X5 REPORTS SECOND QUARTER 2011 RESULTS[(1)]:

SOLID GROSS MARGIN OF 23.5% AND EBITDA MARGIN OF 7.1%

NET PROFIT OF USD 73.5 MLN

PROGRESS ON MORE EFFICIENT STAFF COSTS MANAGEMENT

Amsterdam, 25 August 2011 - X5 Retail Group N.V., Russia's largest retailer in terms of sales (LSE ticker: "FIVE"), today published its interim report for the second quarter and first half of 2011. The full version of the report including condensed consolidated interim financial statements for the six months ended 30 June 2011 is available on our corporate website at http://www.x5.ru/en/investors/financial_reports

Q2 2011 Highlights

- Net sales increased 41% year-on-year in RUR terms to RUR 112,626 mln or 52% in USD terms to USD 4,021 mln;
- Gross profit totaled USD 946 mln, for a gross margin of 23.5%;
- EBITDA amounted to USD 285 mln, for an EBITDA margin of 7.1%;
- Net profit increased 195% year-on-year to USD 73 mln, for a net margin of 1.8%;

H1 2011 Highlights

- Net sales increased 44% year-on-year in RUR terms to RUR 225,181 mln or 52% in USD terms to USD 7,867 mln;
- Gross profit totaled USD 1,860 mln, for a gross margin of 23.6%;
- EBITDA amounted to USD 566 mln, for an EBITDA margin of 7.2%;
- Net profit increased 64% year-on-year to USD 170 mln for a net margin of 2.2%.

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

"We continue to execute on our priorities for strengthening margins, driving organic growth and integrating Kopeyka. In the second quarter of 2011, we successfully maintained X5's price leadership while managing supplier inflation, which resulted in a solid gross margin of 23.5% and helped drive EBITDA margin of 7.1%.

Stepped up expansion, LFL sales and the acquisition of Kopeyka drove top-line growth of 41% this quarter. Our organic expansion program is on track to meet the Company's objectives of 540 new stores this year. In Q2 2011 we nearly doubled the number of new stores added compared to the second quarter last year. As of mid-August 2011 we have also rebranded about 500 Kopeyka stores as X5 discounters plus a few supermarkets. We expect to complete the integration by the end of 2011 and deliver substantial synergies in 2012."

(1) Numbers in this press-release were reviewed by PricewaterhouseCoopers.

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

"Our focus on efficiency and productivity programs helped to reduce staff costs year on year despite the Russian social tax rise. However, EBITDA performance was weighed down this quarter as we took lower sales from Kopeyka stores during the integration and rebranding process, resulting in lower operating margin. In addition, Other Expenses rose substantially in part due to a doubtful debts provision we decided to take this quarter following a conservative assessment of receivables.

We are focused on strengthening cash generation through a combination of top-line growth, operational efficiency and working capital improvement. Net debt rose compared to last year due to the acquisition of Kopeyka, but we improved average interest rate in part by renegotiating Kopeyka's debt on X5's more favorable terms. Higher operating profit, reversal of negative forex effects and an improved effective tax rate resulted in a net profit of USD 73 mln."

Income Statement – Key Trends and Developments

Income Statement Highlights[(1)(2)]

USD mln	Q2 2011	Q2 2010	*% change y-o-y*	H1 2011	H1 2010	*% change y-o-y*
Net Sales	**4,021.4**	**2,640.9**	***52%***	**7,866.8**	**5,183.6**	***52%***
incl. Retail	4,006.0	2,637.7	*52%*	7,832.1	5,172.0	*51%*
Gross Profit	**946.2**	**637.8**	***48%***	**1,859.8**	**1,231.9**	***51%***
Gross Margin, %	*23.5%*	*24.1%*		*23.6%*	*23.8%*	
EBITDA	**284.9**	**220.3**	***29%***	**566.0**	**398.8**	***42%***
EBITDA Margin, %	*7.1%*	*8.3%*		*7.2%*	*7.7%*	
Operating Profit	**172.9**	**146.9**	***18%***	**347.6**	**258.1**	***35%***
Operating Margin, %	*4.3%*	*5.6%*		*4.4%*	*5.0%*	
Net Profit	**73.5**	**24.9**	***195%***	**170.3**	**103.8**	***64%***
Net Margin, %	*1.8%*	*0.9%*		*2.2%*	*2.0%*	

