

X5 RETAIL GROUP REPORTS Q1 2015 TRADING RESULTS ⁽¹⁾

Amsterdam, 10 April 2015 - X5 Retail Group N.V. ('X5' or the 'Company'), a leading Russian food retailer (LSE ticker: 'FIVE'), announced today the Company's preliminary consolidated net retail sales and operational results for the first quarter (Q1) of 2015.

Q1 2015 Trading Results Highlights

- Total net retail sales increased by 26.5% year-on-year (y-o-y) including 17.1% like-for-like sales growth.
- X5 added more than twice the net number of stores in Q1 2015 compared to Q1 2014, or 156 stores versus 74 stores, respectively, contributing to mainly organic selling space growth of 20.1% y-o-y at 31 March 2015.
- In March, Pyaterochka opened X5's store number 5,555 and Perekrestok opened eight supermarkets under the format's new concept.
- Pyaterochka, representing 71% of total net retail sales, was the key driver for X5's Q1 growth – net retail sales increased by 34.7% y-o-y driven by a 21.7% increase in like-for-like (LFL) sales, including a 5.2% increase in traffic, and a 28.8% y-o-y increase in net selling space.
- Karusel successfully adjusted its trading proposition to the new economic climate in Q1 2015 resulting in a 2.1% increase in LFL traffic for March.

Net Retail Sales⁽²⁾⁽³⁾ Performance

Net Russian Rouble (RUB) retail sales by format, million (mln) ⁽⁴⁾

RUB mln	Q1 2015	Q1 2014	% change, y-o-y
Pyaterochka	129,578.9	96,174.8	34.7%
Perekrestok	31,749.7	28,685.6	10.7%
Karusel	17,897.5	16,483.2	8.6%
Express	2,827.2	2,220.7	27.3%
X5 Retail Group	182,053.4	143,898.1	26.5%

Regional contribution to formats' total net retail sales growth y-o-y, %

	Q1 2015			Total change
	Central	North-West	Other	
Pyaterochka	17.0%	4.4%	13.3%	34.7%
Perekrestok	8.0%	1.2%	1.4%	10.7%
Karusel	3.3%	1.7%	3.6%	8.6%
Express	27.3%	0.0%	0.0%	27.3%

Q1 2015 monthly net retail sales by format, % change y-o-y

	January 2015	February 2015	March 2015
Pyaterochka	33.4%	34.2%	36.4%
Perekrestok	10.2%	10.6%	11.2%
Karusel	8.4%	6.5%	10.6%
Express	30.4%	29.6%	22.9%
X5 Retail Group	25.5%	25.9%	28.0%

Average Ticket

Q1 2015 average ticket by format, RUB

	Q1 2015	Q1 2014	% change, y-o-y
Pyaterochka	339.2	297.1	14.2%
Perekrestok	505.8	433.8	16.6%
Karusel	678.3	620.8	9.3%
Express	304.2	269.4	12.9%
X5 Retail Group	378.9	338.7	11.9%

⁽¹⁾ Numbers in this press release are preliminary and have not been reviewed or audited by the Company's auditor.

⁽²⁾ Net retail sales represent revenue from operations of X5 managed stores net of VAT. This number differs from revenue that also include proceeds from direct franchisees (royalty payments) and other revenue. The total revenue will be reported as part of Q1 2015 financial results.

⁽³⁾ Effective 1 January 2015, X5's online retail channel, E5.RU ceased commercial operations, however E5.RU's results are included in X5 Retail Group's 2014 total net retail sales.

⁽⁴⁾ In the tables of this press release, immaterial deviations in calculation of % change, subtotals and totals are due to rounding.

Average Number of Customer Visits

Q1 2015 # of customers, mln.

	Q1 2015	Q1 2014	% change, y-o-y
Pyaterochka	435.8	369.8	17.9%
Perekrestok	71.5	75.7	(5.6%)
Karusel	30.2	30.4	(0.7%)
Express	10.9	9.6	13.4%
X5 Retail Group	548.4	485.8	12.9%

Q1 2015 average monthly ticket and customer visits by format, % change y-o-y

Average ticket	January 2015	February 2015	March 2015
Pyaterochka	12.0%	14.8%	15.6%
Perekrestok	17.1%	17.8%	15.1%
Karusel	11.7%	9.6%	7.0%
Express	12.3%	14.1%	12.4%
X5 Retail Group	10.5%	12.3%	12.5%
# of customers			
Pyaterochka	18.6%	16.9%	18.1%
Perekrestok	(5.4%)	(6.3%)	(5.1%)
Karusel	(3.1%)	(2.9%)	3.5%
Express	16.8%	14.3%	10.0%
X5 Retail Group	13.3%	12.0%	13.4%

LFL Sales Performance

Q1 2015 LFL⁽¹⁾ store performance by format, %

	Sales	Traffic	Basket
Pyaterochka	21.7%	5.2%	15.7%
Perekrestok	7.5%	(6.0%)	14.4%
Karusel	7.8%	(1.4%)	9.4%
Express	5.8%	(2.1%)	8.1%
X5 Retail Group	17.1%	2.9%	13.7%

