



PRESS RELEASE

## DIXY GROUP ANNOUNCES CONSOLIDATED UNAUDITED IFRS RESULTS FOR THE NINE MONTHS OF 2011

Moscow, December 7, 2011

**DIXY Group (RTS, MICEX: DIXY) – one of Russia's leading retailers of foods and everyday products - announces consolidated unaudited IFRS results for the nine months of 2011.**

### Key Results of the Nine Months and the Third Quarter of 2011

- During the nine months of 2011, the combined Company opened 168 new stores, having increased pro-forma selling space (including Victoria Group from the beginning of 2010 and 2011) by 11,7% year-on-year, while DIXY Group standalone selling space increased by 17% year-on-year.
- Consolidated **Revenue** for the third quarter 2011 increased by 89.2% (100.1% in USD) year-on-year to RUR 29.2 bln (USD 1.0 mln). **Revenue** for the nine months increased by 48.2% (55.9% in USD) to RUR 68.3 bln (USD 2.4 bln).
- Consolidated **Gross Profit** for the third quarter increased by 129.2% (142.7% in USD) to RUR 8.1 bln (USD 279 mln), while **Gross Margin** increased by 490 bp year-on-year to 27.7% of sales compared to 22.8% for the same period of 2010. **Gross Profit** for the nine months increased by 66.9% (75.5% in USD) to RUR 18.0 bln (USD 626 mln), while respective **Gross Margin** increased by 300 bp year-on-year to 26.4% of sales compared to 23.4% for the same period of 2010.
- Consolidated **EBITDA** for the third quarter increased by 228.1% (249.8% in USD) year-on-year to RUR 1.7 bln (USD 60 mln), while **EBITDA margin** increased by 260 bp to the level of 6.0% from 3.4% in the same period of 2010. **EBITDA** for the nine months increased by 86% (95.6% in USD) year-on-year to RUR 4.3 bln (USD 149 mln), while **EBITDA margin** increased by 130 bp year-on-year to the level of 6.3% from 5.0% in the same period of 2010.
- Consolidated **Net Profit** for the third quarter amounted to RUR 293 mln (USD 10 mln) for a **Net Margin** of 1.0% of sales compared to a net loss for the same period of 2010. **Net Profit** for the nine months amounted to RUR 850 mln (USD 30 mln) compared to a

net loss for the same period of 2010. **Net Margin** amounted to 1.2% of sales.

- Consolidated **Net Cash from Operating Activities** for the third quarter amounted to RUR 682 mln (USD 23 mln) compared to negative net cash from operating activities for the same period of 2010. **Net Cash from Operating Activities** for the nine months increased by 158.9% (172.2% in USD) over the same period of 2010 to RUR 1.9 bln (USD 69 mln).

New stores were opened in the Central, Northwest and Urals Federal Districts through long-term lease agreements, except for six acquired stores (3 hypermarkets Megamart in the Urals and 3 neighborhood stores DIXY – one in St-Petersburg and two in the Central Federal District). In September 2011 the total number of stores exceeded a thousandth store mark, and as of November 30, 2011, the Company operated 1,050 stores.

In the third quarter of 2011 the Company conducted a significant part of the 38 neighborhood stores Kvartal rebranding in the Northwest region, planned for 2011. As a result, 19 stores were rebranded into DIXY format. As of November 30, 2011, 31 Kvartal is rebranded into DIXY format.

In the third quarter of 2011 DIXY Group continued to implement marketing initiatives on optimization of assortment and floor space, improvement of external and internal design of stores and their clearer positioning, as well as improvement of customer service and better marketing communications (in particular, in September the advertising campaign developed jointly by DIXY and Saatchi&Saatchi and launched in June 2011, was named best in the industry at the retail chain competition held during 10th annual Retail Business Russia 2011 international summit). These efforts have led to an 8.0% increase in like-for-like sales for DIXY format, and to a 10.5% increase in average ticket (with the highest ticket growth of 11.2% in the Central Federal District).

The efficiency of the promotional activities was made possible also by means of increased levels of centralization of deliveries (rate of deliveries through own distribution centers) and logistical service (success of delivery rate) with DIXY format centralization rate at 84% in the third quarter of 2011, and general logistics service level at 87%.

## **DIXY Group Financial Results for the Nine Months and the Third Quarter of 2011**

These consolidated results are unaudited and preliminary since some items, such as goodwill, NMA, PPE, deferred taxes, favorable/unfavorable lease obligations are based on a preliminary auditor estimates, and can be changed later upon finalization of the valuation. All respective changes will be reflected in the audited IFRS financial statements for the full year of 2011.

### **1. DIXY Group unaudited consolidated financial results, including Victoria Group results from the date of acquisition on 15 June 2011**

#### **Nine Months of 2011 Year-on-year**

**Revenue** increased by 48.2% (55.9% in USD) to RUR 68.3 bln (USD 2.4 bln).

**Cost of Sales** as a percentage of Revenue decreased by 300 bp to 73.6%.

**Gross Profit** increased by 66.9% (75.5% in USD) to RUR 18.0 bln (USD 626 mln). **Gross Margin** increased by 300 bp year-on-year to 26.4% of sales compared to 23.4% for the same period of 2010.

**EBITDA** increased by 86% (95.6% in USD) to RUR 4.3 bln (USD 149 mln). **EBITDA margin** increased by 130 bp year-on-year to the level of 6.3% from 5.0% in the same period of 2010.

**Net Profit** amounted to RUR 850 mln (USD 30 mln) compared to a net loss for the same period of 2010. **Net Margin** amounted to 1.2% of sales.

**Net Cash from Operating Activities** increased by 158.9% (172.2% in USD) over the same period of 2010 to RUR 1.9 bln (USD 69 mln).

### Third Quarter of 2011 Year-on-year

**Revenue** increased by 89.2% (100.1% in USD) to RUR 29.2 bln (USD 1.0 mln).

**Cost of Sales** as a percentage of Revenue decreased by 300 bp to 72.3%.

**Gross Profit** increased by 129.2% (142.7% in USD) to RUR 8.1 bln (USD 279 mln). **Gross Margin** increased by 490 bp year-on-year to 27.7% of sales compared to 22.8% for the same period of 2010.

**EBITDA** increased by 228.1% (249.8% in USD) to RUR 1.7 bln (USD 60 mln). **EBITDA margin** increased by 260 bp year-on-year to the level of 6.0% from 3.4% in the same period of 2010.

**Net Profit** amounted to RUR 293 mln (USD 10 mln) for a **Net Margin** of 1.0% of sales compared to a net loss for the same period of 2010.

