

X5 REPORTS THIRD QUARTER 2010 RESULTS:**SOLID TOP-LINE GROWTH AND COMPANY RECORD FOR STORE OPENINGS****EBITDA MARGIN BEFORE ESOP OF 8.0%****BALANCE SHEET STRENGTHENED BY SUCCESSFUL REFINANCING OF USD 1.1 BLN LOAN AND SHIFT TO MAINLY LONG-TERM RUBLE DEBT**

Amsterdam, 26 November 2010- X5 Retail Group N.V., Russia's largest retailer in terms of sales (LSE ticker: "FIVE"), today published its IFRS results for the quarter and nine months ended 30 September 2010, reviewed by auditors.

Q3 2010 Highlights

- Net sales increased 21% year-on-year in RUR terms to RUR 80,050 mln or 24% in USD terms to USD 2,614 mln;
- Gross profit totaled USD 630 mln, for a gross margin of 24.1%;
- EBITDA amounted to USD 194 mln, for an EBITDA margin of 7.4%. EBITDA margin, excl. ESOP amounted to 8.0%;
- X5 reported a net profit of USD 80 mln for a net margin of 3.0%.

9M 2010 Highlights

- Net sales increased 19% year-on-year in RUR terms to RUR 235,910 mln or 28% in USD terms to USD 7,798 mln;
- Gross profit totaled USD 1,862 mln, for a gross margin of 23.9%;
- EBITDA amounted to USD 593 mln, for an EBITDA margin of 7.6%;
- X5 reported a net profit of USD 183 mln for a net margin of 2.4%.

2010 Outlook

X5 reiterates 2010 outlook for RUR net sales growth in the low 20-percent range and now expects to exceed its store opening plan with 250-300 discounters, 20 supermarkets and 10 hypermarkets while maintaining capital expenditure below the RUR 18 bln limit for 2010.

We are preparing for a significant step-up plans in 2011 and still finalizing on the growth level. We will provide the preliminary guidance when the plan is approved.

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

“X5 delivered 21% net sales growth in RUR terms in Q3 2010 driven by new store openings, solid LFL performance at discounters and strong improvement at converted Paterson supermarkets. We are well on track to deliver on X5’s 2010 sales outlook, with a recovery in consumer spending and trading up trends becoming evident as we head into the end of the year.”

“Execution of our store expansion plan has been strong and disciplined: we added a record 258 stores through the first nine months, including 116 in the third quarter, and will exceed the Company’s annual plan while staying below our CapEx limit. We are excited about the launch of Pyaterochka-Maxi as a new economy-class hypermarket format. Our multi-year Strategic Efficiency Programme has also made progress in readying IT systems transformation, logistics, labour productivity and energy savings initiatives to build a strong, efficient growth platform and drive X5’s competitive advantages.”

X5 Retail Group Acting CFO **Anton Volyanskiy** added:

“X5’s Strategic Efficiency Programme has made good progress with SAP for Retail and SAP for HR successfully integrated and logistics centralisation level outpacing our initial plan. Gross margin has picked up 20bps, helped by the higher centralisation rate and successful negotiations with suppliers on converting bonuses to discounts in accordance with New Russian Retail Law. EBITDA performance in Q3 2010 was affected by SG&A expense rise (staff salary indexation and leasing costs up) with sales from new store openings still ramping up.”

“We closed the quarter with a substantially strengthened balance sheet as the USD 1.1 bln loan was successfully refinanced mainly with long-term ruble debt, taking advantage of market conditions for the strongest borrowers. As a result, we have secured significant financial resources to seize new opportunities and support X5’s business objectives for aggressive growth and efficiency.”

