

X5 REPORTS 17.6% REVENUE GROWTH IN Q3 2018, EBITDA MARGIN RISES TO 7.4%

- ✓ X5 delivered revenue growth of 17.6% year-on-year (y-o-y) on the back of positive like-for-like (LFL) sales and strong selling space expansion.
- ✓ Gross margin improved by 91 b.p. y-o-y to 24.6% in Q3 2018, despite tough external environment, driven by y-o-y commercial margin improvement as a result of a stable share of promo and the format mix effect from proportionally more sales at Perekrestok, as well as successful measures by management to control shrinkage levels.
- ✓ Low food inflation as well as non-food inflation exceeding food inflation, drove up SG&A expenses (excl. D&A&I) as a percentage of revenue by 53 b.p. y-o-y to 17.9%.
- ✓ EBITDA totalled RUB 27,689 mln in Q3 2018, while the EBITDA margin grew by 36 b.p. to 7.4% year-on-year (y-o-y).
- ✓ Net debt/EBITDA ratio declined to below the Company's upper annual target of 2.0x as of 30 September 2018, reaching 1.99x.

Amsterdam, 24 October 2018 - X5 Retail Group N.V. ("X5" or the "Company"), a leading Russian food retailer (LSE and MOEX ticker: FIVE), today released the Company's unaudited condensed consolidated interim financial information for the three months (Q3) and nine months (9M) ended 30 September 2018, in accordance with International Financial Reporting Standards as adopted by the European Union.

Profit and loss statement highlights⁽¹⁾

Russian Rouble (RUB), million (mln)	Q3 2018	Q3 2017	change, y-o-y, %	9M 2018	9M 2017	change, y-o-y, %
Revenue	375,505	319,424	17.6	1,109,582	933,303	18.9
incl. net retail sales ⁽²⁾	372,934	317,131	17.6	1,104,132	927,482	19.0
Pyaterochka	297,946	251,653	18.4	871,259	724,499	20.3
Perekrestok	53,225	42,417	25.5	163,633	132,312	23.7
Karusel	20,647	20,705	(0.3)	64,723	63,335	2.2
Gross profit	92,482	75,765	22.1	267,940	222,998	20.2
Gross profit margin, %	24.6	23.7	91 b.p.	24.1	23.9	25 b.p.
EBITDA	27,689	22,392	23.7	77,827	72,392	7.5
EBITDA margin, %	7.4	7.0	36 b.p.	7.0	7.8	(74) b.p.
Operating profit	15,367	12,844	19.6	42,838	45,342	(5.5)
Operating profit margin, %	4.1	4.0	7 b.p.	3.9	4.9	(100) b.p.
Net profit	8,087	7,277	11.1	22,400	25,975	(13.8)
Net profit margin, %	2.2	2.3	(12) b.p.	2.0	2.8	(76) b.p.

(1) Please note that in this and other tables, and in the text of this press release, immaterial deviations in the calculation of % changes, subtotals and totals are due to rounding.

(2) Net retail sales represent revenue from the operations of X5-managed stores net of VAT. This number differs from revenue, which includes proceeds from wholesale operations, direct franchisees (royalty payments) and other revenue.

Net retail sales

Total net retail sales growth reached 17.6% y-o-y in Q3 2018, driven by:

- 0.5% increase in LFL sales; and
- 17.1% y-o-y increase in net retail sales from net new space, resulting from a 19.6% y-o-y rise in selling space.

Selling space by format, square meters (sq. m)

	As at 30-Sep-18	As at 31-Dec-17	change vs 31-Dec-17, %	As at 30-Sep-17	change vs 30-Sep-17, %
Pyaterochka	5,035,160	4,426,808	13.7	4,145,793	21.5
Perekrestok	728,467	637,242	14.3	585,585	24.4
Karusel	382,120	385,271	(0.8)	380,784	0.4
X5 Retail Group⁽³⁾	6,155,080	5,479,741	12.3	5,144,561	19.6

Q3 & 9M 2018 LFL⁽⁴⁾ store performance by format, % change y-o-y

In Q3 2018, LFL sales performance was positive at 0.5% y-o-y.

