optimize operating cash flows which will help to fund our CAPEX program and gradually de-risk the balance sheet, and we expect substantial progress on these areas by the end of 2011.”*

*“We are also intensifying cost control and productivity programs to offset upward pressure on labor, social tax, energy and real estate costs, including effects related to Kopeyka consolidation and integration in 2011. Following the decrease in payment days in Q4 2010 and in Q1 2011, we expect this to stabilize this year, supporting our efforts to improve working capital.”*

## Profit & Loss – Key Trends and Developments

### P&L Highlights<sup>(1)(2)</sup>

USD mln	Q1 2011	Q1 2010	% change y-o-y
<b>Net Sales</b>	<b>3,845.4</b>	<b>2,542.7</b>	<b>51%</b>
incl. Retail	3,826.1	2,534.4	51%
<b>Gross Profit</b>	<b>913.6</b>	<b>594.1</b>	<b>54%</b>
<i>Gross Margin, %</i>	23.8%	23.4%	
<b>EBITDA</b>	<b>281.1</b>	<b>178.5</b>	<b>57%</b>
<i>EBITDA Margin, %</i>	7.3%	7.0%	
<b>Operating Profit</b>	<b>174.7</b>	<b>111.2</b>	<b>57%</b>
<i>Operating Margin, %</i>	4.5%	4.4%	
<b>Net Profit / (Loss)</b>	<b>96.9</b>	<b>78.9</b>	<b>23%</b>
<i>Net Margin, %</i>	2.5%	3.1%	

### Net Sales & Gross Margin Performance

USD mln	Q1 2011	Q1 2010	% change y-o-y
<b>Net Sales</b>	<b>3,845.4</b>	<b>2,542.7</b>	<b>51%</b>
incl. Retail	3,826.1	2,534.4	51%
Hypermarkets	558.7	471.1	19%
Supermarkets	859.4	646.1	33%
Soft Discounters	1,888.4	1,413.1	34%
Convenience stores <sup>(3)</sup>	22.8	-	n/a
Online	6.6	4.0	64%
Kopeyka <sup>(4)</sup>	490.3	-	n/a
<b>Gross Profit</b>	<b>913.6</b>	<b>594.1</b>	<b>54%</b>
<i>Gross Margin, %</i>	23.8%	23.4%	

In Q1 2011 X5 reported net sales of USD 3,845 mln – a year-on-year increase of 51% in USD terms. In RUR terms net revenue grew 48% year-on-year thanks to a 12% increase in like-for-like (LFL)<sup>(5)</sup> sales, a 17% increase from organic store expansion and 19% contributed by acquired Kopeyka stores.

<sup>(1)</sup> Please note that in this and other tables of the press-release immaterial deviations in calculation of % change, subtotals and totals are explained by rounding. Kopeyka results are consolidated from 1 December 2010.

<sup>(2)</sup> X5's operational currency is the Russian Ruble (RUR), while the Company's presentation currency is the U.S. Dollar (USD). As RUR/USD rate has substantially changed in the past twelve months, comparisons of the Company's financial results either with the corresponding period a year ago (for profit & loss statement) or with the beginning of the year (for statement of financial position) have been substantially affected by these movements. For more information please see page 7 of this press-release.

<sup>(3)</sup> Consolidated from April 2010.

<sup>(4)</sup> Consolidated from December 2010.

<sup>(5)</sup> Like-for-like (LFL) comparisons of retail sales between two periods are comparisons of retail sales in local currency (including VAT) generated by the relevant stores. The stores that are included in LFL comparisons are those that have operated for at least twelve full months preceding the beginning of the last month of the reporting period. Their sales are included in LFL calculation starting from the first day of the month following the month of the store opening.

Soft discounters delivered solid LFL sales growth of 12% in Q1 2011 against last year's high comparable base, when the format's LFL sales growth totalled 17%. Soft discounter LFL performance was strong across all areas of operations, and regional stores outperformed Moscow and St. Petersburg, delivering 17% LFL sales growth.

Supermarkets recovered strongly in Q1 2011 with 19% LFL growth on a 9% rise in traffic and a 10% basket increase as Russian consumers continued trading up. LFL sales grew most sharply in the St. Petersburg area, with LFL sales up 36% on 16% traffic and 20% basket improvement.

Hypermarkets' LFL sales rose by 2% on a 1% increase in basket and 1% traffic growth. The format's performance was mixed across the regions: While Moscow-based stores delivered healthy 10% LFL sales growth, regional stores reported modest growth of 3%, and St. Petersburg-based stores continued to underperform in the highly competitive market for this format.