Net Sales & Gross Margin Performance

USD mln	Q2 2011	Q2 2010	*% change y-o-y*	H1 2011	H1 2010	*% change y-o-y*
Net Sales	**4,021.4**	**2,640.9**	*52%*	**7,866.8**	**5,183.6**	*52%*
incl. Retail	4,006.0	2,637.7	*52%*	7,832.1	5,172.0	*51%*
Hypermarkets	594.7	487.8	*22%*	1,153.4	958.9	*20%*
Supermarkets	880.6	630.5	*40%*	1,740.0	1,276.6	*36%*
Soft Discounters	2,048.9	1,496.1	*37%*	3,937.2	2,909.2	*35%*
Convenience stores[(3)]	26.3	19.2	*37%*	49.1	19.2	*155%*
Online[(4)]	1.2	4.0	*(69%)*	7.8	8.0	*(3%)*
Kopeyka[(5)]	454.3	-	*n/a*	944.6	-	*n/a*
Gross Profit	**946.2**	**637.8**	***48%***	**1,859.8**	**1,231.9**	***51%***
Gross Margin, %	*23.5%*	*24.1%*		*23.6%*	*23.8%*	

For the second quarter 2011 X5 reported net sales of USD 4,021 mln, a year-on-year increase of 52% in USD terms. In RUR terms net revenue for the quarter increased 41% year-on-year. For first half 2011, net sales totaled USD 7,867 mln - a year-on-year increase of 52% in USD terms and 44% in RUR terms. This performance was driven by an 11% increase in like-for-like (LFL)[(6)] sales, a 16% increase from organic store expansion and a 17% contribution from acquired Kopeyka stores.

(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. Kopeyka results are consolidated from 1 December 2010.

(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 income 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 pages 6-7 of this press-release.

(3) Consolidated from 1 April 2010.

(4) Online business was sold on 29 April 2011.

(5) Consolidated from 1 December 2010.

(6) 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 growth of 9% in Q2 2011, driven by higher basket. Supermarkets continued to demonstrate strong performance in Q2 2011 with 18% LFL growth on a 9% rise in traffic and 9% basket increase. Hypermarkets LFL growth was 4% in Q2 2011, on 5% higher basket and 1% lower traffic. Hypermarket performance was solid in Central region (+10% LFL), but was adversely affected by high competition in Saint-Petersburg (-1% LFL).

For first half 2011 gross margin totalled 23.6%, down 20 bp year-on-year from 23.8% in H1 2010.

Selling, General and Administrative Expenses (SG&A)

USD mln	Q2 2011	Q2 2010	*% change y-o-y*	H1 2011	H1 2010	*% change y-o-y*
Staff Costs	(320.5)	(233.2)	*37%*	(653.0)	(462.4)	*41%*
% of Net Sales,incl.	*8.0%*	*8.8%*		*8.3%*	*8.9%*	
ESOP	21.5	(8.4)	*n/a*	25.9	(33.7)	*n/a*
% of Net Sales	*(0.5%)*	*0.3%*		*(0.3%)*	*0.7%*	
Lease Expenses	(146.8)	(87.5)	*68%*	(282.7)	(171.3)	*65%*
% of Net Sales	*3.7%*	*3.3%*		*3.6%*	*3.3%*	
Other Store Costs	(56.2)	(36.7)	*53%*	(104.2)	(69.2)	*51%*
% of Net Sales	*1.4%*	*1.4%*		*1.3%*	*1.3%*	
D&A	(112.0)	(73.3)	*53%*	(218.4)	(140.6)	*55%*
% of Net Sales	*2.8%*	*2.8%*		*2.8%*	*2.7%*	
Utilities	(88.9)	(48.5)	*83%*	(174.3)	(103.5)	*68%*
% of Net Sales	*2.2%*	*1.8%*		*2.2%*	*2.0%*	
Third Party Services	(31.1)	(19.1)	*63%*	(55.8)	(33.5)	*67%*
% of Net Sales	*0.8%*	*0.7%*		*0.7%*	*0.6%*	
Other Expenses	(67.0)	(24.3)	*175%*	(117.9)	(52.9)	*123%*
% of Net Sales	*1.7%*	*0.9%*		*1.5%*	*1.0%*	
Total SG&A	**(822.5)**	**(522.6)**	***57%***	**(1,606.5)**	**(1,033.4)**	***55%***
% of Net Sales	***20.5%***	***19.8%***		***20.4%***	***19.9%***	