	Q3 2018			9M 2018		
	Sales	Traffic	Basket	Sales	Traffic	Basket
Pyaterochka	0.1	0.5	(0.4)	(0.0)	(0.1)	0.0
Perekrestok	4.7	6.7	(1.8)	5.2	5.5	(0.3)
Karusel	(2.5)	(4.8)	2.4	0.1	(3.2)	3.4
X5 Retail Group⁽³⁾	0.5	0.9	(0.4)	0.7	0.4	0.3

For more details on net retail sales growth please refer to X5's [Q3 2018 Trading Update](#).

Gross profit margin

The gross profit margin increased by 91 b.p. y-o-y to 24.6% in Q3 2018 due to improvement in the commercial margin as a result of a stable share of promo, a more balanced approach to promo and the format mix effect from proportionally more sales at Perekrestok, which has a higher commercial margin than the X5 average. Management initiatives focused on reducing shrinkage levels also had a positive impact on gross profit margin.

(3) Including Perekrestok Express

(4) 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 12 full months. Their sales are included in the LFL calculation starting from the day of the store's opening. We include all stores that fit our LFL criteria in each reporting period.

Selling, general and administrative (SG&A) expenses (excl. D&A&I)

RUB mln	Q3 2018	Q3 2017	change, y-o-y, %	9M 2018	9M 2017	change, y-o-y, %
Staff costs	(29,503)	(25,059)	17.7	(87,097)	(70,787)	23.0
% of Revenue	7.9	7.8	1 b.p.	7.8	7.6	26 b.p.
incl. LTI and share-based payments	(97)	(787)	(87.7)	(1,657)	(2,656)	(37.6)
staff costs excl. LTI	7.8	7.6	23 b.p.	7.7	7.3	40 b.p.
Lease expenses	(19,085)	(15,310)	24.7	(55,544)	(43,318)	28.2
% of Revenue	5.1	4.8	29 b.p.	5.0	4.6	36 b.p.
Utilities	(7,555)	(5,442)	38.8	(23,175)	(16,865)	37.4
% of Revenue	2.0	1.7	31 b.p.	2.1	1.8	28 b.p.
Other store costs	(4,225)	(3,938)	7.3	(12,620)	(10,973)	15.0
% of Revenue	1.1	1.2	(11) b.p.	1.1	1.2	(4) b.p.
Third party services	(3,365)	(2,776)	21.2	(8,493)	(7,087)	19.8
% of Revenue	0.9	0.9	3 b.p.	0.8	0.8	1 b.p.
Other expenses⁽⁵⁾	(3,411)	(2,908)	17.3	(10,352)	(7,426)	39.4
% of Revenue	0.9	0.9	(0) b.p.	0.9	0.8	14 b.p.
SG&A (excl. D&A&I)	(67,144)	(55,433)	21.1	(197,281)	(156,456)	26.1
% of Revenue	17.9	17.4	53 b.p.	17.8	16.8	102 b.p.
SG&A (excl. D&A&I and LTI and share-based payments)	(67,047)	(54,646)	22.7	(195,624)	(153,800)	27.2
% of Revenue	17.9	17.1	75 b.p.	17.6	16.5	115 b.p.

In Q3 2018, SG&A expenses excluding D&A&I, LTI and share-based payments as a percentage of revenue increased by 75 b.p. to 17.9%, mainly due to increased staff costs, lease expenses and utilities expenses.

Staff costs (excluding LTI and share-based payments) as a percentage of revenue increased by 23 b.p. y-o-y in Q3 2018 to 7.8%, mainly due to nominal wage growth outpacing shelf inflation and negative operating leverage.