First quarter 2011 gross margin was 23.8%, up 40 bp year-on-year from 23.4% in Q1 2010. Gross margin improved as higher supplier costs were passed through in our pricing policy, reversing the dynamic at the Q4 2010 with the gross margin of 22.0% in that quarter.

### Selling, General and Administrative Expenses (SG&A)

USD mln	Q1 2011	Q1 2010	% change y-o-y
<b>Staff Costs, incl.</b>	(332.5)	(229.2)	45%
<i>% of Net Sales</i>	8.6%	9.0%	
<b>ESOP</b>	4.5	(25.4)	n/a
<i>% of Net Sales</i>	(0.1%)	1.0%	
<b>Lease Expenses</b>	(135.9)	(83.8)	62%
<i>% of Net Sales</i>	3.5%	3.3%	
<b>Other Store Costs</b>	(48.0)	(32.6)	47%
<i>% of Net Sales</i>	1.2%	1.3%	
<b>D&amp;A</b>	(106.4)	(67.3)	58%
<i>% of Net Sales</i>	2.8%	2.6%	
<b>Utilities</b>	(85.5)	(55.0)	55%
<i>% of Net Sales</i>	2.2%	2.2%	
<b>Third Party Services</b>	(24.7)	(14.4)	71%
<i>% of Net Sales</i>	0.6%	0.6%	
<b>Other Expenses</b>	(51.0)	(28.6)	78%
<i>% of Net Sales</i>	1.3%	1.1%	
<b>Total SG&amp;A</b>	<b>(783.9)</b>	<b>(510.8)</b>	<b>53%</b>
<i>% of Net Sales</i>	<b>20.4%</b>	<b>20.1%</b>	

First quarter 2011 SG&A expenses (including D&A) totalled USD 784 million or 20.4% of sales – a year-on-year increase of 30 bp as a percentage of sales. ESOP program contributed a positive 120bp effect on SG&A as a percentage of sales due to acceleration of expected exercise of options under the ESOP by certain ESOP participants. SG&A expenses were adversely affected mostly by Kopeyka consolidation and integration effects.. Kopeyka stores with lower sales densities, inventory sales and temporary store closings during the rebranding process put pressure on X5 operating expenses in Q1 2011, in particular staff costs, lease, D&A and other expenses.

Staff costs, excluding ESOP, are up by 70 basis points year-on-year in Q1 2011. The increase in the Russian social tax rate from 26% to 34% resulted in a 40 bp increase in staff costs as percent of sales. An additional 30 basis points increase is attributable to Kopeyka staff costs. In March 2011, X5 employed about 93,000 people versus about 90,000 people in December 2010.

### **Non-Operating Gains and Losses**

<b>USD mln</b>	<b>Q1 2011</b>	<b>Q1 2010</b>	<b>% change y-o-y</b>
<b>Operating Profit</b>	<b>174.7</b>	<b>111.2</b>	<b>57%</b>
Finance Costs (Net)	(75.9)	(35.2)	116%
Net FX Result	32.4	36.6	(12%)
Share of Income of Associates	-	0.4	n/a
<b>Profit before Tax</b>	<b>131.2</b>	<b>113.1</b>	<b>16%</b>
Income Tax Expense	(34.3)	(34.2)	0%
<b>Net Profit</b>	<b>96.9</b>	<b>78.9</b>	<b>23%</b>
<i>Net Margin, %</i>	<i>2.5%</i>	<i>3.1%</i>	

### Finance Costs

Net finance costs increased 116% year-on-year in USD terms and 111% in RUR terms due to higher debt level. The effective weighted average interest rate on X5's total debt for the first quarter 2011 was 7.9% compared to 7.2% for full year 2010. The increase is partially attributable to higher interest rates on Kopeyka credit lines, which are currently being renegotiated to align with X5 credit terms.

### Foreign Exchange (FX) Result

The Company posted a USD 32 mln net FX gain for the first quarter 2011. This is primarily a non-cash item, resulting from revaluation of the Company's long-term USD-denominated debt and ESOP.

### Income Tax

In first quarter 2011, X5 reported income tax expense of USD 34 mln. Effective tax rate for the first three months of 2011 totaled 26%, which is higher than the statutory tax rate as inventory shrinkage is only partially tax deductible in Russia. ESOP program favorable effect together with an FX gain realized in Q1 2011 had a positive impact on the effective tax rate for the quarter.

