

X5 REPORTS Q3 & 9M 2009 RESULTS AND 2010 EXPANSION PLAN:**FOCUS ON COSTS CONTINUES TO DRIVE IMPROVEMENTS
IN SG&A EXPENSE****STEPPED UP STORE OPENINGS EXPECTED FOR 2010**

Amsterdam, 30 November 2009 - X5 Retail Group N.V., Russia's largest retailer in terms of sales (LSE ticker: "FIVE"), today announced its IFRS results for the quarter and nine months ended 30 September 2009, reviewed by auditors.

Q3 2009 Highlights

- Net sales increased 24% year-on-year in RUR terms to RUR 65,980 mln;
- Net sales declined 4% in USD terms to USD 2,103 mln (incl. RUR devaluation effect of approximately 28%);
- Gross profit totaled USD 502 mln, for a gross margin of 23.9%;
- SG&A expenses including ESOP*** declined to 19.8% from 20.8% of sales a year ago. Net of ESOP, SG&A costs declined to 18.6% from 21.3% of sales for a respective period of 2008;
- EBITDA amounted to USD 162 mln, for an EBITDA margin of 7.7%, affected by ESOP cost of USD 26 mln;
- X5 reported a net profit of USD 73 mln on the back of strong operational & financial performance and a non-cash foreign exchange (FX) gain.

9M 2009 Highlights

- Consolidated* net sales increased 38% year-on-year in RUR terms to RUR 197,527 mln or 2% in USD terms to USD 6,081 mln;
- On a pro-forma basis**, net sales grew 26% year-on-year in RUR terms and declined 7% in USD terms (incl. RUR devaluation effect of approximately 33%);
- Gross profit totaled USD 1,481 mln, for a gross margin of 24.4%;
- SG&A expenses including ESOP declined to 19.7% from 20.8% of sales a year ago. Net of ESOP, SG&A costs declined to 19.2% from 20.8% of sales for a respective period of 2008;
- EBITDA amounted to USD 509 mln, for an EBITDA margin of 8.4%, including ESOP costs of USD 32 mln;
- X5 reported a net profit of USD 121 mln.

2010 Preliminary Expansion & CapEx Outlook

- **Net new store addition:**
 - Hypermarkets: 7-10 stores;
 - Supermarkets: 15 stores;
 - Discounters: 200-250 stores.
- **Capital Expenditures of up to RUR 18 bln.**

* Consolidated sales figures include the results of the acquired Karusel's business as from 30 June 2008

** Pro-forma sales figures include acquired Karusel's business from 1 January 2008

*** Employee Stock Option Program

X5 Retail Group CEO **Lev Khasis** commented:

"X5 delivered solid top-line growth thanks to sector-leading customer traffic for discounters and positive trends at hypermarkets in Moscow and St. Petersburg, as we maintained price leadership and offered quality products for every budget. While consumer confidence remains weak, we are actively positioning X5 to benefit from future economic recovery through a balanced execution of like-for-like growth strategy and stepped up expansion. We plan to accelerate store additions in discounters, maintain healthy expansion in hypermarkets, while with the acquisition of Paterson, we also reinforced our supermarket leadership in key markets, adding to the Company's upside potential."

X5 Retail Group CFO **Evgeny Kornilov** added:

"X5's financial discipline and efficiency focus is paying off, contributing to a strong set of results. We have substantially improved performance at the SG&A expense level, though the impact of these savings was partially offset this quarter by higher ESOP expense attributable to sharp appreciation of X5's GDR price. Net of ESOP, we reduced SG&A expense as a percent of sales by 270 basis points compared to last year's third quarter and 160 basis points versus the first nine months of 2008. We have also exceeded our plan for growing selling space this year while staying well below plan on capital expenditures. Greater CapEx efficiency gave us room to maneuver for consolidation opportunities, positioning X5 to acquire Paterson on very value enhancing terms while financing this acquisition from operating cash flow."

Profit & Loss – Key Trends and Developments

Profit & loss figures in this press release are presented on a pro-forma basis, unless otherwise stated. Pro-forma figures include results of the acquired Karusel hypermarket chain from 1 January 2008 and 2009, respectively. We believe pro-forma numbers are useful to reflect large acquisitions because they allow investors to evaluate X5's operating results and financial performance for different periods on a more comparable basis. These figures should be used in addition to, but not as a substitute for, the consolidated financial statements.