Lease expenses as a percentage of revenue in Q3 2018 increased by 29 b.p. y-o-y mainly due to the growing share of leased space in X5's total real estate portfolio (75% as of 30 September 2018, compared to 72% as of 30 September 2017) as well as lease inflation rising faster than food inflation.

Utilities costs as a percentage of revenue in Q3 2018 increased by 31 b.p. y-o-y to 2.0% due to tariffs growing faster than food inflation.

Other store costs as a percentage of revenue in Q3 2018 decreased by 11 b.p. mainly due to lower security costs.

LTI and share-based payments expenses amounted to RUB 97 mln in Q3 2018. Based on the decision of Nomination and Remuneration committee in September, the Company released the LTI provisions that had been created for programme participants who have left the Company.

In 9M 2018, SG&A expenses excluding D&A&I, LTI and share-based payments as a percentage of revenue increased by 115 b.p. to 17.6%, mainly due to increased staff costs, lease expenses, utilities and other expenses.

(5) As a result of IFRS 9 adoption the Company changed presentation of its condensed consolidated interim statement of profit or loss by reclassification of net impairment losses on financial assets out of selling, general and administrative expenses.

Lease/sublease and other income

As a percentage of revenue, the Company's income from lease, sublease and other operations changed immaterially in Q3 2018 compared to Q3 2017, totalling 0.7%.

EBITDA and EBITDA margin

RUB mln	Q3 2018	Q3 2017	change, y-o-y, %	9M 2018	9M 2017	change, y-o-y, %
Gross profit	92,482	75,765	22.1	267,940	222,998	20.2
<i>Gross profit margin, %</i>	24.6	23.7	91 b.p.	24.1	23.9	25 b.p.
SG&A (excl. D&A&I and LTI and share-based payments)	(67,047)	(54,646)	22.7	(195,624)	(153,800)	27.2
<i>% of Revenue</i>	17.9	17.1	75 b.p.	17.6	16.5	115 b.p.
Net impairment losses on financial assets	(100)	(2)	4,900.0	(375)	(162)	131.5
<i>% of Revenue</i>	0.027	0.001	3 b.p.	0.03	0.02	2 b.p.
Lease/sublease and other income	2,451	2,062	18.9	7,543	6,012	25.5
<i>% of Revenue</i>	0.7	0.6	1 b.p.	0.7	0.6	4 b.p.
Adj. EBITDA⁽⁶⁾	27,786	23,179	19.9	79,484	75,048	5.9
<i>Adj. EBITDA margin, %</i>	7.4	7.3	14 b.p.	7.2	8.0	(88) b.p.
LTI, share-based payments and other one-off remuneration payments expense and SSC	(97)	(787)	(87.7)	(1,657)	(2,656)	(37.6)
<i>% of Revenue</i>	0.03	0.25	(22) b.p.	0.15	0.28	(14) b.p.
EBITDA	27,689	22,392	23.7	77,827	72,392	7.5
<i>EBITDA margin, %</i>	7.4	7.0	36 b.p.	7.0	7.8	(74) b.p.

As a result of the factors discussed above, EBITDA in Q3 2018 increased to RUB 27,689 mln, or 7.4% of revenue, compared to RUB 22,392 mln, or 7.0% of revenue in Q3 2017.

In 9M 2018, EBITDA totalled RUB 77,827 mln, decreasing as a percentage of revenue to 7.0% compared to RUB 72,392 mln, or 7.8% of revenue in 9M 2017.

D&A&I

Depreciation, amortisation and impairment costs in Q3 2018 totalled RUB 12,322 mln, (RUB 34,989 mln for 9M 2018), increasing as a percentage of revenue by 29 b.p. y-o-y to 3.3% (for 9M 2018: up by 26 b.p. to 3.2%). This was due to continuous changes in the composition of buildings, with a growing share of fixtures and fittings versus foundation and frame driven by the growing share of leased space in X5's total real estate portfolio.