**Net Cash from Operating Activities** amounted to RUR 682 mln (USD 23 mln) compared to negative net cash from operating activities for the same period of 2010.

**1.1. DIXY Group Unaudited Consolidated Financial Results, Including Victoria Group Results from the Date of Acquisition on 15 June 2011**  
**Income Statement Highlights**

| RUR, mln.               | 3Q 2011 | 3Q 2010 | Δ%     | 9mo 2011 | 9mo 2010 | Δ%     |
|-------------------------|---------|---------|--------|----------|----------|--------|
| <b>Revenue</b>          | 29,158  | 15,413  | 89.2%  | 68,326   | 46,105   | 48.2%  |
| incl. Retail            | 28,836  | 15,315  | 88.3%  | 67,738   | 45,809   | 47.9%  |
| <b>Cost of Sales</b>    | 21,095  | 11,895  | 77.3%  | 50,318   | 35,316   | 42.5%  |
| <i>as % of Sales</i>    | 72.3%   | 77.2%   |        | 73.6%    | 76.6%    |        |
| <b>Gross Profit</b>     | 8,063   | 3,518   | 129.2% | 18,008   | 10,789   | 66.9%  |
| <i>as % of Sales</i>    | 27.7%   | 22.8%   |        | 26.4%    | 23.4%    |        |
| <b>EBITDA</b>           | 1,743   | 531     | 228.1% | 4,276    | 2,299    | 86.0%  |
| <i>EBITDA, %</i>        | 6.0%    | 3.4%    |        | 6.3%     | 5.0%     |        |
| <b>Operating Profit</b> | 932     | 110     | 750.2% | 2,351    | 1,009    | 133.0% |
| <i>as % of Sales</i>    | 3.2%    | 0.7%    |        | 3.4%     | 2.2%     |        |
| <b>Net Profit</b>       | 293     | -163    | --     | 850      | -37      | --     |
| <i>as % of Sales</i>    | 1.0%    | -1.1%   |        | 1.2%     | -0.1%    |        |

**1.2. DIXY Group Unaudited Consolidated Financial Results, Including Victoria Group Results from the Date of Acquisition on 15 June 2011**  
**Revenue by Format.**

| RUR, mln.               | 3Q 2011 | 3Q 2010 | Δ%     | 9mo 2011 | 9mo 2010 | Δ%    |
|-------------------------|---------|---------|--------|----------|----------|-------|
| <b>Revenue</b>          | 29,158  | 15,413  | 89.2%  | 68,326   | 46,105   | 48.2% |
| incl. Retail            | 28,836  | 15,315  | 88.3%  | 67,738   | 45,809   | 47.9% |
| DIXY                    | 16,835  | 13,026  | 29.2%  | 49,008   | 39,011   | 25.6% |
| MEGAMART                | 2,059   | 1,754   | 17.4%  | 5,872    | 5,202    | 12.9% |
| MINIMART                | 609     | 535     | 13.8%  | 1,778    | 1,596    | 11.4% |
| Kvartal/Deshevo/Kopilka | 5,936   | --      |        | 7,146    | --       |       |
| Victoria                | 3,159   | --      |        | 3,672    | --       |       |
| CASH                    | 237     | --      |        | 262      | --       |       |
| <b>Gross Profit</b>     | 8,063   | 3,518   | 129.2% | 18,008   | 10,789   | 66.9% |
| <i>as % of Sales</i>    | 27.7%   | 22.8%   |        | 26.4%    | 23.4%    |       |

**1.3. DIXY Group Unaudited Consolidated Financial Results, Including Victoria Group Results from the Date of Acquisition on 15 June 2011**  
**Cost of Sales.**

| RUR, mln.                       | 3Q 2011 | 3Q 2010 | Δ%     | 9mo 2011 | 9mo 2010 | Δ%    |
|---------------------------------|---------|---------|--------|----------|----------|-------|
| <b>Cost of Goods Sold</b>       | 20,349  | 11,498  | 77.0%  | 48,542   | 34,103   | 42.3% |
| <i>as % of Sales</i>            | 69.8%   | 74.6%   |        | 71.0%    | 74.0%    |       |
| <b>Transportation Costs</b>     | 218     | 89      | 145.1% | 403      | 229      | 76.5% |
| <i>as % of Sales</i>            | 0.7%    | 0.6%    |        | 0.6%     | 0.5%     |       |
| <b>Shrinkage of Inventories</b> | 528     | 307     | 71.7%  | 1,373    | 985      | 39.5% |
| <i>as % of Sales</i>            | 1.8%    | 2.0%    |        | 2.0%     | 2.1%     |       |
| <b>TOTAL</b>                    | 21,095  | 11,895  | 77.3%  | 50,318   | 35,316   | 42.5% |
| <i>as % of Sales</i>            | 72.3%   | 77.2%   |        | 73.6%    | 76.6%    |       |

**1.4.DIXY Group Unaudited Consolidated Financial Results, Including Victoria Group Results from the Date of Acquisition on 15 June 2011**  
**Selling, General & Administrative Expenses (SG&A).**

| RUR, mln.   | 3Q 2011 | 3Q 2010 | Δ%     | 9mo 2011 | 9mo 2010 | Δ%     |
|---|---------|---------|--------|----------|----------|--------|
| <b>Salaries</b>                                   | 3,287   | 1,580   | 108.1% | 7,242    | 4,520    | 60.2%  |
| <i>as % of Sales</i>                              | 11.3%   | 10.2%   |        | 10.6%    | 9.8%     |        |
| <b>Lease Expenses</b>                             | 1,374   | 662     | 107.7% | 2,981    | 1,880    | 58.5%  |
| <i>as % of Sales</i>                              | 4.7%    | 4.3%    |        | 4.4%     | 4.1%     |        |
| <b>D&amp;A</b>                                    | 777     | 422     | 84.3%  | 1,777    | 1,290    | 37.7%  |
| <i>D&amp;A, %</i>                                 | 2.7%    | 2.7%    |        | 2.6%     | 2.8%     |        |
| <b>Utilities, Repair and Maintenance Expenses</b> | 556     | 264     | 110.4% | 1,304    | 825      | 58.0%  |
| <i>as % of Sales</i>                              | 1.9%    | 1.7%    |        | 1.9%     | 1.8%     |        |
| <b>Transportation and Handling Expenses</b>       | 78      | 13      | 476.9% | 120      | 42       | 188.3% |
| <i>as % of Sales</i>                              | 0.3%    | 0.1%    |        | 0.2%     | 0.1%     |        |
| <b>Advertising Expenses</b>                       | 212     | 57      | 271.5% | 376      | 178      | 111.1% |
| <i>as % of Sales</i>                              | 0.7%    | 0.4%    |        | 0.6%     | 0.4%     |        |
| <b>Other Expenses</b>                             | 848     | 411     | 106.3% | 1,856    | 1,044    | 77.8%  |
| <i>as % of Sales</i>                              | 2.9%    | 2.7%    |        | 2.7%     | 2.3%     |        |
| <b>TOTAL SG&amp;A</b>                             | 7,132   | 3,409   | 109.2% | 15,657   | 9,780    | 60.1%  |
| <i>as % of Sales</i>                              | 24.5%   | 22.1%   |        | 22.9%    | 21.2%    |        |