Profit & Loss – Key Trends and Developments

P&L Highlights^{(1), (2)}

USD mln	Q3 2010	Q3 2009	% change y-o-y	9M 2010	9M 2009	% change y-o-y
Net Sales	2,614.0	2,103.1	24%	7,797.7	6,081.2	28%
incl. Retail	2,606.6	2,094.2	24%	7,778.6	6,053.2	29%
Gross Profit	629.9	501.8	26%	1,861.8	1,480.8	26%
<i>Gross Margin, %</i>	24.1%	23.9%		23.9%	24.4%	
EBITDA	194.4	161.8	20%	593.2	508.8	17%
<i>EBITDA Margin, %</i>	7.4%	7.7%		7.6%	8.4%	
Operating Profit	120.8	107.5	12%	378.9	353.5	7%
<i>Operating Margin, %</i>	4.6%	5.1%		4.9%	5.8%	
Net Profit	79.6	72.9	9%	183.3	121.2	51%
<i>Net Margin, %</i>	3.0%	3.5%		2.4%	2.0%	

Net Sales & Gross Margin Performance

USD mln	Q3 2010	Q3 2009	% change y-o-y	9M 2010	9M 2009	% change y-o-y
Net Sales	2,614.0	2,103.1	24%	7,797.7	6,081.2	28%
incl. Retail	2,606.6	2,094.2	24%	7,778.6	6,053.2	29%
Hypermarkets	461.6	418.4	10%	1,420.5	1,166.3	22%
Supermarkets	647.2	530.6	22%	1,923.8	1,644.4	17%
Soft Discounters	1,473.0	1,145.2	29%	4,382.2	3,242.5	35%
Convenience stores ⁽³⁾	19.4	-	n/a	38.6	-	n/a
Online ⁽⁴⁾	5.4	-	n/a	13.4	-	n/a
Gross Profit	629.9	501.8	26%	1,861.8	1,480.8	26%
<i>Gross Margin, %</i>	24.1%	23.9%		23.9%	24.4%	

For the third quarter 2010 X5 reported net sales of USD 2,614 mln - a year-on-year increase of 24% in USD terms. In RUR terms net revenue for the quarter increased 21% year-on-year. For the nine months 2010 net sales totaled USD 7,798 mln - a year-on-year increase of 28% in USD terms and 19% growth in RUR terms. This comprises 5% growth in like-for-like (LFL)⁽⁵⁾ sales with the rest coming from expansion.

⁽¹⁾ 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.

⁽²⁾ 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 balance sheet statement) have been substantially affected by these movements. For more information please see page 8 of this press-release.

⁽³⁾ Included from April 2010.

⁽⁴⁾ Included from October 2009.

⁽⁵⁾ 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 continued to deliver strong performance in terms of sales, LFL sales and sales per sq. meter with 10% LFL growth in Q3 2010 against last year's high comparable base, thanks to the continued success of Pyaterochka's price positioning. Supermarkets improved to slightly positive LFL sales this quarter, up 2% as customers responded to Perekrestok's summer price campaign and new assortment changes. In addition, LFL sales of the acquired Paterson stores surged more than 20% on a pro forma basis compared to pre-acquisition levels of Q3 2009. Hypermarkets LFL sales declined 3% affected by intensified competition in St. Petersburg.

Prices on X5's shelves rose on average by 5.8% in September 2010 compared to September 2009. By comparison, Russia's official food inflation rate in September 2010 was 8.7% due to the effects of the summer heat.

Third quarter 2010 gross margin totalled 24.1% - a 20 bp increase versus third quarter 2009. X5 managed to achieve that despite continued aggressive investment in prices helped by growing ahead of plan centralisation and successful renegotiating of purchasing terms with suppliers in accordance with New Russian Retail Law. This equates to a gross margin of 23.9% for the first nine months for a 50 bp decline year-on-year, in line with management's expectations.