Non-operating gains and losses

RUB mln	Q3 2018	Q3 2017	change, y-o-y, %	9M 2018	9M 2017	change, y-o-y, %
Operating profit	15,367	12,844	19.6	42,838	45,342	(5.5)
Net finance costs	(4,512)	(4,040)	11.7	(13,163)	(11,971)	10.0
Net FX result	(40)	(17)	135.3	(213)	(37)	475.7
Profit before tax	10,815	8,787	23.1	29,462	33,334	(11.6)
Income tax expense	(2,728)	(1,510)	80.7	(7,062)	(7,359)	(4.0)
Net profit	8,087	7,277	11.1	22,400	25,975	(13.8)
<i>Net margin, %</i>	2.2	2.3	(12) b.p.	2.0	2.8	(76) b.p.

(6) Adjusted EBITDA is EBITDA before costs related to the LTI programme, share-based payments and other one-off remuneration payments expense.

Net finance costs in Q3 2018 increased by 11.7% y-o-y to RUB 4,512 mln. The effect from the higher level of gross debt as of 30 September 2018 compared to 30 September 2017 was partially offset by the declining interest rates in Russian capital markets and actions undertaken by X5 to minimise interest expenses.

In Q3 2018 income tax expense increased by 80.7% y-o-y to RUB 2,728 mln mainly driven by accrual of deferred tax on investments associated with potential dividend payments and the low base of Q3 2017 due to one-off adjustments. X5's effective tax rate for 9M 2018 totalled 24.0%.

Consolidated cash flow statement highlights

RUB mln	Q3 2018	Q3 2017	change, y-o-y, %	9M 2018	9M 2017	change, y-o-y, %
Net cash from operating activities before changes in working capital	27,666	22,281	24.2	77,726	72,562	7.1
Change in working capital	8,475	9,921	(14.6)	(1,539)	(15,866)	(90.3)
Net interest and income tax paid	(7,994)	(5,509)	45.1	(20,408)	(19,098)	6.9
Net cash flows generated from operating activities	28,147	26,693	5.4	55,779	37,598	48.4
Net cash used in investing activities	(19,533)	(23,135)	(15.6)	(68,986)	(59,910)	15.1
Net cash generated from / (used in) financing activities	(7,012)	1,375	n/a	1,015	15,830	(93.6)
Effect of exchange rate changes on cash & cash equivalents	(38)	2	n/a	(75)	6	n/a
Net increase/(decrease) in cash & cash equivalents	1,564	4,935	(68.3)	(12,267)	(6,476)	89.4

In Q3 2018, the Company's net cash from operating activities before changes in working capital increased y-o-y by RUB 5,385 mln, or 24.2%, and totalled RUB 27,666 mln.

The lower change in working capital of RUB 8,475 mln in Q3 2018 compared to RUB 9,921 mln in Q3 2017 was mainly due to trade accounts payable driven by the slower pace of business expansion. This was partially offset by the decrease in inventories in Q3 2018 compared to the growth in Q3 2017 driven by decelerating growth of purchases due to the slower pace of business expansion and assortment optimisation.

Net interest and income tax paid in Q3 2018 increased by RUB 2,485 mln, or 45.1%, y-o-y and totalled RUB 7,994 mln. The rise in interest paid was in line with the higher level of gross debt y-o-y. Income tax paid grew due to the higher level of profit before tax in Q3 2018 and the lower level of advance profit tax payments in Q3 2017.

As a result, in Q3 2018, net cash flows generated from operating activities totalled RUB 28,147 mln, compared to RUB 26,693 mln in Q3 2017.

In 9M 2018, net cash flows generated from operating activities totalled RUB 55,779 mln, compared to RUB 37,598 mln for the same period of 2017 mainly due to lower changes in working capital.

Net cash used in investing activities, which generally consists of payments for property, plant and equipment, decreased to RUB 19,533 mln in Q3 2018 from RUB 23,135 mln in Q3 2017, and reflected lower expenditures on store expansion. X5 added 208.9 th. sq. m. of selling space in Q3 2018, a 35.4% decrease compared to the same period last year. For 9M 2018, net cash used in investing activities rose to RUB 68,986 mln from RUB 59,910 mln in 9M 2017 due to payments for M&A deals in H1 2018.