Second quarter 2011 SG&A expenses as a percentage of revenue increased by 70 bp year-on-year to 20.5%. A significant portion of the increase is attributable to Kopeyka consolidation and integration effects: lost days of sales from Kopeyka stores closed temporarily for rebranding, inventory clearance sales and stores with lower sales densities put pressure on operating expenses as a percentage of revenues, particularly in relation to staff costs, leasing, utilities and other expenses associated with Kopeyka.

Other expenses increased 80 bp to 1.7% as percent of sales in Q2 2011. This was almost entirely due to a provision for doubtful debtors' accounts X5 decided to make based on a conservative assessment of the Group statement of financial position. Kopeyka integration effects also played a role in higher Other Expenses this quarter.

X5 achieved significant economy in terms of personnel costs management. Cost control and productivity initiatives, ESOP program favorable effect in addition to a one-off reversal of accrued personnel bonuses helped to keep down overall staff costs as percent of sales from 8.8% in Q2 2010 to 8.0% in Q2 2011. In June 2011 X5 employed about 93,700 people.

Non-Operating Gains and Losses

USD mln	Q2 2011	Q2 2010	*% change y-o-y*	H1 2011	H1 2010	*% change y-o-y*
Operating Profit	**172.9**	**146.9**	***18%***	**347.6**	**258.1**	***35%***
Finance Costs (Net)	(77.5)	(29.9)	*159%*	(153.4)	(65.1)	*136%*
Net FX Result	4.2	(72.4)	*n/a*	36.6	(35.8)	*n/a*
Share of (Loss)/Income of Associates	-	(0.002)	*n/a*	-	0.4	*n/a*
Profit before Tax	**99.7**	**44.6**	***124%***	**230.8**	**157.7**	***46%***
Income Tax Expense	(26.2)	(19.7)	*33%*	(60.5)	(53.9)	*12%*
Net Profit	**73.5**	**24.9**	***195%***	**170.3**	**103.8**	***64%***
Net Margin, %	*1.8%*	*0.9%*		*2.2%*	*2.0%*	

Finance Costs

First half 2011 net finance costs increased 136% year-on-year in USD terms and 124% in RUR terms due to higher debt. The effective weighted average interest rate on X5's total debt for the first half 2011 was about 7.8% per annum. The decrease compared to the Q1 2011 average rate of about 8% per annum is attributable to more favorable borrowing terms X5 negotiated on Kopeyka credit lines, as well as the lower annual rate on bonds series 04 resulting from the put option exercise and improved terms for other credit facilities.

Foreign Exchange (FX) Result

The Company posted a USD 37 mln net FX gain for the first half of 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 half 2011, X5 reported income tax expense of USD 60 mln. Effective tax rate for the first six months of 2011 of 26% was higher than the statutory tax rate as inventory shrinkage is only partially tax deductible in Russia. ESOP program favorable effect and an FX gain realized in H1 2011 had a positive impact on the effective tax rate for the period.

Consolidated Cash Flow – Key Trends and Developments

USD mln	Q2 2011	Q2 2010	*% change y-o-y*	H1 2011	H1 2010	*% change y-o-y*
Net Cash Flows (Used in)/Generated from Operating Activities	(65.6)	(9.5)	*589%*	9.3	(139.0)	*n/a*
Net Cash from Operating Activities before Changes in Working Capital	*293.3*	*238.6*	*23%*	*590.7*	*448.8*	*32%*
Change in Working Capital	*(241.7)*	*(176.9)*	*37%*	*(361.6)*	*(448.9)*	*(19%)*
Net Interest and Income Tax Paid	*(117.2)*	*(71.2)*	*65%*	*(219.8)*	*(138.9)*	*58%*
Net Cash Used in Investing Activities	(171.6)	(84.9)	*102%*	(269.8)	(136.8)	*97%*
Net Cash Generated from/(Used in) Financing Activities	244.7	130.0	*88%*	120.8	(29.9)	*n/a*
Effect of Exchange Rate Changes on Cash & Cash Equivalents	5.3	(7.7)	*n/a*	20.4	(1.6)	*n/a*
Net Increase/(Decrease) in Cash & Cash Equivalents	**12.8**	**27.8**	***(54%)***	**(119.2)**	**(307.3)**	***(61%)***