Selling, General and Administrative Expenses (SG&A)

USD mln	Q3 2010	Q3 2009	% change y-o-y	9M 2010	9M 2009	% change y-o-y
Staff Costs, incl.	(246.2)	(193.3)	27%	(708.6)	(535.7)	32%
<i>% of Net Sales</i>	9.4%	9.2%		9.1%	8.8%	
ESOP	(13.6)	(26.3)	(49%)	(47.3)	(31.6)	50%
<i>% of Net Sales</i>	0.5%	1.3%		0.6%	0.5%	
Lease Expenses	(89.7)	(65.0)	38%	(261.0)	(189.4)	38%
<i>% of Net Sales</i>	3.4%	3.1%		3.3%	3.1%	
Other Store Costs	(36.5)	(27.3)	34%	(105.8)	(78.3)	35%
<i>% of Net Sales</i>	1.4%	1.3%		1.4%	1.3%	
D&A	(73.6)	(54.3)	36%	(214.2)	(155.3)	38%
<i>% of Net Sales</i>	2.8%	2.6%		2.7%	2.6%	
Utilities	(48.0)	(37.6)	28%	(151.4)	(110.0)	38%
<i>% of Net Sales</i>	1.8%	1.8%		1.9%	1.8%	
Third Party Services	(24.2)	(17.6)	37%	(57.7)	(50.1)	15%
<i>% of Net Sales</i>	0.9%	0.8%		0.7%	0.8%	
Other Expenses	(27.6)	(21.9)	26%	(80.5)	(77.5)	4%
<i>% of Net Sales</i>	1.1%	1.0%		1.0%	1.3%	
Total SG&A	(545.9)	(417.0)	31%	(1,579.3)	(1,196.2)	32%
<i>% of Net Sales</i>	20.9%	19.8%		20.3%	19.7%	

Third quarter 2010 SG&A expenses as a percentage of revenue increased by 110 bp year-on-year to 20.9%. SG&A was affected by the following factors:

- The largest impact was increased staff costs. Part of the increase as a percentage of sales is attributable to salary indexation for basic personnel, store and distribution centres management and the remainder was due to a one-off spot bonus for in-store employees as motivation during Russia's extraordinary heat wave in July-August 2010.
- Lease expenses also increased by 30 bps year-on-year due to rate increases at some locations on the back of gradual recovery of the commercial real estate market.

- D&A expenses added another 20 bps due to a one-off non-cash impairment charge with respect to certain assets.

As at 30 September 2010 the Company employed 72,760 people compared to 68,457 as at 31 December 2009. This increase is in line with the expansion of X5's store base and distribution centre capacity.

Strategic Efficiency Programme Update

X5's Strategic Efficiency Programme is a multi-year initiative to drive operational excellence in line with international benchmarks. Covering virtually every area of X5's operations, it has made good progress as we near the end of 2010:

IT Systems Transformation – X5 successfully installed and fully integrated SAP for Retail and SAP for HR. SAP for Enterprise Management is being tested and will be fully launched in January 2011.

Integrated Supply Chain Logistics – X5 reached its 2010 centralisation target of 67 % (compared to 2009 year-end 61% centralization level) ahead of schedule and expects to exceed it for the full year. As a result service levels are up. Voice picking and GPRS have been tested and will be fully launched in 2011. All DC systems are fully compatible with SAP.

In-Store Labour Productivity – After considerable groundwork to fully integrate SAP and increase logistics centralisation, we are now positioned to increase our focus on productivity gains at the store level.

Asset Efficiency – X5 has made important strides in testing energy-efficient lighting, retailing equipment and temperature controls for refrigerators. These will be rolled out next year and are expected to generate significant energy efficiency improvements when fully operational, as a way to combat rising energy costs.

Business Processes Improvement – X5 is moving to a more coordinated management approach for key business processes across our formats. Legal structure optimization plays an important role in transforming X5 into efficient and agile organization.