Net cash used in financing activities totalled RUB 7,012 mln in Q3 2018 compared to net cash generated from financing activities of RUB 1,375 mln in Q3 2017. This was related to growth of net cash flow from operating activities and a decrease in gross debt due to

repayments during the period. In 9M 2018, net cash generated from financing activities decreased to RUB 1,015 mln from RUB 15,830 mln in 9M 2017.

Liquidity update

RUB mln	30-Sep-18	% in total	31-Dec-17	% in total	30-Sep-17	% in total
Total debt	217,184		194,296		172,064	
Short-term debt	55,987	25.8	58,674	30.2	46,496	27.0
Long-term debt	161,197	74.2	135,622	69.8	125,568	73.0
Net debt	201,846		166,691		160,350	
Net debt/ EBITDA	1.99		1.73		1.74	

As of 30 September 2018, the Company's total debt amounted to RUB 217,184 mln and comprised 25.8% short-term debt and 74.2% long-term debt. The Company's net debt/EBITDA ratio declined to 1.99x as of 30 September 2018 from 2.18x as of 30 June 2018.

The Company's debt is 100% denominated in Russian roubles.

As of 30 September 2018, the Company had access to RUB 303,048 million in available credit limits with major Russian and international banks.

Note to Editors:

X5 Retail Group N.V. (LSE and MOEX: FIVE, Fitch – ‘BB+’, Moody's – ‘Ba2’, S&P – ‘BB’, RAEX - ‘ruAA’) is a leading Russian food retailer. The Company operates several retail formats: the chain of proximity stores under the Pyaterochka brand, the supermarket chain under the Perekrestok brand, the hypermarket chain under the Karusel brand and Express convenience stores under various brands.

As of 30 September 2018, X5 had 13,685 Company-operated stores. It has the leading market position in both Moscow and St Petersburg and a significant presence in the European part of Russia. Its store base includes 12,822 Pyaterochka proximity stores, 712 Perekrestok supermarkets, 92 Karusel hypermarkets and 59 convenience stores. The Company operates 40 DCs and 3,293 Company-owned trucks across the Russian Federation.

For the full year 2017, revenue totalled RUB 1,295,008 mln (USD 22,193 mln), Adjusted EBITDA reached RUB 99,131 mln (USD 1,699 mln), and adjusted net profit for the period amounted to RUB 33,768 mln (USD 579 mln). In 9M 2018, revenue totalled RUB 1,109,582 mln (USD 18,061 mln), adjusted EBITDA reached RUB 79,484 mln (USD 1,294 mln), and net profit amounted to RUB 22,400 mln (USD 365 mln).

X5's Shareholder structure is as follows: CTF Holdings S.A. – 47.86%, Intertrust Trustees Ltd (Axon Trust) – 11.43%, X5 Directors – 0.07%, treasury shares – 0.01%, Shareholders with less than 3% – 40.63%.

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 of 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.

Elements of this press release contain or may contain inside information about X5 Retail Group N.V. within the meaning of Article 7(1) of the Market Abuse Regulation (596/2014/EU).

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X5 Retail Group N.V.

**Condensed Consolidated Interim
Financial Information**

Nine months ended 30 September 2018

The attached condensed consolidated interim statement of financial position, condensed consolidated interim statement of profit or loss, condensed consolidated interim statement of comprehensive income, condensed consolidated interim statement of cash flows and condensed consolidated interim statement of changes in equity have been prepared on the basis of the X5 Retail Group NV accounting policies as disclosed in the audited annual financial statements for the year ended 31 December 2017. These accounting policies have been consistently applied in the preparation of these statements except for adoption of new standards that are mandatory for financial annual periods beginning on 1 January 2018 and the fact that these statements do not comprise a full set of financial statements as required by International Financial Reporting Standards as adopted by the EU.