First half 2011 net cash generated from operating activities totaled USD 9.3 mln versus a USD 139 mln outflow for operating activities a year ago. The change in working capital in the first half of 2011 was caused mainly by the seasonal factors, such as de-stocking after New Year and Orthodox Christmas holidays, which resulted in reduction in inventories and a corresponding reduction in accounts payable. We experienced similar effects in the first half of 2010. Another factor that affected working capital in the first half of 2011 compared to the same period last year was the reduction in payable days under the New Retail Law.

Net cash used in investing activities totaled USD 270 mln in the first half of 2011 compared to USD 137 mln for the same period last year.

Net cash generated from financing activities in the first half 2011 amounted to USD 121 mln.

Liquidity Update

USD mln	30-Jun-11	*% in total*	31-Mar-11	*% in total*	31-Dec-10	*% in total*
Total Debt	**4,098.4**		**3,795.3**		**3,684.8**	
Short-Term Debt	634.8	*15%*	593.4	*16%*	508.0	*14%*
Long-Term Debt	3,463.7	*85%*	3,201.9	*84%*	3,176.8	*86%*
Net Debt	**3,946.9**		**3,656.5**		**3,414.0**	
Denominated in USD	388.8	*10%*	382.2	*10%*	385.8	*11%*
Denominated in RUR	3,558.1	*90%*	3,274.3	*90%*	3,028.2	*89%*
FX, EoP	28.08		28.43		30.48	
Net Debt/EBITDA (RUR)(1)	**3.59x**(2)		**3.42x**(3)		**3.70x**(4)	

As of the end of June 2011, the Company's total debt amounted to USD 4,098 mln (at RUR exchange rate of 28.08), out of which 15% was short-term (USD 635 mln) and 85% long-term (USD 3,464 mln). Ruble-denominated borrowings accounted for 90% of X5 net debt at 30 June, 2011.

As of 30 June 2011, the Company had access to RUR-denominated credit facilities of approximately RUR 125.9 billion (approximately USD 4.5 billion). Of this amount, approximately RUR 57.1 billion (approximately USD 2.0 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 income statement) or with the beginning of the year (for statement of financial position) have been substantially affected by these movements:

(1) Debt covenants are set in RUR terms in accordance with loan facilities the Group maintains.
(2) Based on pro-forma EBITDA of RUR 30,861 mln, i.e. including Kopeyka from 1 July 2010.
(3) Based on pro-forma EBITDA of or RUR 30,359 mln, i.e. including Kopeyka from 1 April 2010.
(4) Based on pro-forma EBITDA of RUR 28,131 mln, i.e. including Kopeyka from 1 January 2010.

- Comparisons of income statement 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 5% for H1 2011. For reference, to translate its income statement figures from RUR to USD for reporting purposes, the Company applied RUR/USD rate of 28.62 for H1 2011 (average for the period) and RUR/USD rate of 30.07 for H1 2010 (average for the period).

- Comparisons of statement of financial position figures as at 30 June 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 8%. For reference, to translate its statement of financial position figures from RUR to USD for reporting purposes, the Company applied RUR/USD rate of 28.08 as at 30 June 2011 and RUR/USD rate of 30.48 as at 31 December 2010.

Risks and Uncertainties

The Company has assessed the risks for the second half of 2011 and believes that the risks identified are in line with those presented in the Annual Report 2010. For a detailed description of all risk factors, we refer to the Annual Report 2010. While we regularly review the risk profile of the Company, and closely monitor the impact all risk factors may have on our business, financial condition and operational results, it is important to understand that these risks are not the only ones that X5 faces. Some risks may not yet be known to X5, and certain risks that X5 does not currently believe to be material could become material in the future.