### **Consolidated Cash Flow – Key Trends and Developments**

<b>USD mln</b>	<b>Q1 2011</b>	<b>Q1 2010</b>	<b>% change y-o-y</b>
Net Cash Flows Generated from/(Used in) Operating Activities	74.9	(129.5)	n/a
<i>Net Cash from Operating Activities before Changes in Working Capital</i>	<i>297.4</i>	<i>210.3</i>	<i>41%</i>
<i>Change in Working Capital</i>	<i>(119.9)</i>	<i>(272.0)</i>	<i>(56%)</i>
<i>Net Interest and Income Tax Paid</i>	<i>(102.6)</i>	<i>(67.7)</i>	<i>52%</i>
Net Cash Used in Investing Activities	(98.2)	(51.9)	89%
Net Cash Used in Financing Activities	(123.9)	(159.9)	(23%)
Effect of Exchange Rate Changes on Cash & Cash Equivalents	15.2	6.2	146%
<b>Net Decrease in Cash &amp; Cash Equivalents</b>	<b>(132.0)</b>	<b>(335.1)</b>	<b>(61%)</b>

The change in working capital compared to the same period last year is largely attributable to the reduction in payable days under the new Retail Law, which required X5 to make payments to suppliers in the fourth quarter of 2010 for a greater proportion of holiday season inventory build-up.

### **Liquidity Update**

<b>USD mln</b>	<b>31-Mar-11</b>	<b>% in total</b>	<b>31-Dec-10</b>	<b>% in total</b>	<b>% change y-o-y</b>
<b>Total Debt</b>	<b>3,795.3</b>		<b>3,684.8</b>		<b>3%</b>
Short-Term Debt	593.4	16%	508.0	14%	17%
Long-Term Debt	3,201.9	84%	3,176.8	86%	1%
<b>Net Debt</b>	<b>3,656.5</b>		<b>3,414.0</b>		<b>7%</b>
Denominated in USD	382.2	10%	385.8	11%	(1%)
Denominated in RUR	3,274.3	90%	3,028.2	89%	8%
FX, EoP	28.43		30.48		
<b>Net Debt/EBITDA</b>	<b>3.63x<sup>(1)</sup></b>		<b>3.69x<sup>(2)</sup></b>		

As of the end of March 2011, the Company's total debt amounted to USD 3,795 mln (at RUR exchange rate of 28.43), out of which 16% was short-term (USD 593 mln) and 84% long-term (USD 3,202 mln). Ruble-denominated borrowings accounted for 90% of X5 net debt at March 31, 2011.

As of 31 March 2011, the Company had access to RUR-denominated credit facilities of approximately RUR 93.3 billion (approximately USD 3.3 billion). Of this amount, approximately RUR 33.6 billion (approximately USD 1.2 billion) represented available undrawn credit lines with major Russian and international banks.

### **Effect of RUR/USD Exchange Rate Movements on Presentation of X5's Results and Their Dynamics**

X5's operational currency is the Russian Ruble (RUR), while the Company's presentation currency is the U.S. Dollar (USD). As RUR/USD rate has substantially changed in the past twelve months, comparisons of the Company's financial results either with the corresponding period a year ago (for profit & loss statement) or with the beginning of the year (for statement of financial position) have been substantially affected by these movements:

- Comparisons of profit & loss figures with respective periods last year reflect a positive translational effect from RUR/USD rate movements, resulting in a difference between year-on-year change in RUR and the respective change in USD of approximately 2% for Q1 2011. For reference, to translate its profit & loss figures from RUR to USD for reporting purposes, the Company applied RUR/USD rate of 29.89 for Q1 2010 (average for the period) and RUR/USD rate of 29.27 for Q1 2011 (average for the period).

<sup>(1)</sup> Based on 2010 pro-forma EBITDA of USD 1,007 million, i.e. including Kopeyka from 1 April 2010.

<sup>(2)</sup> Based on 2010 pro-forma EBITDA of USD 926 million, i.e. including Kopeyka from 1 January 2010.

- Comparisons of statement of financial position figures as at 31 March 2011 to statement of financial position figures as at 31 December 2010 reflect a positive translational effect from RUR/USD rate movement, resulting in a difference between change in RUR and the respective change in USD of approximately 7%. For reference, to translate its statement of financial position figures from RUR to USD for reporting purposes, the Company applied RUR/USD rate of 28.43 as at 31 March 2011 and RUR/USD rate of 30.48 as at 31 December 2010.