**Selling, General & Administrative Expenses** for the nine months of 2011 increased by 60.1% year-on-year, while increasing as a percentage of Revenue by 170 bp over the same period of 2010 from 21.2% to 22.9% of Revenue. The larger part of the increases was due to the higher share of expenses in the Revenue of the Victoria Group, which is, in its turn, related to the lower rate of Revenue growth for the Victoria Group due to the rebranding of all Kvartal stores in the Northwest region. Apart from this, the **Salaries Expense** increase for the nine months includes, amongst other, a 60 bp increase from social tax increase and salaries indexation in some business units. In the same manner, increase in **Other Expenses** by 20 bp in the third quarter, causing Other Expenses increase for the nine months, is resulting from an impairment of unfinished construction by the DIXY Group and disposal of assets as a result of inventory review at the Victoria Group, acquired in June 15, 2011.

**1.5. DIXY Group Unaudited Consolidated Financial Results, Including Victoria Group Results from the Date of Acquisition on 15 June 2011**  
**Non-operating Gains and Losses.**

| RUR, mln.                | 3Q 2011 | 3Q 2010 | Δ%     | 9mo 2011 | 9mo 2010 | Δ%     |
|--------------------------|---------|---------|--------|----------|----------|--------|
| <b>Operating Profit</b>  | 932     | 110     | 750.2% | 2,351    | 1,009    | 133.0% |
| Finance Costs (Net)      | -395    | -183    | 115.7% | -833     | -523     | 59.3%  |
| Net FX Result            | 1       | -10     | --     | -9       | -105     | --     |
| <b>Profit before Tax</b> | 538     | -83     | --     | 1,509    | 381      | 295.9% |
| Income Tax Expense*      | -245    | -80     | 206.4% | -659     | -418     | 57.4%  |
| <b>Net Profit</b>        | 293     | -163    | --     | 850      | -37      | --     |
| <i>Net Margin, %</i>     | 1.0%    | -1.1%   | --     | 1.2%     | -0.1%    | --     |

\*effective tax rate for the nine months of 2011 is 43.6%, and 45.5% for the third quarter of 2011.

**1.6. DIXY Group Unaudited Consolidated Financial Results, Including Victoria Group Results from the Date of Acquisition on 15 June 2011.**

**Cash Flow Statement Highlights.**

| RUR, mln.   | 3Q 2011 | 3Q 2010 | Δ%       | 9mo 2011 | 9mo 2010 | Δ%       |
|---|---------|---------|----------|----------|----------|----------|
| Net Cash Flows (Used in)/Generated from Operating Activities                | 682     | -33     | --       | 1,990    | 769      | 158.9%   |
| <i>Net Cash from Operating Activities before Changes in Working Capital</i> | 1,752   | 639     | 174.4%   | 4,307    | 2,378    | 81.2%    |
| <i>Change in Working Capital</i>  | -374    | -211    | 77.0%    | -721     | -352     | 104.9%   |
| <i>Net Interest and Income Tax Paid</i>                                     | -696    | -460    | 51.3%    | -1,595   | -1,257   | 27.0%    |
| Net Cash Used in Investing Activities                                       | -1,394  | -319    | 337.4%   | -15,807  | -917     | 1,624.2% |
| Net Cash Generated from/(Used in) Financing Activities                      | -163    | 286     | --       | 13,263   | -714     | --       |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>               | -875    | -65     | 1,245.9% | -554     | -862     | 35.8%    |
| <b>Cash and Cash Equivalents at the End of the Period</b>                   | 1,043   | 470     | 122.1%   | 1,043    | 470      | 122.1%   |

**2. DIXY Group unaudited pro-forma interim financial statements, including Victoria results from the beginning of the year\***

**Nine Months of 2011 Year-on-year**

**Revenue** increased by 90.7% (100.5% in USD) to RUR 87.9 bln (USD 3.1 bln).

**Cost of Sales** as a percentage of Revenue decreased by 390 bp to 72.7%.

**Gross Profit** increased by 122.7% (134.2% in USD) to RUR 24.0 bln (USD 835 mln)

**Gross Margin** increased by 390 bp year-on-year to 27.3% of sales compared to 23.4% for the same period of 2010.

**EBITDA** increased by 144.3% (157.0% in USD) to RUR 5.6 bln (USD 195 mln). **EBITDA margin** increased by 140 bp year-on-year to the level of 6.4% from 5.0% for the same period of 2010.

**Net Profit** amounted to RUR 1.1 mln (USD 37 mln) for a **Net Margin** of 1.2% of sales compared to net loss for the same period last year.

---

\*Pro-forma financial statements differ from a simple sum of financial results of DIXY Group and Victoria Group in particular because of a change in reporting policy regarding recognition of sales through agent agreements in Kaliningrad region.

**2.1. DIXY Group Unaudited Pro-forma Interim Financial Statements, Including Victoria from the Beginning of the Year.  
Income Statement Highlights.**

| RUR, mln.               |                      | 9mo 2011 | 9mo 2010 | Δ%     |
|-------------------------|----------------------|----------|----------|--------|
| <b>Revenue</b>          |                      | 87,906   | 46,105   | 90.7%  |
|                         | incl. Retail         | 86,995   | 45,809   | 89.9%  |
| <b>Cost of Sales</b>    |                      | 63,882   | 35,316   | 80.9%  |
|                         | <i>as % of Sales</i> | 72.7%    | 76.6%    |        |
| <b>Gross Profit</b>     |                      | 24,024   | 10,789   | 122.7% |
|                         | <i>as % of Sales</i> | 27.3%    | 23.4%    |        |
| <b>EBITDA</b>           |                      | 5,618    | 2,299    | 144.3% |
|                         | <i>EBITDA, %</i>     | 6.4%     | 5.0%     |        |
| <b>Operating Profit</b> |                      | 2,981    | 1,009    | 195.4% |
|                         | <i>as % of Sales</i> | 3.4%     | 2.2%     |        |
| <b>Net Profit</b>       |                      | 1,068    | -37      | --     |
|                         | <i>as % of Sales</i> | 1.2%     | -0.1%    |        |