Non-Operating Gains and Losses

USD mln	Q3 2010	Q3 2009	% change y-o-y	9M 2010	9M 2009	% change y-o-y
Operating Profit	120.8	107.5	12%	378.9	353.5	7%
Finance Costs (Net)	(32.6)	(38.2)	(14%)	(97.7)	(114.1)	(14%)
Net FX Result	23.1	39.7	(42%)	(12.7)	(38.1)	(67%)
Share of Income/(Loss) of Associates	(0.0)	(0.1)	n/a	0.4	(2.6)	n/a
Profit before Tax	111.3	108.9	2%	269.0	198.7	35%
Income Tax Expense	(31.7)	(36.0)	(12%)	(85.6)	(77.5)	11%
Current Income Tax	(37.5)	(29.8)	26%	(88.2)	(98.6)	(11%)
Deferred Income (Tax)/Benefit	5.8	(6.2)	n/a	2.6	21.1	(88%)
Net Profit / (Loss)	79.6	72.9	9%	183.3	121.2	51%
Net Margin, %	3.0%	3.5%		2.4%	2.0%	

Finance Costs

Net finance costs for the first nine months of 2010 decreased 14% year-on-year in USD terms and 20% in RUR terms due to lower interest rates on funding, that X5 managed to negotiate with banks. The effective annualized interest rate on X5's total debt for the first nine months of 2010 was approximately 7%.

Foreign Exchange (FX) Gain/(Loss)

X5 has significantly reduced its FX exposure by bringing down USD-denominated debt to 20% of our debt portfolio. The Company posted a USD 13 mln net foreign exchange (FX) loss in the first nine months of 2010. This is the net effect of FX gains of USD 37 mln in the first quarter and a USD 23 mln in the third quarter due to RUR appreciation, and a USD 73 mln net FX loss in the second quarter due to significant RUR depreciation. This is a primarily non-cash item, resulting from revaluation of the Company's long-term USD-denominated debt.

Income Tax

In Q3 2010 X5's effective tax rate amounted to 29%, and 32% for the first nine months of 2010. Effective tax rate is higher than the statutory tax rate for three main reasons: inventory shrinkage is not tax deductible in Russia, ESOP cost is only partially tax deductible and FX loss is only partially tax deductible. This quarter X5 benefited from a favorable court decision with regard to a one-off recovery of VAT in a case involving suppliers. We expect the reduction of X5's FX exposure to 20% of our debt portfolio will positively impact effective tax rate in future.

Consolidated Cash Flow – Key Trends and Developments

USD mln	Q3 2010	Q3 2009	% change	9M 2010	9M 2009	% change
Net Cash Flows (used in)/generated from Operating Activities	72.8	151.0	(52%)	(66.2)	190.5	n/a
<i>Net Cash from Operating Activities before Changes in Working Capital</i>	210.6	191.8	10%	659.5	571.9	15%
<i>Change in Working Capital</i>	(86.9)	(0.01)	n/a	(535.9)	(182.9)	193%
<i>Net Interest and Income Tax Paid</i>	(50.9)	(40.8)	25%	(189.8)	(198.5)	(4%)
Net Cash Used in Investing Activities	(114.8)	(50.1)	129%	(251.7)	(149.1)	69%
Net Cash (used in)/generated from Financing Activities	28.9	13.9	108%	(1.0)	(47.6)	(98%)
Effect of Exchange Rate Changes on Cash & Cash Equivalents	0.5	17.2	(97%)	(1.0)	6.2	n/a
Net (Decrease)/Increase in Cash & Cash Equivalents	(12.7)	131.9	n/a	(319.9)	(0.0)	n/a

First nine months 2010 net cash used in operating activities totaled USD 66 mln versus USD 191 mln generated from operating activities a year ago. Movements in working capital are attributable to X5's implementation of the New Russian Retail Law which went into effect on 1 August, 2010. This has resulted in certain adjustments in supplier arrangements, notably a shift from bonuses (volume rebates from suppliers) to volume discounts. Subsequently, a portion of the bonuses were converted into discounts, leading to reduction in payables on the balance sheet instead of receivables on the balance sheet.

Net cash used in investing activities totaled USD 252 mln in the first nine months of 2010 compared to USD 149 mln for the same period last year. X5 increased investment in new store openings, preparations for additional stores to be opened later this year and other projects to support X5's growth objectives. We also continued to invest in distribution and logistics infrastructure and IT systems platform implementation. Higher CapEx is also attributable to a higher proportion of owned versus leased properties this year compared to last year.