Pro-Forma* P&L Highlights**

USD mln	Q3 2009	Q3 2008	% change y-o-y	9M 2009	9M 2008	% change y-o-y
Net Sales	2,103.1	2,190.3	(4%)	6,081.2	6,516.1	(7%)
incl. Retail	2,094.2	2,177.0	(4%)	6,053.2	6,478.7	(7%)
Gross Profit	501.8	558.8	(10%)	1,480.8	1,673.7	(12%)
Gross Margin, %	23.9%	25.5%		24.4%	25.7%	
EBITDA	161.8	190.5	(15%)	508.8	578.0	(12%)
EBITDA Margin, %	7.7%	8.7%		8.4%	8.9%	
Operating Profit	107.5	127.4	(16%)	353.5	393.3	(10%)
Operating Margin, %	5.1%	5.8%		5.8%	6.0%	
Net Profit	72.9	(14.7)	n/a	121.2	138.2	(12%)
Net Margin, %	3.5%	(0.7%)		2.0%	2.1%	

* Pro-forma sales figures include acquired Karusel's business from 1 January 2008, i.e. include them in Q3&9M 2009 and Q3&9M 2008.

** Please note that in this and other tables of this press-release immaterial deviations in calculation of % change, subtotals and totals are explained by rounding.

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

X5's operational currency is the Russian Ruble (RUR), while our 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 balance sheet statement) have been substantially affected by these movements. For more details please see page 7 of this press-release.

Net Sales & Gross Margin Performance

USD mln	Q3 2009	Q3 2008	% change y-o-y	9M 2009	9M 2008	% change y-o-y
Net Sales	2,103.1	2,190.3	(4%)	6,081.2	6,516.1	(7%)
incl. Retail	2,094.2	2,177.0	(4%)	6,053.2	6,478.7	(7%)
Hypermarkets	418.4	406.9	3%	1,166.3	1,229.0	(5%)
Supermarkets	530.6	657.9	(19%)	1,644.4	1,992.8	(17%)
Soft Discounters	1,145.2	1,112.2	3%	3,242.5	3,256.9	0%
Gross Profit	501.8	558.8	(10%)	1,480.8	1,673.7	(12%)
<i>Gross Margin, %</i>	23.9%	25.5%		24.4%	25.7%	

For the third quarter 2009 X5 reported net sales of USD 2,103 mln - a year-on-year decline of 4% in USD terms. In RUR terms net revenue for the quarter increased 24% year-on-year. For the first nine months of 2009, net sales totaled USD 6,081 mln - a year-on-year decline of 7% in USD terms and 26% growth in RUR terms driven by an 11% increase in like-for-like (LFL)* sales with the rest coming from expansion.

In the first nine months of 2009 X5 reported solid like-for-like sales growth despite weaker consumer confidence and persisting trading down trends. Thanks to our "close-to-the-customer" pricing policy X5 was able to gain market share from the competition. Soft discounters were the clear winners, attracting new customers and strengthening competitive positions across regions. Supermarkets' performance was stable in Moscow and St. Petersburg, offset by further weakening consumer confidence in the regions. In the third quarter hypermarkets began to show traffic gains in Moscow and St. Petersburg as Karusel is gradually gaining consumer recognition. We continue to educate customers about our "wide choice at low price" promise and believe that opening of our first non-food distribution centre (DC) in the third quarter will enable X5 to strengthen our positions in non-food categories.

Third quarter 2009 gross margin totaled 23.9% - a 160 bp decline versus third quarter 2008, translating into the nine months gross margin of 24.4% (130 bp decline year-on-year). This decline is in line with the management's expectations and is attributable to our continuous investment in prices across formats, including new Pyaterochka's pricing policy to offer lowest price in the market on every item launched in March 2009; a managed reduction in Karusel's gross margin; and the change of product mix in favour of staples on the back of continuing trading down trends.