X5 Retail Group N.V.
Condensed Consolidated Interim Statement of Financial Position
at 30 September 2018
(expressed in millions of Russian Roubles, unless otherwise stated)

	30 September 2018	31 December 2017*
Assets		
Non-current assets		
Property, plant and equipment	295,547	278,928
Investment property	5,232	5,488
Goodwill	92,905	90,276
Other intangible assets	19,689	18,442
Other non-current assets	8,017	7,708
Deferred tax assets	5,254	5,143
	426,644	405,985
Current assets		
Inventories	99,755	99,300
Indemnification asset	27	106
Trade, other accounts receivable and prepayments	12,119	15,531
Current income tax receivable	4,658	2,384
VAT and other taxes receivable	10,535	14,347
Cash and cash equivalents	15,338	27,605
	142,432	159,273
Total assets	569,076	565,258
Equity and liabilities		
Equity attributable to equity holders of the parent		
Share capital	2,458	2,458
Share premium	46,192	46,212
Retained earnings	110,465	109,655
Share-based payment reserve	103	117
	159,218	158,442
Total equity	159,218	158,442
Non-current liabilities		
Long-term borrowings	161,197	135,622
Deferred tax liabilities	6,550	5,670
Long-term contract liabilities	3	5
Other non-current liabilities	435	1,344
	168,185	142,641
Current liabilities		
Trade accounts payable	119,516	130,766
Short-term borrowings	55,987	58,674
Interest accrued	2,014	1,642
Short-term contract liabilities	1,759	1,815
Current income tax payable	614	635
Provisions and other liabilities	61,783	70,643
	241,673	264,175
Total liabilities	409,858	406,816
Total equity and liabilities	569,076	565,258

* Certain amounts shown here do not correspond to the consolidated financial statements for the year ended 31 December 2017 and reflect adjustments recognised as a result of IFRS 9 and IFRS 15 adoption.

Svetlana Demyashkevich
Chief Financial Officer
23 October 2018

X5 Retail Group N.V.
Condensed Consolidated Interim Statement of Profit or Loss
for the nine months ended 30 September 2018
(expressed in millions of Russian Roubles, unless otherwise stated)

	Nine months ended 30 September	
	2018	2017*
Revenue	1,109,582	933,303
Cost of sales	(841,642)	(710,305)
Gross profit	267,940	222,998
Selling, general and administrative expenses	(232,270)	(183,506)
Net impairment losses on financial assets	(375)	(162)
Lease/sublease and other income	7,543	6,012
Operating profit	42,838	45,342
Finance costs	(13,307)	(12,015)
Finance income	144	44
Net foreign exchange loss	(213)	(37)
Profit before tax	29,462	33,334
Income tax expense	(7,062)	(7,359)
Profit for the period	22,400	25,975
Profit for the period attributable to:		
Equity holders of the parent	22,400	25,975
Basic earnings per share for profit attributable to the equity holders of the parent (expressed in RUB per share)	329.95	382.63
Diluted earnings per share for profit attributable to the equity holders of the parent (expressed in RUB per share)	329.93	382.54

* Certain amounts shown here do not correspond to the condensed consolidated interim financial information for the nine months ended 30 September 2017 and reflect adjustments recognised as a result of IFRS 9 and IFRS 15 adoption.