Net cash used in financing activities in the first nine months 2010 amounted to USD 1 mln as the Company used available cash to reduce outstanding debt in the first quarter while increasing borrowings in the second and third quarters.

Liquidity Update

USD mln	30-Sep-10	% in total	30-Jun-10	% in total	31-Dec-09	% in total
Total Debt	1,965.3		1,898.5		1,944.0	
Short-Term Debt	663.0	34%	1,886.2	99%	1,656.6	85%
Long-Term Debt	1,302.3	66%	12.3	1%	287.4	15%
Net Debt	1,873.5		1,794.1		1,532.3	
Denominated in USD	380.3	20%	1,097.2	61%	1,162.8	76%
Denominated in RUR	1,493.2	80%	696.9	39%	369.5	24%
FX, EoP	30.40		31.20		30.24	
Net Debt/EBITDA	2.28x		2.28x		2.08x	

Prudent financial management has significantly strengthened the Company's balance sheet and liquidity while reducing risk. In particular, X5 successfully extended its debt maturities with mainly long-term ruble financing, and reduced FX exposure by nearly two-thirds. In addition, the Company managed to shift all of its financing to an unsecured basis.

As at 30 September 2010, the Company's total debt amounted to RUR 60 bln or USD 1,965 mln (at RUR/USD exchange rate of 30.4). Net debt totaled RUR 57 bln or USD 1,874 mln.

X5 short-term debt decreased by 65% from USD 1,886 mln as at 30 June 2010 to USD 663 mln as at 30 September 2010 mostly due to refinancing of the USD 1.1 bn syndicate loan in Q3 2010 through a new USD 800 mln 3 year club facility, with the remaining USD 300 mln refinanced through other lines available for X5. Due to the dual currency structure of the club loan and other facilities utilized in RUR, the Company's FX exposure is currently limited to the USD 393 mln which is about 20% of the total debt portfolio.

In September 2010 the Company signed USD 500 mln RUR denominated revolving committed facility with Sberbank effective until 2015 to refinance other short term debt.

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 fluctuated in the past twelve months, comparisons of the Company's financial results either with the corresponding period a year ago (for income 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 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 7% for 9M 2010. For reference, to translate its profit & loss figures from RUR to USD for reporting purposes, the Company applied RUR/USD rate of 30.25 for 9M 2010 (average for the period) and RUR/USD rate of 32.48 for 9M 2009 (average for the period).
- Comparisons of balance sheet figures as at 30 September 2010 to balance sheet figures as at 31 December 2009 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 0.5%. For reference, to translate its balance sheet figures from RUR to USD for reporting purposes, the Company applied RUR/USD rate of 30.40 as at 30 September 2010 and RUR/USD rate of 30.24 as at 31 December 2009.

Appendices

- I. Consolidated Interim Income Statement for the Three and Nine Months Ended 30 September 2010**
- II. Consolidated Interim Statement of Comprehensive Income for the Three and Nine Months Ended 30 September 2010**
- III. Consolidated Interim Statement of Financial Position at 30 September 2010**
- IV. Consolidated Interim Statement of Cash Flows for the Three and Nine Months Ended 30 September 2010**
- V. Financial Calendar for 2011**

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 2010, X5 had 1,630 Company-managed stores located in Moscow, St. Petersburg and other regions of European Russia, Urals and Ukraine, including 1,232 soft discount stores, 289 supermarkets, 65 hypermarkets and 44 convenience stores.

As at 30 September 2010, X5's franchisees operated 632 stores across Russia.

For the full year 2009 X5's net sales totaled USD 8,717 mln, EBITDA reached USD 736 mln, and net profit amounted to USD 165 mln.