**2.2. DIXY Group Unaudited Pro-forma Interim Financial Statements, Including Victoria from the Beginning of the Year.  
Revenue by Format.**

| RUR, mln.           |                         | 9mo 2011 | 9mo 2010 | Δ%     |
|---------------------|-------------------------|----------|----------|--------|
| <b>Revenue</b>      |                         | 87,906   | 46,105   | 90.7%  |
|                     | incl. Retail            | 86,995   | 45,809   | 89.9%  |
|                     | DIXY                    | 49,008   | 39,011   | 25.6%  |
|                     | MEGAMART                | 5,872    | 5,202    | 12.9%  |
|                     | MINIMART                | 1,778    | 1,596    | 11.4%  |
|                     | Kvartal/Deshevo/Kopilka | 19,932   |          |        |
|                     | Victoria                | 9,691    |          |        |
|                     | CASH                    | 714      |          |        |
| <b>Gross Profit</b> |                         | 24,024   | 10,789   | 122.7% |
|                     | <i>as % of Sales</i>    | 27.3%    | 23.4%    |        |

**2.3. DIXY Group Unaudited Pro-forma Interim Financial Statements, Including Victoria from the Beginning of the Year  
Cost of Sales.**

| RUR, mln.                       |                      | 9mo 2011 | 9mo 2010 | Δ%    |
|---------------------------------|----------------------|----------|----------|-------|
| <b>Cost of Goods Sold</b>       |                      | 61,840   | 34,103   | 81.3% |
|                                 | <i>as % of Sales</i> | 70.3%    | 74.0%    |       |
| <b>Transportation Costs</b>     |                      | 452      | 229      | 97.7% |
|                                 | <i>as % of Sales</i> | 0.5%     | 0.5%     |       |
| <b>Shrinkage of Inventories</b> |                      | 1,589    | 985      | 61.5% |
|                                 | <i>as % of Sales</i> | 1.8%     | 2.1%     |       |
| <b>TOTAL</b>                    |                      | 63,882   | 35,316   | 80.9% |
|                                 | <i>as % of Sales</i> | 72.7%    | 76.6%    |       |

**2.4. DIXY Group Unaudited Pro-forma Interim Financial Statements, Including Victoria from the Beginning of the Year.**

**Selling, General & Administrative Expenses (SG&A).**

| RUR, mln.   | 9mo 2011 | 9mo 2010 | Δ%     |
|---|----------|----------|--------|
| <b>Salaries</b>                                   | 9,753    | 4,520    | 115.8% |
| <i>as % of Sales</i>                              | 11.1%    | 9.8%     |        |
| <b>Lease Expenses</b>                             | 3,856    | 1,880    | 105.1% |
| <i>as % of Sales</i>                              | 4.4%     | 4.1%     |        |
| <b>D&amp;A</b>                                    | 2,489    | 1,290    | 93.0%  |
| <i>D&amp;A, %</i>                                 | 2.8%     | 2.8%     |        |
| <b>Utilities, Repair and Maintenance Expenses</b> | 1,905    | 825      | 130.9% |
| <i>as % of Sales</i>                              | 2.2%     | 1.8%     |        |
| <b>Transportation and Handling Expenses</b>       | 246      | 42       | 491.6% |
| <i>as % of Sales</i>                              | 0.3%     | 0.1%     |        |
| <b>Advertising Expenses</b>                       | 461      | 178      | 158.5% |
| <i>as % of Sales</i>                              | 0.5%     | 0.4%     |        |
| <b>Other Expenses</b>                             | 2,333    | 1,044    | 123.5% |
| <i>as % of Sales</i>                              | 2.7%     | 2.3%     |        |
| <b>TOTAL SG&amp;A</b>                             | 21,043   | 9,780    | 115.2% |
| <i>as % of Sales</i>                              | 23.9%    | 21.2%    |        |

**2.5. DIXY Group Unaudited Pro-forma Interim Financial Statements, Including Victoria from the Beginning of the Year.**

**Non-operating Gains and Losses.**

| RUR, mln.                | 9mo 2011 | 9mo 2010 | Δ%     |
|--------------------------|----------|----------|--------|
| <b>Operating Profit</b>  | 2,981    | 1,009    | 195.4% |
| Finance Costs (Net)      | -984     | -523     | --     |
| Net FX Result            | -66      | -105     | --     |
| <b>Profit before Tax</b> | 1,931    | 381      | 406.6% |
| Income Tax Expense*      | -862     | -418     | --     |
| <b>Net Profit</b>        | 1,068    | -37      | --     |
| <i>Net Margin, %</i>     | 1.2%     | -0.1%    |        |

\*effective tax rate for the nine months of 2011 is 44.7%

**2.6. DIXY Group Unaudited Pro-forma Interim Financial Statements, Including Victoria from the Beginning of the Year.**

**Cash Flow Statement Highlights.**

| RUR, mln.   | 9mo 2011 | 9mo 2010 | Δ%     |
|---|----------|----------|--------|
| Net Cash Flows (Used in)/Generated from Operating Activities                | 2,399    | 769      | 212.1% |
| <i>Net Cash from Operating Activities before Changes in Working Capital</i> | 5,625    | 2,378    | 136.6% |
| <i>Change in Working Capital</i>  | -1,095   | -352     | --     |
| <i>Net Interest and Income Tax Paid</i>                                     | -2,130   | -1,257   | --     |
| Net Cash Used in Investing Activities                                       | -16,413  | -917     | --     |
| Net Cash Generated from/(Used in) Financing Activities                      | 13,460   | -714     | --     |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>               | -554     | -862     | --     |
| <b>Cash and Cash Equivalents at the End of the Period</b>                   | 1,043    | 470      | 122.1% |