* 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

Selling, General and Administrative Expenses (SG&A)

USD mln	Q3 2009	Q3 2008	% change y-o-y	9M 2009	9M 2008	% change y-o-y
Staff Costs, incl.	(193.3)	(196.3)	(2%)	(535.7)	(626.9)	(15%)
<i>% of Net Sales</i>	9.2%	9.0%		8.8%	9.6%	
ESOP	(26.3)	10.0	n/a	(31.6)	0.0	n/a
<i>% of Net Sales</i>	1.3%	(0.5%)		0.5%	0.0%	
Lease Expenses	(65.0)	(72.3)	(10%)	(189.4)	(201.2)	(6%)
<i>% of Net Sales</i>	3.1%	3.3%		3.1%	3.1%	
Other Store Costs	(27.3)	(34.0)	(20%)	(78.3)	(96.2)	(19%)
<i>% of Net Sales</i>	1.3%	1.6%		1.3%	1.5%	
D&A	(54.3)	(63.1)	(14%)	(155.3)	(184.7)	(16%)
<i>% of Net Sales</i>	2.6%	2.9%		2.6%	2.8%	
Utilities	(37.6)	(44.6)	(16%)	(110.0)	(113.5)	(3%)
<i>% of Net Sales</i>	1.8%	2.0%		1.8%	1.7%	
Third Party Services	(17.6)	(25.2)	(30%)	(50.1)	(70.7)	(29%)
<i>% of Net Sales</i>	0.8%	1.2%		0.8%	1.1%	
Other Expenses	(21.9)	(21.1)	4%	(77.5)	(65.0)	19%
<i>% of Net Sales</i>	1.0%	1.0%		1.3%	1.0%	
Total SG&A	(417.0)	(456.6)	(9%)	(1,196.2)	(1,358.2)	(12%)
<i>% of Net Sales</i>	19.8%	20.8%		19.7%	20.8%	

Third quarter 2009 SG&A expenses decreased as a percentage of revenue by 100 bp year-on-year to 19.8%. Nine months 2009 SG&A totaled 19.7% of revenue - a year-on-year decrease of 110 bp. Net of ESOP expense, SG&A accounted for 18.6% of sales in Q3 2009 and 19.2% for 9M 2009 (a year-on-year decrease of 270 bp and 160 bp, respectively). X5 reported USD 26 million of ESOP expense in the third quarter 2009 due to X5 GDR price appreciation of over 50% during this period of time. Nine months 2009 ESOP costs totaled USD 32 million.

SG&A decline as a percentage of revenue was achieved through cost control initiatives and implementation of X5's strategic efficiency programs. Significant savings were obtained from administrative expense and staff cost optimization, renegotiation of leases and energy saving initiatives. As at 30 September 2009 the Company employed 63,711 people compared to 60,467 as at 31 December 2008. The increase is due to new store openings in the first nine months 2009, when X5 opened 116 new stores, including nine hypermarkets, distribution network expansion, as well as hiring of people for extensive new store additions planned for the fourth quarter 2009.

Non-Operating Gains and Losses

USD mln	Q3 2009	Q3 2008	% change y-o-y	9M 2009	9M 2008	% change y-o-y
Operating Profit	107.5	127.4	(16%)	353.5	393.3	(10%)
Finance Costs (Net)	(38.2)	(44.5)	(14%)	(114.1)	(117.6)	(3%)
Net FX Result	39.7	(84.9)	n/a	(38.1)	(40.0)	(5%)
Share of Loss of Associates	(0.1)	-	n/a	(2.6)	-	n/a
Profit before Tax	108.9	(2.1)	n/a	198.7	235.6	(16%)
Income Tax Expense	(36.0)	(12.6)	185%	(77.5)	(97.5)	(20%)
Current Income Tax	(29.8)	(26.8)	11%	(98.6)	(138.7)	(29%)
Deferred Income Tax	(6.2)	14.2	n/a	21.1	41.3	(49%)
Net Profit	72.9	(14.7)	n/a	121.2	138.2	(12%)
<i>Net Margin, %</i>	3.5%	(0.7%)		2.0%	2.1%	

Finance Costs

Nine months 2009 net finance costs decreased 3% year-on-year in USD terms and increased 31% in RUR terms due to higher interest rates on short-term RUR funding compared to the same period last year. The effective interest rate on X5's debt for the first nine months of 2009 was approximately 8.3%.

Foreign Exchange (FX) Gain/(Loss)

The Company posted USD 38 mln of foreign exchange (FX) loss in the first nine months of 2009, which is a result of USD 164 mln FX loss in the first quarter on the back of sharp RUR devaluation and a combined USD 126 mln FX gain in the second and third quarters due to partial RUR recovery. This is a primarily non-cash item, resulting from revaluation of the Company's long-term USD-denominated debt.