For the first nine months 2010, net sales totaled USD 7,798 mln, EBITDA reached USD 593 mln, and net profit amounted to USD 183 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:

CONSOLIDATED INTERIM INCOME STATEMENT FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2010⁽¹⁾ (expressed in thousands of US Dollars)

	Three months ended		Nine months ended	
	30-Sep-10	30-Sep-09	30-Sep-10	30-Sep-09
Revenue	2,614,042	2,103,131	7,797,684	6,081,239
Cost of sales	(1,984,151)	(1,601,313)	(5,935,879)	(4,600,435)
Gross profit	629,891	501,818	1,861,805	1,480,804
Selling, general and administrative expenses	(545,913)	(416,971)	(1,579,329)	(1,196,186)
Lease/sublease and other income	36,812	22,617	96,462	68,870
Operating profit	120,790	107,464	378,938	353,488
Net finance costs	(32,636)	(38,167)	(97,700)	(114,139)
Share of income/(loss) of associates	(3)	(68)	440	(2,568)
Net foreign exchange result	23,131	39,687	(12,699)	(38,103)
Profit before tax	111,282	108,916	268,979	198,678
Income tax expense	(31,729)	(35,993)	(85,641)	(77,503)
Profit for the period	79,553	72,923	183,338	121,175

⁽¹⁾ Financial statements forms, presented in this press-release, were reviewed by PricewaterhouseCoopers.

Appendix II:

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2010 (expressed in thousands of US Dollars)

	Three months ended		Nine months ended	
	30-Sep-10	30-Sep-09	30-Sep-10	30-Sep-09
Profit for the period	79,553	72,923	183,338	121,175
Other comprehensive income/(loss)				
Exchange differences on translation from functional to presentation currency	47,916	68,702	(10,321)	(29,692)
Cash flow hedges	1,292	1,637	8,337	3,022
Other comprehensive income/(loss) for the period	49,208	70,339	(1,984)	(26,670)
Total comprehensive income for the period	128,761	143,262	181,354	94,505
Total comprehensive income for the period attributable to:				
Equity holders of the parent	128,761	143,262	181,354	94,505

Appendix III: CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2010 (expressed in thousands of US Dollars)

	30 September 2010	31 December 2009
ASSETS		
Non-current assets		
Property, plant and equipment	3,023,411	2,995,329
Investment property	130,344	133,425
Goodwill	821,297	767,523
Intangible assets	481,777	496,111
Prepaid leases	83,048	84,805
Investment in associates	-	5,609
Other non-current assets	1,470	1,304
Deferred tax assets	171,640	151,786
	4,712,987	4,635,892
Current assets		
Inventories of goods for resale	612,193	612,722
Loans originated	1,849	2,848
Current portion of non-current prepaid lease	14,174	13,705
Trade and other accounts receivable	273,408	309,571
Current income tax receivable	44,485	18,663
VAT and other taxes recoverable	183,830	174,762
Cash and cash equivalents	91,754	411,681
	1,221,693	1,543,952
Total assets	5,934,680	6,179,844
EQUITY AND LIABILITIES		
Share capital	93,712	93,712
Share premium	2,049,144	2,049,144
Cumulative translation reserve	(569,897)	(559,576)
Accumulated profit	383,237	199,292
Hedging reserve	(1,771)	(10,108)
Employee stock plan	2,285	-
Non-controlling interest	1,337	-
Total equity	1,958,047	1,772,464
Non-current liabilities		
Long-term borrowings	1,302,313	287,378
Long-term finance lease payable	3,125	4,586
Deferred tax liabilities	224,136	207,689
Long-term deferred revenue	652	1,839
Share-based payments liability	25,421	25,986
Other non-current liabilities	1,301	-
	1,556,948	527,478
Current liabilities		
Trade accounts payable	1,052,834	1,556,325
Short-term borrowings	662,978	1,656,622
Share-based payments liability	65,190	59,559
Derivative financial liabilities	1,771	10,108
Short-term finance lease payables	1,650	1,950
Interest accrued	22,512	8,863
Short-term deferred revenue	11,940	18,979
Current income tax payable	45,825	33,790
Provisions and other liabilities	554,985	533,706
	2,419,685	3,879,902
Total liabilities	3,976,633	4,407,380
Total equity and liabilities	5,934,680	6,179,844