Svetlana Demyashkevich
Chief Financial Officer
23 October 2018

X5 Retail Group N.V.
Condensed Consolidated Interim Statement of Comprehensive Income
for the nine months ended 30 September 2018
(expressed in millions of Russian Roubles, unless otherwise stated)

	Nine months ended 30 September	
	2018	2017
Profit for the period	22,400	25,975
Total comprehensive income for the period, net of tax	22,400	25,975
Total comprehensive income for the period attributable to:		
Equity holders of the parent	22,400	25,975

Svetlana Demyashkevich
Chief Financial Officer
23 October 2018

X5 Retail Group N.V.
Condensed Consolidated Interim Statement of Cash Flows
for the nine months ended 30 September 2018
(expressed in millions of Russian Roubles, unless otherwise stated)

	Nine months ended 30 September	
	2018	2017*
Profit before tax	29,462	33,334
<i>Adjustments for:</i>		
Depreciation, amortisation and impairment of property, plant and equipment, investment property and intangible assets	34,988	27,050
Gain on disposal of property, plant and equipment, investment property and intangible assets	(202)	(95)
Finance costs, net	13,163	11,971
Net impairment losses on financial assets	375	162
Impairment of prepayments	135	92
Share-based compensation expense	56	50
Net foreign exchange loss	213	37
Other non-cash items	(464)	(39)
Net cash from operating activities before changes in working capital	77,726	72,562
Decrease in trade, other accounts receivable and prepayments	6,474	11,099
Increase in inventories	(455)	(11,152)
Decrease in trade payable	(11,184)	(21,799)
Increase in other accounts payable and contract liabilities	3,626	5,986
Net cash flows from operations	76,187	56,696
Interest paid	(12,362)	(10,833)
Interest received	52	43
Income tax paid	(8,098)	(8,308)
Net cash flows generated from operating activities	55,779	37,598
Cash flows from investing activities		
Purchase of property, plant and equipment	(53,090)	(53,268)
Acquisition of businesses, net of cash acquired	(12,824)	(5,218)
Proceeds from disposal of property, plant and equipment, investment property and intangible assets	549	728
Purchase of other intangible assets	(3,621)	(2,362)
Proceeds from disposal of available-for-sale financial investments	-	210
Net cash flows used in investing activities	(68,986)	(59,910)
Cash flows from financing activities		
Proceeds from loans	117,505	78,593
Repayment of loans	(94,810)	(62,700)
Purchase of treasury shares	(90)	(63)
Dividends paid to equity holders of the parent	(21,590)	-
Net cash flows generated from financing activities	1,015	15,830
Effect of exchange rate changes on cash and cash equivalents	(75)	6
Net decrease in cash and cash equivalents	(12,267)	(6,476)
Movements in cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	27,605	18,190
Net decrease in cash and cash equivalents	(12,267)	(6,476)
Cash and cash equivalents at the end of the period	15,338	11,714

Certain amounts shown here do not correspond to the condensed consolidated interim financial information for the nine months ended 30 September 2017 and reflect adjustments recognised as a result of IFRS 9 and IFRS 15 adoption.

Svetlana Demyashkevich
Chief Financial Officer
23 October 2018

Attributable to equity holders of the parent

	Number of shares	Share capital	Share premium	Share-based payment reserve	Retained earnings	Total shareholders' equity	Total
Balance as at 1 January 2017	67,884,340	2,458	46,251	70	78,261	127,040	127,040
Profit for the period	-	-	-	-	25,975	25,975	25,975
Total comprehensive income for the period	-	-	-	-	25,975	25,975	25,975
Share-based payment compensation	-	-	-	50	-	50	50
Transfer and waiving of vested equity rights	2,408	-	(39)	(24)	-	(63)	(63)
Balance as at 30 September 2017	67,886,748	2,458	46,212	96	104,236	153,002	153,002
Balance as at 1 January 2018	67,886,748	2,458	46,212	117	109,655	158,442	158,442
Profit for the period	-	-	-	-	22,400	22,400	22,400
Total comprehensive income for the period	-	-	-	-	22,400	22,400	22,400
Dividends	-	-	-	-	(21,590)	(21,590)	(21,590)
Share-based payment compensation	-	-	-	56	-	56	56
Transfer and waiving of vested equity rights	3,351	-	(20)	(70)	-	(90)	(90)
Balance as at 30 September 2018	67,890,099	2,458	46,192	103	110,465	159,218	159,218

Svetlana Demyashkevich
Chief Financial Officer
23 October 2018