## KEY STATISTICS OF THE COMBINED COMPANY FOR THE NINE MONTHS & 3Q OF 2011

### Key Operational Statistics

|  | 9mo 2011       | 9mo 2010       | Δ%            |
|--|----------------|----------------|---------------|
| <b>Total Number of Stores</b>              | 1,017          | 844            | 20.5%         |
| <b>New Store Openings*</b>                 | <b>168</b>     | <b>78</b>      | <b>115.4%</b> |
| DIXY Group                                 | 152            | 71             | 114.1%        |
| Victoria Group                             | 16             | 7              | 128.6%        |
| <b>Total Space, sqm</b>                    | 849,113        | 768,752        | 10.5%         |
| <b>Total Selling Space, sqm</b>            | 376,749        | 337,369        | 11.7%         |
| <b>Neighborhood Stores</b>                 | <b>294,427</b> | <b>265,162</b> | <b>11.0%</b>  |
| DIXY                                       | 214,902        | 182,481        | 17.8%         |
| Kvartal/Deshevo/Kopilka                    | 79,525         | 82,681         | -3.8%         |
| <b>Supermarkets</b>                        | <b>43,161</b>  | <b>39,035</b>  | <b>10.6%</b>  |
| Victoria                                   | 37,675         | 33,549         | 12.3%         |
| Minimart                                   | 5,486          | 5,486          | --            |
| <b>Hypermarkets</b>                        | <b>39,161</b>  | <b>33,172</b>  | <b>18.1%</b>  |
| Megamart                                   | 36,110         | 30,121         | 19.9%         |
| <b>Cash&amp;carry</b>                      | <b>3,051</b>   | <b>3,051</b>   | <b>--</b>     |
| KЭШ  | 3,051          | 3,051          | --            |
| <b>Total Number of Permanent Employees</b> | <b>33,151</b>  | <b>30,033</b>  | <b>10.4%</b>  |
| DIXY Group                                 | 21,321         | 17,726         | 20.3%         |
| Victoria Group                             | 11,830         | 12,307         | -4.0%         |

### Average Basket Size by Format, RUR (VAT included)

| RUR                        | 3Q 2011      | 3Q 2010      | Δ%           | 9mo 2011     | 9mo 2010     | Δ%           |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Neighborhood Stores</b> | <b>222.9</b> | <b>200.6</b> | <b>11.1%</b> | <b>230.4</b> | <b>208.9</b> | <b>10.3%</b> |
| DIXY                       | 226.9        | 203.4        | 11.6%        | 233.5        | 211.5        | 10.4%        |
| Kvartal/Deshevo/Kopilka    | 212.2        | 194.9        | 8.9%         | 223.0        | 203.6        | 9.5%         |
| <b>Supermarkets</b>        | <b>434.3</b> | <b>404.9</b> | <b>7.3%</b>  | <b>451.4</b> | <b>422.1</b> | <b>6.9%</b>  |
| Victoria                   | 442.6        | 417.0        | 6.1%         | 463.2        | 436.1        | 6.2%         |
| Minimart                   | 396.6        | 352.5        | 12.5%        | 396.6        | 361.5        | 9.7%         |
| <b>Hypermarkets</b>        |              |              |              |              |              |              |
| Megamart                   | 521.0        | 477.5        | 9.1%         | 528.0        | 497.5        | 6.1%         |
| <b>Cash&amp;carry</b>      |              |              |              |              |              |              |
| CASH                       | 2,169.8      | 1,920.0      | 13.0%        | 2,222.8      | 1,868.3      | 19.0%        |

### Number of Stores and Store Openings

|                            | Number of stores<br>as of 30 September 2011 | Number of<br>New Store Openings* |
|----------------------------|---|----------------------------------|
| <b>Neighborhood Stores</b> |   |                                  |
| DIXY                       | 753   | 149                              |
| Kvartal/Deshevo/Kopilka    | 217   | 14                               |
| <b>Supermarkets</b>        |   |                                  |
| Victoria                   | 21  | 2                                |
| Minimart                   | 8   | 0                                |
| <b>Hypermarkets</b>        |   |                                  |
| Megamart                   | 17  | 3                                |
| <b>Cash&amp;carry</b>      |   |                                  |
| CASH                       | 1   | 0                                |
| <b>TOTAL</b>               | <b>1,017</b>                                | <b>168</b>                       |

\* For the period from 01.01.2011 to 30. 09.2011 there were closed 19 DIXY stores, 1 Megamart and 34 Kvartal stores (including 19 stores closed for rebranding into DIXY format).

**Combined Company Debt (Pro-forma) as of 30 September 2011**

|                        | <b>As of 30 September 2011</b> | <b>% of Total</b> |
|------------------------|--------------------------------|-------------------|
| <b>Total debt*</b>     | 18,311                         |                   |
| Short-term Debt        | 6,680                          | 36%               |
| Long-term Debt         | 11,631                         | 64%               |
| <b>Net Debt</b>        | 17,268                         |                   |
| <b>Net Debt/EBITDA</b> | 2.3                            |                   |

\*Total debt does not include financial lease obligations

**Exchange rates (Central Bank of the Russian Federation)**

|                               | <b>30 September 2011</b> | <b>30 September 2011</b> |
|-------------------------------|--------------------------|--------------------------|
| RUR/USD eop                   | 31.8751                  | 30.4030                  |
| RUR/USD average (nine months) | 28.7664                  | 30.2538                  |



**ДИКСИ**

**OJSC DIXY Group (RTS, MICEX: DIXY)** is one of Russia's leading retailers of foods and everyday products.

The first DIXY store opened in 1999 in Moscow and, after the period of intense organic development and purchase of Victoria Group in June, 2011, as of November 30, 2011, the Group operated 1,050 stores, including 795 DIXY neighborhood stores, 207 stores under the "Kvartal", "Deshevo", "Semeynaya Kopilka" brands, 21 Victoria supermarkets, 18 MEGAMART (compact hypermarket) stores, 8 MINIMART (supermarket) stores and 1 CASH (cash&carry) store.

The Company operates in three Federal Districts of Russia: Central, Northwest, Urals, and in Kaliningrad region.

As of November 30, 2011, the Company had a total of 384,011 square meters of selling space. The Company is the third largest among Russian national retail operators in the food retail market by revenue, selling area and number of stores and employs over 33,000 people.

In May 2007 the Company raised USD 360 million in its IPO on the RTS and MICEX. A controlling stake in DIXY Group, OJSC (54.4%) is owned by the Mercury Group of Companies, a diversified holding company.

In 2010, DIXY's total revenue reached RUR 64.7 billion, Victoria's total revenue reached RUR 34.0 billion.

The Russian business magazine *Expert* rates DIXY Group as one of the Top-100 largest Russian companies.