For a description of the financial risks faced by the Company we refer to note 19 of the consolidated condensed interim financial statements and the Company's Annual Report 2010.

Appendices

I. **Consolidated Interim Income Statement for the Three and Six Months Ended 30 June 2011**

II. **Consolidated Interim Statement of Comprehensive Income for the Three and Six Months Ended 30 June 2011**

III. **Consolidated Interim Statement of Financial Position at 30 June 2011**

IV. **Consolidated Interim Statement of Cash Flows for Six Months Ended 30 June 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 the hypermarket format.

As at 30 June 2011, X5 had 2,683 Company-managed stores located in Moscow, St. Petersburg and other regions of European Russia, Urals and Ukraine, including 1,606 soft discount stores, 306 supermarkets, 70 hypermarkets, 54 convenience stores and 647 acquired Kopeyka stores (including 315 stores rebranded as Pyaterochka and one as Perekrestok).

As at 30 June 2011, X5's franchisees operated 705 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 half 2011, net sales totaled USD 7,867 mln, EBITDA reached USD 566 mln and net profit amounted to USD 170 mln.

X5 Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 19.85%, X5 Management and/or Supervisory Board members – 0.02%, treasury shares – 0.11%, free float – 32.16%.

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 SIX MONTHS ENDED 30 JUNE 2011[(1)]
(expressed in thousands of US Dollars)

	Three months ended		Six months ended	
	30-Jun-11	30-Jun-10	30-Jun-11	30-Jun-10
Revenue	**4,021,390**	**2,640,917**	**7,866,793**	**5,183,642**
Cost of sales	(3,075,152)	(2,003,152)	(6,006,948)	(3,951,728)
Gross profit	**946,238**	**637,765**	**1,859,845**	**1,231,914**
Selling, general and administrative expenses	(822,542)	(522,572)	(1,606,463)	(1,033,416)
Lease/sublease and other income	49,176	31,740	94,187	59,650
Operating profit	**172,872**	**146,933**	**347,569**	**258,148**
Net finance costs	(77,452)	(29,901)	(153,374)	(65,064)
Share of (loss)/income of associates	-	(2)	-	443
Net foreign exchange result	4,243	(72,438)	36,637	(35,830)
Profit before tax	**99,663**	**44,591**	**230,832**	**157,697**
Income tax expense	(26,206)	(19,688)	(60,493)	(53,912)
Profit for the period	**73,457**	**24,903**	**170,339**	**103,785**

(1) Kopeyka results are consolidated from 1 December 2010.

Appendix II:

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2011[(1)]

(expressed in thousands of US Dollars)

	Three months ended		Six months ended	
	30-Jun-11	**30-Jun-10**	**30-Jun-11**	**30-Jun-10**
Profit for the period	**73,457**	**24,904**	**170,339**	**103,785**
Other comprehensive income/(loss)				
Exchange differences on translation from functional to presentation currency	27,999	(113,106)	178,021	(58,237)
Cash flow hedges	-	1,781	-	7,045
Other comprehensive income/(loss) for the period	**27,999**	**(111,326)**	**178,021**	**(51,192)**
Total comprehensive income/(loss) for the period	**101,456**	**(86,422)**	**348,360**	**52,593**
Total comprehensive income/(loss) for the period attributable to:				
Equity holders of the parent	101,305	(86,422)	348,262	52,593
Non-controlling interest	151	-	98	-

(1) Kopeyka results are consolidated from 1 December 2010.

Appendix III: CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2011 (expressed in thousands of US Dollars)