## Appendices

- I. Consolidated Income Statement for the Three Months Ended 31 March 2011**
- II. Consolidated Statement of Comprehensive Income for the Three Months Ended 31 March 2011**
- III. Consolidated Statement of Financial Position at 31 March 2011**
- IV. Consolidated Statement of Cash Flows for the Three Months Ended 31 March 2011**
- V. Financial Calendar for 2011**

**Note to Editors:**

X5 Retail Group N.V. (LSE: FIVE, Moody's - "B2", S&P - "B+") is Russia's largest retailer in terms of sales. The Company was created as a result of a merger between Pyaterochka (soft discounter chain) and Perekrestok (supermarket chain) on 18 May 2006. In June 2008, X5 acquired Karusel hypermarket chain and substantially strengthened its position in hypermarket format.

As at 31 March 2011, X5 had 2,545 Company-managed stores located in Moscow, St. Petersburg and other regions of European Russia, Urals and Ukraine, including 1,472 soft discount stores, 303 supermarkets, 71 hypermarkets, 47 convenience stores and 652 acquired Kopeyka stores (including 45 stores already rebranded as Pyaterochka).

As at 31 March 2011, X5's franchisees operated 690 stores across Russia.

For the full year 2010, net sales totaled USD 11,280 mln, EBITDA reached USD 844 mln, and net profit amounted to USD 271 mln. For the first quarter 2011, net sales totaled USD 3,845 mln, EBITDA reached USD 281 mln and net profit amounted to USD 97 mln.

X5 Shareholder structure is as follows: Alfa Group – 47.9%, founders of Pyaterochka – 19.9%, X5 Management – 1.8%, treasury shares – 0.1%, free float – 30.3%.

***Forward looking statements:***

*This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the fact that they do not only relate to historical or current events. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "expected", "plan", "goal" believe, or other words of similar meaning.*

*By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, a number of which are beyond X5 Retail Group N.V.'s control. As a result, actual future results may differ materially from the plans, goals and expectations set out in these forward-looking statements.*

*Any forward-looking statements made by or on behalf of X5 Retail Group N.V. speak only as at the date of this announcement. Save as required by any applicable laws or regulations, X5 Retail Group N.V. undertakes no obligation publicly to release the results of any revisions to any forward-looking statements in this document that may occur due to any change in its expectations or to reflect events or circumstances after the date of this document.*

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## Appendix I:

### CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2011<sup>(1)</sup> (expressed in thousands of US Dollars)

	Three months ended	
	31-Mar-11	31-Mar-10
<b>Revenue</b>	<b>3,845,403</b>	<b>2,542,725</b>
Cost of sales	(2,931,796)	(1,948,576)
<b>Gross profit</b>	<b>913,607</b>	<b>594,149</b>
Selling, general and administrative expenses	(783,921)	(510,844)
Lease/sublease and other income	45,011	27,910
<b>Operating profit</b>	<b>174,697</b>	<b>111,215</b>
Net finance costs	(75,922)	(35,163)
Share of income of associates	-	445
Net foreign exchange result	32,394	36,608
<b>Profit before tax</b>	<b>131,169</b>	<b>113,105</b>
Income tax expense	(34,287)	(34,223)
<b>Profit for the period</b>	<b>96,882</b>	<b>78,882</b>

<sup>(1)</sup> Kopeyka results are consolidated from 1 December 2010.

## Appendix II:

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2011<sup>(1)</sup> (expressed in thousands of US Dollars)

	Three months ended	
	31-Mar-11	31-Mar-10
<b>Profit for the period</b>	<b>96,882</b>	<b>78,882</b>
<b>Other comprehensive income</b>		
Exchange differences on translation from functional to presentation currency	150,022	54,869
Cash flow hedges	-	5,265
<b>Other comprehensive income for the period</b>	<b>150,022</b>	<b>60,134</b>
<b>Total comprehensive income for the period</b>	<b>246,904</b>	<b>139,016</b>
<b>Total comprehensive income for the period attributable to:</b>		
Equity holders of the parent	246,957	139,016
Non-controlling interest	(53)	-

<sup>(1)</sup> Kopeyka results are consolidated from 1 December 2010.