**Contacts:**

**Olga Popova**

Head of Investor Relations, DIXY Group

Tel: +7 495 933 1450

Fax: + 7 495 933-0259

Mobile: +7 985 265 2660

Email: O.Popova@hq.dixy.ru

<http://www.dixy.ru/>

**Lavrentiy Gubin**

Press Representative DIXY Group

Tel: + 7 495 933-1450

Fax: + 7 495 933-0259

Mobile: +7 910 467-5894

E-mail: l.gubin@hq.dixy.ru

<http://www.dixy.ru/>

## APPENDIX

### 1. DIXY Group Unaudited Consolidated Financial Results, Including Victoria Group from the Date of Acquisition on 15 June 2011

#### 1.1. BALANCE SHEET

##### ASSETS

|                                   | 30 Sept 2011      | 31 Dec 2010       |
|-----------------------------------|-------------------|-------------------|
| Non-current assets                |                   |                   |
| Property, plant and equipment     | 23 316 704        | 12 835 446        |
| Capital advances                  | 1 673 415         | 942 112           |
| Goodwill                          | 14 592 922        | 358 478           |
| Other Intangible assets           | 5 733 543         | 298 851           |
| Initial lease costs               | 105 544           | 144 205           |
| Loans                             | 383               | 5 047             |
| Trade and other receivables       | -                 | 2 724             |
| Deferred tax asset                | 672 052           | 397 482           |
| Investment in equity              | -                 | -                 |
|                                   | <b>46 094 563</b> | <b>14 984 345</b> |
| Current assets                    |                   |                   |
| Inventories                       | 5 622 528         | 3 873 123         |
| Trade and other receivables       | 2 143 065         | 1 514 900         |
| Taxes recoverable and prepayments | 1 787 744         | 1 113 736         |
| Loans                             | 129 917           | 134 066           |
| Initial lease costs               | 35 818            | 45 446            |
| Cash and cash equivalents         | 1 042 865         | 1 596 680         |
|                                   | <b>10 761 937</b> | <b>8 277 951</b>  |
| <b>TOTAL ASSETS</b>               | <b>56 856 500</b> | <b>23 262 296</b> |

##### EQUITY AND LIABILITIES

Equity attributable to equity holders of the Parent

|                            |                   |                  |
|----------------------------|-------------------|------------------|
| Share capital              | 1 248             | 860              |
| Additional paid-in capital | 20 437 001        | 4 111 405        |
| Retained earnings          | 2 766 761         | 1 916 147        |
|                            | <b>23 205 010</b> | <b>6 028 412</b> |
| Non-controlling interest   | - 301             | -                |
| <b>TOTAL EQUITY</b>        | <b>23 204 709</b> | <b>6 028 412</b> |

##### Non-current liabilities

|  |                   |                  |
|--|-------------------|------------------|
| Bonds                                    | -                 | -                |
| Borrowings                               | 11 522 113        | 6 038 938        |
| Finance leases                           | 109 355           | 242 377          |
| Unfavourable operating lease commitments | 118 617           | -                |
| Deferred tax liability                   | 2 227 943         | 234 733          |
|  | <b>13 978 028</b> | <b>6 516 048</b> |
| Current liabilities                      |                   |                  |
| Trade and other payables                 | 10 796 937        | 7 208 994        |
| Contingent consideration payable         | 1 000 000         | -                |
| Borrowings                               | 6 513 489         | 6 442            |
| Current portion of Bonds                 | -                 | 2 929 452        |

|  |                   |                   |
|--|-------------------|-------------------|
| Finance leases                           | 166 116           | 161 878           |
| Advances from customers                  | 147 528           | 69 270            |
| Tax liability, other than income taxes   | 744 157           | 278 217           |
| Income taxes payable                     | 215 977           | 62 375            |
| Unfavourable operating lease commitments | 54 409            |                   |
| Provisions for liabilities and charges   | 35 150            | 1 208             |
|  | <b>19 673 763</b> | <b>10 717 836</b> |
|  | <b>33 651 791</b> | <b>17 233 884</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>      | <b>56 856 500</b> | <b>23 262 296</b> |

## 1.2. INCOME STATEMENT

|  | 9mo 2011          | 9mo 2010          |
|--|-------------------|-------------------|
| Revenue  | 68 326 413        | 46 105 133        |
| Cost of sales                                  | (50 318 479)      | (35 316 297)      |
| Cost of goods sold                             | (53 339 839)      | (37 303 450)      |
| Supplier bonuses                               | 4 797 866         | 3 200 174         |
| Transportation costs                           | (403 330)         | (228 521)         |
| Shrinkage of inventories                       | (1 373 176)       | (984 500)         |
| <b>Gross profit</b>                            | <b>18 007 934</b> | <b>10 788 836</b> |
| General and administrative expenses            | (15 656 794)      | (9 779 710)       |
| <b>Operating profit</b>                        | <b>2 351 140</b>  | <b>1 009 126</b>  |
| Finance income                                 | 30 663            | 22 488            |
| Finance costs                                  | (863 966)         | (545 460)         |
| Foreign exchange (loss)/gain, net              | (8 956)           | (105 038)         |
| <b>Profit/ (loss) before income tax</b>        | <b>1 508 881</b>  | <b>381 116</b>    |
| Income tax expense                             | (658 547)         | (418 264)         |
| <b>Profit for the year</b>                     | <b>850 334</b>    | <b>(37 148)</b>   |
| <b>Total comprehensive profit for the year</b> | <b>850 334</b>    | <b>(37 148)</b>   |
| <b>Attributable to:</b>                        |                   |                   |
| Equity holders of the Parent                   | 850 613           | (37 324)          |
| Equity holders of the non-controlling interest | (279)             | 176               |
|  | <b>850 334</b>    | <b>(37 148)</b>   |