	30 June 2011	31 December 2010
ASSETS		
Non-current assets		
Property, plant and equipment	3,965,368	3,602,412
Investment property	154,071	145,643
Goodwill	2,177,890	1,999,041
Intangible assets	735,857	718,854
Prepaid leases	78,160	86,419
Available-for-sale investments	4,310	-
Other non-current assets	21,410	7,457
Deferred tax assets	129,574	131,191
	7,266,640	6,691,017
Current assets		
Inventories of goods for resale	856,446	1,015,742
Indemnification asset	48,402	43,737
Loans originated	35,963	1,314
Current portion of non-current prepaid lease	18,555	13,443
Trade and other accounts receivable	441,144	381,656
Current income tax receivable	59,982	76,149
VAT and other taxes recoverable	303,160	263,170
Cash and cash equivalents	151,526	270,762
	1,915,178	2,065,973
Total assets	**9,181,818**	**8,756,990**
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	93,717	93,712
Share premium	2,049,592	2,049,144
Cumulative translation reserve	(396,247)	(574,268)
Accumulated profit	641,221	470,980
Share based payment reserve	6,746	5,965
	2,395,029	**2,045,533**
Non-controlling interest	**1,756**	**1,658**
Total equity	**2,396,785**	**2,047,191**
Non-current liabilities		
Long-term borrowings	3,463,651	3,176,792
Long-term finance lease payable	2,171	2,737
Deferred tax liabilities	264,537	261,409
Long-term deferred revenue	1,580	135
Share-based payments liability	8,757	13,157
Other non-current liabilities	1,237	1,339
	3,741,933	3,455,569
Current liabilities		
Trade accounts payable	1,476,545	1,851,062
Short-term borrowings	634,785	508,004
Share-based payments liability	13,292	76,141
Short-term finance lease payables	1,739	1,680
Interest accrued	22,847	16,678
Short-term deferred revenue	17,775	13,165
Current income tax payable	26,222	47,249
Provisions and other liabilities	849,895	740,251
	3,043,100	3,254,230
Total liabilities	**6,785,033**	**6,709,799**
Total equity and liabilities	**9,181,818**	**8,756,990**

Appendix IV: CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2011

(expressed in thousands of US Dollars)

	Six months ended	
	30-Jun-11	**30-Jun-10**
Profit before tax	**230,832**	**157,697**
Adjustments for:		
Depreciation and amortisation	218,408	140,616
Loss on disposal of property, plant and equipment	4,746	3,494
Finance costs, net	153,374	65,064
Impairment of trade and other accounts receivable	32,997	4,299
Share-based payments (income)/expense	(25,934)	33,749
Amortisation of deferred expenses	7,013	9,018
Net foreign exchange (gain)/loss	(36,637)	35,830
Income from associate	-	(443)
Other non-cash items	5,941	(492)
Net cash from operating activities before changes in working capital	**590,740**	**448,832**
Increase in trade and other accounts receivable	(98,871)	(83,095)
Decrease in inventories	243,482	75,408
Decrease in trade accounts payable	(528,965)	(385,557)
Increase/(decrease) in other accounts payable and deferred revenue	22,726	(55,670)
Net cash generated from/(used in) operations	**229,112**	**(82)**
Interest paid	(146,835)	(50,630)
Interest received	489	1,114
Income tax paid	(73,474)	(89,395)
Net cash flows generated from/(used in) operating activities	**9,292**	**(138,993)**
Cash flows from investing activities:		
Purchase of property, plant and equipment	(232,077)	(114,728)
Proceeds from sale of property, plant and equipment	1,715	330
Non-current prepaid lease	(3,109)	(4,127)
Investments in subsidiaries	8,984	(5,262)
Short-term loans issued	(34,935)	-
Purchase of intangible assets	(10,347)	(13,041)
Net cash used in investing activities	**(269,769)**	**(136,828)**
Cash flows from financing activities:		
Proceeds from loans	466,388	252,811
Repayment of loans	(344,882)	(280,102)
Proceeds from sale of treasury shares	379	-
Principal payments on finance lease obligations	(1,063)	(2,584)
Net cash generated from/(used in) financing activities	**120,822**	**(29,875)**
Effect of exchange rate changes on cash and cash equivalents	20,419	(1,564)
Net decrease in cash and cash equivalents	**(119,236)**	**(307,260)**
Movements in cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	270,762	411,681
Net decrease in cash and cash equivalents	(119,236)	(307,260)
Cash and cash equivalents at the end of the period	**151,526**	**104,421**

Appendix V: Financial Calendar for 2011

Date	Event
10 October 2011, TBC	Q3 & 9M 2011 Trading Update
28 November 2011, TBC	Q3 & 9M 2011 Financial Results Reviewed by Auditors