Income Tax

In the third quarter 2009 X5 reported income tax expense in the amount of USD 36 mln, translating into the first nine months 2009 income tax expense of USD 78 mln. Effective tax rate for the first nine months of 2009 totaled 39%.

Consolidated* Cash Flow – Key Trends and Developments

USD mln	Q3 2009	Q3 2008	% change y-o-y	9M 2009	9M 2008	% change y-o-y
Net Cash Flows from Operating Activities	151.0	147.7	2%	190.5	259.8	(27%)
<i>Net Cash from Operating Activities before Changes in Working Capital</i>	<i>191.8</i>	<i>184.8</i>	<i>4%</i>	<i>571.9</i>	<i>554.7</i>	<i>3%</i>
<i>Change in Working Capital</i>	<i>0.0</i>	<i>90.7</i>	<i>n/a</i>	<i>(182.9)</i>	<i>21.1</i>	<i>n/a</i>
<i>Net Interest and Income Tax Paid</i>	<i>(40.8)</i>	<i>(127.9)</i>	<i>(68%)</i>	<i>(198.5)</i>	<i>(316.0)</i>	<i>(37%)</i>
Net Cash Used in Investing Activities	(50.1)	(297.5)	(83%)	(149.1)	(1,524.2)	(90%)
Net Cash (used in)/generated from Financing Activities	13.9	18.6	(25%)	(47.6)	1,318.3	n/a
Effect of Exchange Rate Changes on Cash & Cash Equivalents	17.2	(21.5)	n/a	6.2	(9.1)	n/a
Net (Decrease)/Increase in Cash & Cash Equivalents	131.9	(152.7)	n/a	0.0	44.7	n/a

* Including the results of the acquired Karusel business from 30 June 2008 when the acquisition was completed, i.e. excluding them in Q1&Q2 2008, but including in Q3 2008.

First nine months 2009 net cash flow from operating activities totaled USD 191 mln versus USD 260 mln a year ago. Year-on-year decrease is to a large extent explained by a one-off USD 160 mln cash refund received from former owners of Karusel in the third quarter of 2008 (please see our press release dated 26 August 2008).

In the first nine months of 2009, cash generation from operations before changes in working capital was very strong at USD 572 mln - year-on-year growth of 3% in USD terms and 39% in RUR terms. It was partially offset by changes in working capital attributable to the following factors:

- Increase in inventories due to stocking up for extensive store openings, particularly hypermarkets, as well as new distribution centres (DCs);
- Increase in trade accounts payable in the third quarter 2009, attributable to an increase in non-food product sales and typical for this quarter seasonality, only partially compensated for a decrease in trade accounts payable in the first half 2009;
- Increase in trade and other accounts receivable that was in line with the business growth.

Net cash used in investing activities in the first nine months 2009 totaled USD 149 mln compared to USD 874 mln of organic CapEx spent in the nine months of last year (net of Karusel acquisition). Such CapEx saving was attributable to focus on renting versus owning (over 70% of selling space added and new stores opened in the first nine months 2009 were leased) as well as efficiencies achieved thanks to a more prudent approach and decrease in construction and repair costs. In the first nine months 2009 X5 expanded its selling space by 89 thousand sq.m. (net addition of 116 stores including nine hypermarkets) compared to 76 thousand sq.m. added organically in the first nine months 2008 (135 stores including three hypermarkets).

Net cash used in financing activities in the first nine months 2009 amounted to USD 48 mln.

Liquidity Update

USD mln	30-Sep-09	% in total	30-Jun-09	% in total	31-Dec-08	% in total
Total Debt	2,018.9		1,962.4		2,059.4	
Short-Term Debt	637.2	32%	272.1	14%	578.4	28%
Long-Term Debt	1,381.7	68%	1,690.3	86%	1,481.0	72%

As at 30 September 2009, the Company's total debt amounted to RUR 60.8 bln or USD 2,019 mln (at RUR/USD exchange rate of 30.09). Net debt totaled RUR 52.4 bln or USD 1,742 mln.