### 1.3. CASH FLOW STATEMENT

| <b>Cash flows from operating activities :</b>   | <b>9mo 2011</b>     | <b>9mo 2010</b>  |
|---|---------------------|------------------|
| Profit/(loss) before income tax   | 1 508 881           | 381 116          |
| <u>Adjustments for:</u>   |                     |                  |
| Depreciation of property, plant and equipment   | 1 593 538           | 1 159 255        |
| Amortisation of intangible assets   | 160 476             | 58 685           |
| Amortisation of initial lease costs   | 42 458              | 72 228           |
| Amortisation of unfavourable lease agreements   | (19 352)            |                  |
| Gain less losses on disposals of property, plant and equipment and intangible assets  | 41 490              | 14 457           |
| (Decrease)/ increase in provision for impairment of taxes recoverable and prepayments | (15 920)            | 67 797           |
| Increase in provision for impairment of trade and other receivables                   | 7 290               | 10 281           |
| Write-down/(reversal of write-down) of inventory to net realizable value              | (1 674)             | (14 243)         |
| Finance costs   | 863 966             | 545 460          |
| Interest income on loans and cash deposits  | (30 663)            | (22 488)         |
| Provision for impairment of assets  | 147 588             | -                |
| Unrealised foreign exchange losses/(gains) on borrowings                              | 8 956               | 105 040          |
| <b>Operating cash flows before working capital changes</b>                            | <b>4 307 035</b>    | <b>2 377 588</b> |
| Decrease in trade and other receivables   | 241 491             | 197 643          |
| Decrease in inventories   | 231 303             | 352 190          |
| Increase in taxes recoverable and prepayments   | (351 068)           | (214 633)        |
| Decrease in trade and other payables  | (830 704)           | (719 434)        |
| (Decrease)/increase in tax liabilities other than income tax                          | (31 567)            | 99 393           |
| Increase/(decrease) in advances from customers  | 19 076              | (67 230)         |
| <b>Cash generated from operations</b>   | <b>3 585 565</b>    | <b>2 025 518</b> |
| Income taxes paid   | (877 371)           | (627 155)        |
| Interest paid   | (717 982)           | (629 515)        |
| <b>Net cash from operating activities-continuing operations</b>                       | <b>1 990 212</b>    | <b>768 848</b>   |
| Net cash from operating activities-discontinued operations                            |                     |                  |
| <b>Net cash from operating activities</b>   | <b>1 990 212</b>    | <b>768 848</b>   |
| <b>Cash flows from investing activities:</b>  |                     |                  |
| Purchase of property, plant and equipment   | (4 366 456)         | (938 832)        |
| Proceeds from sale of property, plant and equipment                                   | 130 806             | 17 880           |
| Purchase of non-controlling interest in subsidiary                                    |                     | (3 365)          |
| Initial Lease costs paid  | (3 850)             | (2 276)          |
| Acquisition of subsidiaries, net of cash acquired                                     | (12 411 963)        |                  |
| Loans repaid  | 5 536 652           | 397 839          |
| Disbursement of loans   | (4 852 278)         | (381 535)        |
| Interest received   | 186 074             | 12 470           |
| Purchases of intangible assets  | (25 647)            | (18 910)         |
| <b>Net cash used in investing activities-continuing operations</b>                    | <b>(15 806 662)</b> | <b>(916 729)</b> |
| <b>Net cash used in investing activities</b>  | <b>(15 806 662)</b> | <b>(916 729)</b> |

|   |                   |                  |
|---|-------------------|------------------|
| <b>Cash flows from financing activities</b>                     |                   |                  |
| Proceeds from loans and borrowings                              | 8 336 513         | 5 871 929        |
| Repayment of loans and borrowings                               | (2 010 651)       | (6 486 977)      |
| Repayment of bonds  | (2 856 650)       |                  |
| Buy-out of shares   | (411 564)         | (7 001)          |
| Proceeds from new issuance of shares                            | 8 734 891         |                  |
| Proceeds from sale of treasury shares                           | 1 221 049         |                  |
| Contributions from shareholders                                 | 392 258           |                  |
| Finance lease payments  | (143 212)         | (92 321)         |
| <b>Net cash from financing activities-continuing operations</b> | <b>13 262 634</b> | <b>(714 370)</b> |
| <b>Net cash from financing activities</b>                       | <b>13 262 634</b> | <b>(714 370)</b> |
| Net decrease in cash and cash equivalents                       | (553 815)         | (862 252)        |
| Cash and cash equivalents at the beginning of the year          | 1 596 680         | 1 331 856        |
| <b>Cash and cash equivalents at the end of the year</b>         | <b>1 042 865</b>  | <b>469 604</b>   |

## 2. DIXY Group Unaudited Pro-forma Interim Financial Statements, Including Victoria from the Beginning of the Year

### 2.1. BALANCE SHEET

| <b>ASSETS</b>                     | <b>30 Sept 2011</b> | <b>31 Dec 2010</b> |
|-----------------------------------|---------------------|--------------------|
| Non-current assets                |                     |                    |
| Property, plant and equipment     | 23 316 704          | 12 835 446         |
| Capital advances                  | 1 673 415           | 942 112            |
| Goodwill                          | 14 826 401          | 358 478            |
| Other Intangible assets           | 5 718 166           | 298 851            |
| Initial lease costs               | 105 544             | 144 205            |
| Loans                             | 383                 | 5 047              |
| Trade and other receivables       | -                   | 2 724              |
| Deferred tax asset                | 672 052             | 397 482            |
|                                   | <b>46 312 665</b>   | <b>14 984 345</b>  |
| Current assets                    |                     |                    |
| Inventories                       | 5 622 528           | 3 873 123          |
| Trade and other receivables       | 2 125 656           | 1 514 900          |
| Taxes recoverable and prepayments | 1 787 744           | 1 113 736          |
| Loans                             | 129 917             | 134 066            |
| Initial lease costs               | 35 818              | 45 446             |
| Cash and cash equivalents         | 1 042 865           | 1 596 680          |
|                                   | <b>10 744 528</b>   | <b>8 277 951</b>   |
| <b>TOTAL ASSETS</b>               | <b>57 057 193</b>   | <b>23 262 296</b>  |

### EQUITY AND LIABILITIES

Equity attributable to equity holders of the Parent

|  |                   |                   |
|--|-------------------|-------------------|
| Share capital                            | 1 248             | 860               |
| Additional paid-in capital               | 20 437 001        | 4 111 405         |
| Retained earnings                        | 2 984 486         | 1 916 147         |
|  | <b>23 422 735</b> | <b>6 028 412</b>  |
| Non-controlling interest                 | <b>- 301</b>      | <b>-</b>          |
| <b>TOTAL EQUITY</b>                      | <b>23 422 434</b> | <b>6 028 412</b>  |
| Non-current liabilities                  |                   |                   |
| Borrowings                               | 11 522 113        | 6 038 938         |
| Finance leases                           | 109 355           | 242 377           |
| Unfavourable operating lease commitments | 118 617           |                   |
| Deferred tax liability                   | 2 228 320         | 234 733           |
|  | <b>13 978 405</b> | <b>6 516 048</b>  |
| Current liabilities                      |                   |                   |
| Trade and other payables                 | 10 796 937        | 7 208 994         |
| Contingent consideration payable         | 1 000 000         |                   |
| Borrowings                               | 6 513 489         | 6 442             |
| Current portion of Bonds                 | -                 | 2 929 452         |
| Finance leases                           | 166 116           | 161 878           |
| Advances from customers                  | 147 528           | 69 270            |
| Tax liability, other than income taxes   | 744 157           | 278 217           |
| Income taxes payable                     | 215 977           | 62 375            |
| Unfavourable operating lease commitments | 54 409            |                   |
| Provisions for liabilities and charges   | 17 741            | 1 208             |
|  | <b>19 656 354</b> | <b>10 717 836</b> |
|  | <b>33 634 759</b> | <b>17 233 884</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>      | <b>57 057 193</b> | <b>23 262 296</b> |