Q1 2015 monthly LFL store performance by format, %

	January 2015			February 2015			March 2015		
	Sales	Traffic	Basket	Sales	Traffic	Basket	Sales	Traffic	Basket
Pyaterochka	21.2%	6.7%	13.6%	21.6%	4.3%	16.6%	22.2%	4.5%	16.9%
Perekrestok	8.3%	(6.0%)	15.2%	8.1%	(6.6%)	15.7%	6.4%	(5.5%)	12.6%
Karusel	8.5%	(2.9%)	11.8%	5.4%	(3.9%)	9.7%	9.3%	2.1%	7.0%
Express	4.4%	(2.3%)	6.9%	5.9%	(3.0%)	9.1%	6.8%	(1.3%)	8.2%
X5 Retail Group	16.8%	3.9%	12.4%	16.8%	2.0%	14.5%	17.4%	2.8%	14.3%

⁽¹⁾ 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 LFL calculation starting from the day of the store's opening. We include all stores that fit our LFL criteria in each reporting period.

Expansion Dynamics

Selling space and # of stores by format

	As at 31-Mar-15	As at 31-Dec-14	% change vs 31-Dec-14	As at 31-Mar-14	% change vs 31-Mar-14
Selling space, square meters (sq. m.)					
Pyaterochka	1,859,307	1,754,250	6.0%	1,443,137	28.8%
Perekrestok	419,827	415,788	1.0%	392,631	6.9%
Karusel	361,679	358,593	0.9%	360,531	0.3%
Express	40,932	43,612	(6.1%)	36,194	13.1%
X5 Retail Group	2,681,745	2,572,243	4.3%	2,232,492	20.1%
# of stores					
Pyaterochka	4,958	4,789	3.5%	3 966	25.0%
Perekrestok	405	403	0.5%	384	5.5%
Karusel	83	82	1.2%	81	2.5%
Express	193	209	(7.7%)	187	3.2%
X5 Retail Group	5,639	5,483	2.8%	4 618	22.1%

Net selling space and # of stores added by format

	Q1 2015	Q1 2014	% Change, y-o-y
Net selling space, sq. m.			
Pyaterochka	105,057	29,035	261.8%
Perekrestok	4,039	(5,119)	n/a
Karusel	3,086	(15,277)	n/a
Express	(2,679)	971	n/a
X5 Retail Group	109,503	9,609	1039.6%
Net # of stores			
Pyaterochka	169	84	101.2%
Perekrestok	2	(6)	n/a
Karusel	1	(2)	n/a
Express	(16)	(2)	700.0%
X5 Retail Group	156	74	110.8%

Regional contribution to formats' total net selling space growth y-o-y in Q1 2015, %

	Central	North-West	Other	Total change
Pyaterochka	9.0%	2.3%	17.5%	28.8%
Perekrestok	4.9%	0.1%	1.9%	6.9%
Karusel	1.6%	(0.3%)	(1.0%)	0.3%
Express	13.1%	0.0%	0.0%	13.1%

Key Drivers for Q1 2015 Results

Sales

- Higher food inflation in Q1 2015 drove average customer spends across all formats.
- The increase in customer visits was primarily attributable to Pyaterochka expansion, as well as higher traffic in existing Pyaterochka stores due to ongoing customer redistribution driven by the challenging macroeconomic environment, which also resulted in a reduction in customer visits and traffic at Perekrestok and Karusel.

Expansion

- Pyaterochka was the main driver for the increase in selling space in Q1 2015 opening more than 2x the net number of stores compared to Q1 2014, while the average selling space per store also increased by approximately 80% to 622 sq. m.
- Continued investments into existing stores resulted in the refurbishment of 332 Pyaterochkas, 11 Perekrestoks and one Karusel store in Q1 2015.
- In Q1 2015, as part of the Company's ongoing rationalization program, 15 Pyaterochkas, five Perekrestoks and 25 Express stores were closed.

2015 Reporting Calendar

21 April	Q1 2015 Financial Results press-release and conference call
10 July	Q2 & 6M 2015 Trading Update
13 August	Q2 & 6M 2015 Financial Results press-release and conference call
09 October	Q3 & 9M 2015 Trading Update
20 October	Capital Markets Day & Q3 2015 Financial Results press-release and conference call

Note to Editors:

X5 Retail Group N.V. (LSE: FIVE, Fitch – ‘BB’, Moody's – ‘B2’, S&P – ‘B+’) 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.

At 31 March 2015, X5 had 5,639 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 4,958 Pyaterochka proximity stores, 405 Perekrestok supermarkets, 83 Karusel hypermarkets and 193 convenience stores. The Company operates 33 DCs and 1,407 Company-owned trucks across the Russian Federation.

For the full year 2014, revenue totaled RUB 633,873 mln (USD 16,498 mln), EBITDA reached RUB 45,860 mln (USD 1,194 mln), and profit for the period amounted to RUB 12,691 mln (USD 330 mln).

X5's Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 14.43%, X5 Directors – 0.04%, treasury shares – 0.04%, free float – 37.63%.

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