### Appendix III: CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2011 (expressed in thousands of US Dollars)

	31 March 2011	31 December 2010
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,862,674	3,602,412
Investment property	154,423	145,643
Goodwill	2,143,290	1,999,269
Intangible assets	744,475	718,854
Prepaid leases	89,207	86,419
Other non-current assets	7,849	7,457
Deferred tax assets	168,295	131,312
	<b>7,170,213</b>	<b>6,691,366</b>
<b>Current assets</b>		
Inventories of goods for resale	949,815	1,015,742
Indemnification asset	46,888	43,737
Loans originated	467	1,314
Current portion of non-current prepaid lease	17,475	13,443
Trade and other accounts receivable	427,189	381,849
Current income tax receivable	75,120	76,149
VAT and other taxes recoverable	293,153	262,828
Cash and cash equivalents	138,764	270,762
	<b>1,948,871</b>	<b>2,065,824</b>
<b>Total assets</b>	<b>9,119,084</b>	<b>8,757,190</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	93,712	93,712
Share premium	2,049,144	2,049,144
Cumulative translation reserve	(424,246)	(574,268)
Accumulated profit	567,915	470,980
Share based payment reserve	8,341	5,965
	<b>2,294,866</b>	<b>2,045,533</b>
Non-controlling interest	<b>1,448</b>	<b>1,501</b>
<b>Total equity</b>	<b>2,296,314</b>	<b>2,047,034</b>
<b>Non-current liabilities</b>		
Long-term borrowings	3,201,880	3,176,792
Long-term finance lease payable	2,574	2,737
Deferred tax liabilities	280,079	261,374
Long-term deferred revenue	144	135
Share-based payments liability	11,444	13,157
Other non-current liabilities	1,380	1,339
	<b>3,497,501</b>	<b>3,455,534</b>
<b>Current liabilities</b>		
Trade accounts payable	1,668,451	1,851,454
Short-term borrowings	593,392	508,004
Share-based payments liability	68,779	76,141
Short-term finance lease payables	1,968	1,680
Interest accrued	39,806	16,678
Short-term deferred revenue	17,227	13,165
Current income tax payable	55,028	47,249
Provisions and other liabilities	880,618	740,251
	<b>3,325,269</b>	<b>3,254,622</b>
<b>Total liabilities</b>	<b>6,822,770</b>	<b>6,710,156</b>
<b>Total equity and liabilities</b>	<b>9,119,084</b>	<b>8,757,190</b>

**Appendix IV:**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE MONTHS**  
**ENDED 31 MARCH 2011**  
(expressed in thousands of US Dollars)

	Three months ended	
	31-Mar-11	31-Mar-10
<b>Profit before tax</b>	131,169	113,105
<u>Adjustments for:</u>		
Depreciation, amortisation and impairment	106,403	67,275
Loss on disposal of property, plant and equipment	4,055	2,931
Finance costs, net	75,922	35,163
Impairment of trade and other accounts receivable	13,657	844
Share-based payments (income)/expense	(4,478)	25,393
Amortisation of deferred expenses	3,002	2,907
Net foreign exchange gain	(32,394)	(36,608)
Income from associate	-	(445)
Other non-cash items	112	(294)
<b>Net cash from operating activities before changes in working capital</b>	<b>297,448</b>	<b>210,271</b>
(Increase)/Decrease in trade and other accounts receivable	(44,273)	42,913
Decrease in inventories	135,101	51,614
Decrease in trade accounts payable	(307,285)	(390,874)
Increase in other accounts payable and deferred revenue	96,547	24,322
<b>Net cash generated from/(used in) operations</b>	<b>177,538</b>	<b>(61,754)</b>
Interest paid	(52,879)	(16,656)
Interest received	354	921
Income tax paid	(50,085)	(51,971)
<b>Net cash flows generated from/(used in) operating activities</b>	<b>74,928</b>	<b>(129,460)</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(93,308)	(44,174)
Proceeds from sale of property, plant and equipment	1,365	98
Non-current prepaid lease	(1,415)	(2,629)
Purchase of intangible assets	(4,845)	(5,228)
<b>Net cash used in investing activities</b>	<b>(98,203)</b>	<b>(51,933)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from short-term loans	112,744	118,076
Repayment of short-term loans	(236,362)	(276,384)
Principal payments on finance lease obligations	(257)	(1,545)
<b>Net cash used in financing activities</b>	<b>(123,875)</b>	<b>(159,853)</b>
Effect of exchange rate changes on cash and cash equivalents	15,152	6,154
<b>Net decrease in cash and cash equivalents</b>	<b>(131,998)</b>	<b>(335,092)</b>
<b>Movements in cash and cash equivalents</b>		
Cash and cash equivalents at the beginning of the period	270,762	411,681
Net decrease in cash and cash equivalents	(131,998)	(335,092)
<b>Cash and cash equivalents at the end of the period</b>	<b>138,764</b>	<b>76,589</b>

## **Appendix V: Financial Calendar for 2011**

<b>Date</b>	<b>Event</b>
8 July 2011, TBC	Q2 & H1 2011 Trading Update
25 August 2011, TBC	Q2 & H1 2011 Financial Results Reviewed by Auditors
10 October 2011, TBC	Q3 & 9M 2011 Trading Update
28 November 2011, TBC	Q3 & 9M 2011 Financial Results Reviewed by Auditors