USD mln	30-Sep-09	% in total	30-Jun-09	% in total	31-Dec-08	% in total
Net Debt	1,742.1		1,817.6		1,782.6	
Denominated in USD	1,064.6	61%	1,061.8	58%	1,170.0	66%
Denominated in RUR	677.6	39%	755.8	42%	612.6	34%
FX rate, EoP	30.09		31.29		29.38	
Net Debt/EBITDA	2.37x		2.38x		2.22x	

X5's short-term debt increased in the third quarter 2009 to USD 637 mln due to the fact that the Company's RUR 9 bln bonds issued in July 2007 were reclassified from long-term to short-term obligations because of the put option exercisable in July 2010, as the Company applies a conservative approach. Remaining short-term debt is RUR-denominated and represents primarily revolving credit lines.

As at 30 September 2009, the Company had access to RUR-denominated credit facilities of approximately RUR 24.9 bln (approximately USD 826 mln), out of which RUR 15.3 bln (approximately USD 508 mln) are available undrawn credit lines with major Russian and international banks. This puts X5 in a very flexible and comfortable position with respect to short-term liquidity.

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

X5's operational currency is the Russian Ruble (RUR), while our 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 balance sheet statement) have been substantially affected by these movements:

- Comparisons of profit & loss figures with respective periods last year reflect a negative 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 28% for Q3 and 33% for 9M 2009. For reference, to translate its profit & loss figures from RUR to USD for reporting purposes, the Company applied RUR/USD rate of 24.04 for 9M 2008 (average for the period) and RUR/USD rate of 32.48 for 9M 2009 (average for the period). Reported USD-denominated profit & loss figures for Q3 2009 and 2008 represent difference between reported 9M and H1 figures for respective years.
- Comparisons of balance sheet figures as at 30 September 2009 to balance sheet figures as at 31 December 2008 reflect a negative translational effect from RUR/USD rate movement, resulting in a difference between change in RUR and the respective change in USD of approximately 2%. For reference, to translate its balance sheet figures from RUR to USD for reporting purposes, the Company applied RUR/USD rate of 29.38 as at 31 December 2008 and RUR/USD rate of 30.09 as at 30 September 2009.

* Including Paterson on consolidation basis, i.e. from 1 December 2009.

** Sales growth guidance accounts for the effects of closing Paterson stores for rebranding and IT systems upgrade, while CapEx guidance includes Paterson integration budget.

Appendices

- I. Pro-Forma Interim Income Statement for the Nine and Three Months Ended 30 September 2009**
- II. Consolidated Interim Income Statement for the Nine and Three Months Ended 30 September 2009**
- III. Consolidated Interim Statement of Comprehensive Income for the Nine and Three Months Ended 30 September 2009**
- IV. Consolidated Interim Statement of Financial Position (Balance Sheet) at 30 September 2009**
- V. Consolidated Interim Statement of Cash Flows for the Nine Months Ended 30 September 2009**
- VI. Financial Calendar for 2010**

Note to Editors:

X5 Retail Group N.V. 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 30 September 2009, X5 had 1,217 Company-managed stores located in Moscow, St. Petersburg and other regions of European Russia, Urals and Ukraine, including 952 soft discount stores, 210 supermarkets and 55 hypermarkets.

As at 30 September 2009, X5's franchisees operated 586 stores across Russia.

For the full year 2008, X5's net sales including acquired Karusel business on a pro-forma basis totalled USD 8,892 mln, EBITDA reached USD 803 mln, and net profit adjusted for non-cash goodwill impairment charge amounted to USD 112 mln.

For the nine months 2009 X5's net sales totalled USD 6,081 mln, EBITDA reached USD 509 mln, and net profit amounted to USD 121 mln.

X5 Shareholder structure is as follows: Alfa Group – 47.9%, founders of Pyaterochka – 23.1%, X5 Management – 1.9%, treasury shares – 0.1%, free float – 27.0%.