Appendix IV: CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2010

(expressed in thousands of US Dollars)

	Three months ended		Nine months ended	
	30-Sep-10	30-Sep-09	30-Sep-10	30-Sep-09
Profit before tax	111,282	108,916	268,979	198,678
<u>Adjustments for:</u>				
Depreciation and amortisation	73,632	54,323	214,248	155,291
Loss/(Gain) on disposal of property, plant and equipment	(586)	822	2,908	1,326
Finance costs, net	32,636	38,167	97,700	114,139
Impairment of trade and other accounts receivable	927	(829)	5,226	9,510
Share-based payments expense	13,556	26,331	47,305	31,568
Amortisation of deferred expenses	2,423	2,611	11,441	7,221
Net foreign exchange (gain)/loss	(23,131)	(39,688)	12,699	38,103
Loss/(income) from associate	3	69	(440)	2,568
Other non-cash items	(104)	1,044	(596)	13,488
Net cash from operating activities before changes in working capital	210,638	191,768	659,470	571,892
Increase in trade and other accounts receivable	(13,771)	(65,099)	(96,866)	(72,958)
(Increase)/Decrease in inventories	(70,490)	(29,148)	4,918	(21,315)
(Decrease)/Increase in trade accounts payable	(11,002)	88,010	(396,559)	(115,245)
Increase/(Decrease) in other accounts payable and deferred revenue	8,317	6,230	(47,353)	26,635
Net cash generated from operations	123,692	191,760	123,610	389,009
Interest paid	(24,500)	(35,469)	(75,130)	(101,169)
Interest received	136	1,680	1,250	3,884
Income tax paid	(26,542)	(6,970)	(115,937)	(101,248)
Net cash flows (used in)/generated from operating activities	72,786	151,001	(66,207)	190,476
Cash flows from investing activities:				
Purchase of property, plant and equipment	(81,836)	(30,567)	(196,564)	(106,839)
Proceeds from sale of property, plant and equipment	1,224	458	1,554	1,915
Non-current prepaid lease	(6,173)	1,724	(10,300)	(1,773)
Investments in subsidiaries	(23,100)	(14,840)	(28,362)	(27,550)
Purchase of intangible assets	(4,951)	(6,922)	(17,992)	(14,859)
Net cash used in investing activities	(114,836)	(50,147)	(251,664)	(149,106)
Cash flows from financing activities:				
Proceeds from short-term loans	143,480	162,014	396,291	301,952
Repayment of short-term loans	(378,578)	(122,698)	(658,680)	(547,547)
Proceeds from long-term loans	268,250	1,046	268,250	242,926
Repayment of long-term loans	(3,914)	(23,463)	(3,914)	(39,138)
Acquisition of derivative financial assets	-	(44)	-	(2,453)
Principal payments on finance lease obligations	(381)	(3,000)	(2,965)	(3,327)
Net cash generated from/(used in) financing activities	28,857	13,855	(1,018)	(47,587)
Effect of exchange rate changes on cash and cash equivalents	526	17,220	(1,038)	6,171
Net (decrease)/increase in cash and cash equivalents	(12,667)	131,930	(319,927)	(46)
Movements in cash and cash equivalents				
Cash and cash equivalents at the beginning of the period	104,421	144,862	411,681	276,837
Net (decrease)/increase in cash and cash equivalents	(12,667)	131,930	(319,927)	(46)
Cash and cash equivalents at the end of the period	91,754	276,791	91,754	276,791

Appendix V: Financial Calendar for 2011

Date	Event
19 January 2011, TBC	Q4 & FY 2010 Trading Update
8 April 2011, TBC	Q1 2011 Trading Update
19 April 2011, TBC	Audited FY 2010 IFRS Results
26 May 2011, TBC	Q1 2011 Financial Results Reviewed by Auditors
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