## 2.2. INCOME STATEMENT

| <i>Continuing operations</i>        | <b>9mo 2011</b>     | <b>9mo 2010</b>     |
|-------------------------------------|---------------------|---------------------|
| Revenue                             | 87 905 973          | 46 105 133          |
| Cost of sales                       | (63 881 667)        | (35 316 297)        |
| <i>Cost of goods sold</i>           | <i>(68 000 998)</i> | <i>(37 303 450)</i> |
| <i>Supplier bonuses</i>             | <i>6 160 525</i>    | <i>3 200 174</i>    |
| <i>Transportation costs</i>         | <i>(451 704)</i>    | <i>(228 521)</i>    |
| <i>Shrinkage of inventories</i>     | <i>(1 589 490)</i>  | <i>(984 500)</i>    |
| <b>Gross profit</b>                 | <b>24 024 306</b>   | <b>10 788 836</b>   |
| General and administrative expenses | (21 043 130)        | (9 779 710)         |
| <b>Operating profit</b>             | <b>2 981 176</b>    | <b>1 009 126</b>    |
| Finance income                      | 68 765              | 22 488              |
| Finance costs                       | (1 052 818)         | (545 460)           |

|  |                  |                 |
|--|------------------|-----------------|
| Foreign exchange (loss)/gain, net              | (66 211)         | (105 038)       |
| <b>Profit/ (loss) before income tax</b>        | <b>1 930 912</b> | <b>381 116</b>  |
| Income tax expense                             | (862 497)        | (418 264)       |
| <b>Profit for the year</b>                     | <b>1 068 415</b> | <b>(37 148)</b> |
| <b>Total comprehensive profit for the year</b> | <b>1 068 415</b> | <b>(37 148)</b> |
| <b>Attributable to:</b>                        |                  |                 |
| Equity holders of the Parent                   | 1 068 338        | (37 324)        |
| Equity holders of the non-controlling interest | 77               | 176             |
|  | <b>1 068 415</b> | <b>(37 148)</b> |

## 2.3. CASH FLOW STATEMENT

| <b>Cash flows from operating activities :</b>   | <b>9mo 2011</b>     | <b>9mo 2010</b>  |
|---|---------------------|------------------|
| Profit/(loss) before income tax   | 1 930 912           | 381 116          |
| <u>Adjustments for:</u>   |                     |                  |
| Depreciation of property, plant and equipment   | 1 979 738           | 1 159 255        |
| Amortisation of intangible assets   | 517 534             | 58 685           |
| Amortisation of initial lease costs   | 42 458              | 72 228           |
| Amortisation of unfavourable lease agreements   | (50 234)            |                  |
| Gain less losses on disposals of property, plant and equipment and intangible assets  | 52 720              | 14 457           |
| (Decrease)/ increase in provision for impairment of taxes recoverable and prepayments | (18 520)            | 67 797           |
| (Decrease)/ increase in provision for impairment of trade and other receivables       | (12 944)            | 10 281           |
| Write-down/(reversal of write-down) of inventory to net realizable value              | (14 750)            | (14 243)         |
| Finance costs   | 1 052 818           | 545 460          |
| Interest income on loans and cash deposits  | (68 765)            | (22 488)         |
| Provision for impairment of assets  | 147 588             | -                |
| Unrealised foreign exchange losses on borrowings                                      | 66 211              | 105 040          |
| <b>Operating cash flows before working capital changes</b>                            | <b>5 624 765</b>    | <b>2 377 588</b> |
| Decrease in trade and other receivables   | 408 697             | 197 643          |
| Decrease in inventories   | 562 719             | 352 190          |
| Increase in taxes recoverable and prepayments   | (292 950)           | (214 633)        |
| Decrease in trade and other payables  | (1 945 760)         | (719 434)        |
| Increase in tax liabilities other than income tax                                     | 93 700              | 99 393           |
| Increase/(decrease) in advances from customers  | 78 258              | (67 230)         |
| <b>Cash generated from operations</b>   | <b>4 529 429</b>    | <b>2 025 518</b> |
| Income taxes paid   | (1 206 867)         | (627 155)        |
| Interest paid   | (923 094)           | (629 515)        |
| <b>Net cash from operating activities-continuing operations</b>                       | <b>2 399 468</b>    | <b>768 848</b>   |
| Net cash from operating activities-discontinued operations                            |                     |                  |
| <b>Net cash from operating activities</b>   | <b>2 399 468</b>    | <b>768 848</b>   |
| <b>Cash flows from investing activities:</b>  |                     |                  |
| Purchase of property, plant and equipment   | (4 634 599)         | (938 832)        |
| Proceeds from sale of property, plant and equipment                                   | 158 866             | 17 880           |
| Purchase of non-controlling interest in subsidiary                                    |                     | (3 365)          |
| Initial Lease costs paid  | (3 850)             | (2 276)          |
| Acquisition of subsidiaries, net of cash acquired                                     | (12 649 724)        |                  |
| Loans repaid  | 5 622 066           | 397 839          |
| Disbursement of loans   | (5 082 278)         | (381 535)        |
| Interest received   | 228 629             | 12 470           |
| Purchases of intangible assets  | (52 202)            | (18 910)         |
| <b>Net cash used in investing activities-continuing operations</b>                    | <b>(16 413 092)</b> | <b>(916 729)</b> |
| <b>Net cash used in investing activities</b>  | <b>(16 413 092)</b> | <b>(916 729)</b> |

|   |                   |                  |
|---|-------------------|------------------|
| <b>Cash flows from financing activities</b>                     |                   |                  |
| Proceeds from loans and borrowings                              | 9 043 038         | 5 871 929        |
| Repayment of loans and borrowings                               | (2 322 029)       | (6 486 977)      |
| Repayment of bonds  | (2 856 650)       |                  |
| Buy-out of shares   | (411 564)         | (7 001)          |
| Proceeds from new issuance of shares                            | 8 734 891         |                  |
| Proceeds from sale of treasury shares                           | 1 221 049         |                  |
| Contributions from shareholders                                 | 392 258           |                  |
| Finance lease payments  | (143 212)         | (92 321)         |
| Dividend payment  | (197 973)         |                  |
| <b>Net cash from financing activities-continuing operations</b> | <b>13 459 808</b> | <b>(714 370)</b> |
| <b>Net cash from financing activities</b>                       | <b>13 459 808</b> | <b>(714 370)</b> |
| Net decrease in cash and cash equivalents                       | (553 815)         | (862 252)        |
| Cash and cash equivalents at the beginning of the year          | 1 596 680         | 1 331 856        |
| <b>Cash and cash equivalents at the end of the year</b>         | <b>1 042 865</b>  | <b>469 604</b>   |