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:

PRO-FORMA* INTERIM INCOME STATEMENT FOR THE NINE AND THREE MONTHS ENDED 30 SEPTEMBER 2009 (expressed in thousands of US Dollars, unless otherwise stated)

	Three months ended		Nine months ended	
	30-Sep-09	30-Sep-08	30-Sep-09	30-Sep-08
Revenue	2,103,131	2,190,293	6,081,239	6,516,123
Cost of sales	(1,601,313)	(1,631,450)	(4,600,435)	(4,842,390)
Gross profit	501,818	558,843	1,480,804	1,673,733
Selling, general and administrative expenses	(416,971)	(456,585)	(1,196,186)	(1,358,176)
Lease/sublease and other income	22,617	25,154	68,870	77,697
Operating profit	107,464	127,412	353,488	393,254
Net finance cost	(38,167)	(44,529)	(114,139)	(117,592)
Net foreign exchange result	39,687	(84,946)	(38,103)	(40,017)
Share of loss of associate	(68)	-	(2,568)	-
(Loss)/Profit before tax	108,916	(2,063)	198,678	235,645
Income tax expense	(35,993)	(12,644)	(77,503)	(97,454)
Profit for the period	72,923	(14,707)	121,175	138,191

* Including the results of the acquired Karusel business from 1 January 2008, i.e. including them in Q3&9M 2009 and Q3&9M 2008.

Appendix II:

CONSOLIDATED* INTERIM INCOME STATEMENT FOR THE NINE AND THREE MONTHS ENDED 30 SEPTEMBER 2009 (expressed in thousands of US Dollars)

	Three months ended		Nine months ended	
	30-Sep-09	30-Sep-08	30-Sep-09	30-Sep-08
Revenue	2,103,131	2,192,654	6,081,239	5,958,825
Cost of sales	(1,601,313)	(1,633,234)	(4,600,435)	(4,421,122)
Gross profit	501,818	559,420	1,480,804	1,537,703
Selling, general and administrative expenses	(416,971)	(457,145)	(1,196,186)	(1,226,206)
Lease/sublease and other income	22,617	25,189	68,870	69,600
Operating profit	107,464	127,464	353,488	381,097
Net finance costs	(38,167)	(44,595)	(114,139)	(101,926)
Net foreign exchange result	39,687	(84,946)	(38,103)	(40,011)
Share of loss of associate	(68)	-	(2,568)	-
Profit before tax	108,916	(2,077)	198,678	239,160
Income tax expense	(35,993)	(12,662)	(77,503)	(93,189)
Profit for the period	72,923	(14,739)	121,175	145,971

* Including the results of the acquired Karusel business from 30 June 2008 when the acquisition was completed, i.e. excluding them in Q1&Q2 2008, but including in Q3 2008.

Appendix III:

**CONSOLIDATED* INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE AND THREE MONTHS ENDED 30 SEPTEMBER 2009**
(expressed in thousands of US Dollars)

	Three months ended		Nine months ended	
	30-Sep-09	30-Sep-08	30-Sep-09	30-Sep-08
Profit for the period	72,923	(14,739)	121,175	145,971
Other comprehensive (loss)/income				
Exchange differences on translation from functional to presentation currency	68,702	(348,740)	(29,692)	(179,465)
Changes in fair value of financial instruments	1,637	(6,251)	3,022	5,890
Other comprehensive (loss)/income for the period	70,339	(354,991)	(26,670)	(173,575)
Total comprehensive income / (loss) for the period	143,262	(369,730)	94,505	(27,604)
Total comprehensive (loss)/income for the period attributable to:				
Equity holders of the parent	143,262	(369,730)	94,505	(27,604)

* According to the changes to IAS 1, *Presentation of Financial Statements*, the Income Statement should be replaced or complimented by a Statement of Comprehensive Income which will also include all non-owner changes in equity, such as the revaluation of available-for-sale financial assets. For your convenience, X5 Retail Group chose to provide both statements.

Appendix IV: CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AT 30 SEPTEMBER 2009
(expressed in thousands of US Dollars)

	30 September 2009	31 December 2008
ASSETS		
Non-current assets		
Property, plant and equipment	2,933,315	3,040,843
Investment property	119,016	125,693
Goodwill	559,342	552,823
Intangible assets	482,893	499,188
Prepaid leases	85,441	80,677
Investment in associate	7,044	10,054
Other non-current assets	1,442	2,446
Deferred tax assets	101,215	96,185
	4,289,708	4,407,909
Current assets		
Inventories of goods for resale	488,471	476,742
Derivative financial assets	96	765
Loans originated	814	350
Current portion of non-current prepaid lease	12,488	10,154
Trade and other accounts receivable	266,237	177,462
Current income tax receivable	54,155	60,866
VAT and other taxes recoverable	193,667	239,418
Cash and cash equivalents	276,791	276,837
	1,292,719	1,242,594
Total assets	5,582,427	5,650,503
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	93,712	93,712
Share premium	2,049,144	2,049,144
Cumulative translation reserve	(549,876)	(520,184)
Accumulated profit	155,116	33,941
Hedging reserve	(15,158)	(18,180)
Total equity	1,732,938	1,638,433
Non-current liabilities		
Long-term borrowings	1,381,731	1,480,968
Long-term finance lease payable	4,995	1,843
Deferred tax liabilities	198,613	219,308
Long-term deferred revenue	1,995	3,482
Share-based payments liability	25,048	30,665
	1,612,382	1,736,266
Current liabilities		
Trade accounts payable	1,024,031	1,176,249
Short-term borrowings	637,201	578,433
Share-based payments liability	44,441	7,256
Derivative financial liabilities	15,158	18,180
Short-term finance lease payables	2,473	2,197
Interest accrued	24,065	9,089
Short-term deferred revenue	4,659	4,872
Current income tax payable	12,627	20,887
Provisions and other liabilities	472,452	458,641
	2,237,107	2,275,804
Total liabilities	3,849,489	4,012,070
Total equity and liabilities	5,582,427	5,650,503

Appendix V: CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2009

(expressed in thousands of US Dollars)

	Nine months ended	
	30 September 2009	30 September 2008
Profit before tax	198,678	239,160
<u>Adjustments for:</u>		
Depreciation and amortisation	155,291	160,867
Loss/(Gain) on disposal of property, plant and equipment	1,326	(1,023)
Finance costs, net	114,139	101,927
Impairment of trade and other accounts receivable	9,510	7,107
Share-based option expense/(income)	31,568	(11)
Amortisation of deferred expenses	7,221	6,654
Other non-cash items	13,488	-
Loss from associate	2,568	-
Net foreign exchange loss	38,103	40,011
Net cash from operating activities before changes in working capital	571,892	554,692
(Increase)/Decrease in trade and other accounts receivable	(72,958)	49,523
(Increase)/Decrease in inventories	(21,315)	10,233
Decrease in trade accounts payable	(115,245)	(65,304)
Increase in other accounts payable and deferred revenue	26,635	26,686
Net cash generated from operations	389,009	575,830
Interest paid	(101,169)	(98,480)
Interest received	3,884	7,875
Income tax paid	(101,248)	(225,428)
Net cash flows from operating activities	190,476	259,797
Cash flows from investing activities:		
Purchase of property, plant and equipment	(106,839)	(784,626)
Proceeds from sale of property, plant and equipment	1,915	4,824
Non-current prepaid lease	(1,773)	(48,137)
Investments in subsidiaries	(27,550)	(690,048)
Short-term loans issued	-	(328)
Purchase of intangible assets	(14,859)	(5,931)
Net cash used in investing activities	(149,106)	(1,524,246)
Cash flows from financing activities:		
Proceeds from short-term loans	301,952	1,581,383
Repayment of short-term loans	(547,547)	(1,404,033)
Proceeds from long-term loans	242,926	-
Repayment of long-term loans	(39,138)	-
Proceeds from issue of share capital	-	1,007,592
Proceeds from sale of treasury shares	-	144,217
Acquisition of derivative financial assets	(2,453)	(8,876)
Principal payments on finance lease obligations	(3,327)	(1,954)
Net cash (used in)/generated from financing activities	(47,587)	1,318,329
Effect of exchange rate changes on cash and cash equivalents	6,171	(9,142)
Net (decrease)/increase in cash and cash equivalents	(46)	44,738
Movements in cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	276,837	179,496
Net (decrease)/increase in cash and cash equivalents	(46)	44,738
Cash and cash equivalents at the end of the period	276,791	224,234

Appendix VI:

Financial Calendar for 2010

Date	Event
19 January 2010, TBC	Q4 & FY 2009 Trading Update
9 April 2010, TBC	Q1 2010 Trading Update
12 April 2010, TBC	Audited FY 2009 IFRS Results
27 May 2010, TBC	Q1 2010 Financial Results Reviewed by Auditors
9 July 2010, TBC	Q2 & H1 2010 Trading Update
26 August 2010, TBC	Q2 & H1 2010 Financial Results Reviewed by Auditors
11 October 2010, TBC	Q3 & 9M 2010 Trading Update
29 November 2010, TBC	Q3 & 9M 2010 Financial Results Reviewed by Auditors