

X5 RETAIL GROUP N.V. REPORTS 61%*
NET RETAIL SALES GROWTH IN USD TERMS FOR THE FIRST HALF 2008**
IN THE FIRST HALF 2008 KARUSEL HYPERMARKETS' SALES SURGED 63%
YEAR-ON-YEAR IN USD TERMS

Amsterdam, 10 July 2008 - X5 Retail Group N.V., Russia's largest retailer in terms of revenue (LSE ticker: "FIVE"), published today its retail sales and expansion results for the second quarter and the first half of 2008.

Q2 2008 Highlights

- X5's net retail sales excluding Karusel totaled USD 1,968 mln – an increase of 60% year-on-year;
- Karusel's net retail sales surged 60% year-on-year to USD 307 mln;
- X5's LFL sales excluding Karusel increased 24%;
- Karusel's LFL sales growth totaled 33%;
- In Q2 2008 X5 added net 38 stores organically and further 23*** hypermarkets through the acquisition of Karusel;
- In Q2 2008 net addition of selling space through organic openings equaled 20.5 thousand sq.m., Karusel stores added further 132.0 thousand sq.m. in selling space.

H1 2008 Highlights

- X5's net retail sales excluding Karusel totaled USD 3,744 mln – an increase of 61% year-on-year;
- Karusel's net retail sales surged 63% year-on-year to USD 559 mln;
- X5's LFL sales excluding Karusel increased 27%;
- Karusel's LFL sales growth totaled 35%;
- As at 30 June 2008 X5 operated 991 stores, including 23 Karusel hypermarkets;
- As at 30 June 2008 X5's stores net selling area totaled 791.9 thousand sq.m., including 132.0 thousand sq.m. in selling space of Karusel hypermarkets.

* Excluding Karusel

** Net retail sales represent revenue from operations of X5 managed stores excluding VAT. This number differs from total net sales that also include revenue from franchisees and other revenue. The total net sales number will be reported along with the H1 2008 financial results.

Numbers provided in this press-release are preliminary and unaudited.

For your convenience, we provide net retail sales for Q2 2007 and 2008 both excluding and including *Karusel* (on pro-forma basis). Q2 2007 numbers exclude results of operations of *Korzinka*, *Strana Gerkulesia* and *Kama Retail*.

*** One additional Karusel store was not included as it is currently operating in a test mode

Lev Khasis, X5 Retail Group CEO, commented:

“The second quarter was very busy and important period for X5 – we completed the acquisition of Formata and are pleased to report operating results both for X5 Retail Group and Karusel for the first time. The rest of the year will also be challenging time for the Company – in addition to aggressive expansion plans and continuous focus on performance of existing stores, we will need to invest a lot of efforts in integration of acquired Karusel hypermarkets.

Additional area of focus for us going forward will be close cooperation with the government on development of the new retail law. As the Chairman of Russian Association of Retail Companies I see it as my mission to ensure that the new law is designed to meet the interests of Russian consumers and to stimulate the development of the country’s still very young retail sector.”

Antonio Melo, X5 Retail Group Chief Operating Officer, added:

“We are pleased to report healthy sales results in the second quarter of the year, but we believe we could do better. We have identified certain areas for improvement, especially in regional supermarkets and hypermarkets where we plan to focus on enhancement of each store’s value proposition and will work with the assortment to ensure that our product mix makes us different from competition and is tailored to meet every customer demand.

As planned, we have begun the integration of Karusel and already started stock taking in Karusel stores. In parallel, we are fine-tuning the initial integration plan based on the data we obtained after acquiring control. Also, given that we have purchased Karusel brand we will review our approach towards rebranding of the acquired stores – as soon as we finalize the necessary analysis, we will inform you of our decision.”

X5 Retail Group plans to provide an update on the integration progress, inform of any changes in the integration plan, and its decision on rebranding along with the release of the Company’s financial results for the first half 2008, which is scheduled for 28 August 2008. Simultaneously X5 will provide revised guidance for the year with our expectations on Karusel stores’ performance and new hypermarket openings.

Net Retail Sales Performance

Net Retail Sales Dynamics by Format

USD mln	Q2 2008	Q2 2007	% change		% change	
			y-o-y	H1 2008	H1 2007	y-o-y
Hypermarkets	134.9	90.4	49%	263.7	167.2	58%
Supermarkets	696.7	457.2	52%	1,335.3	864.7	54%
Soft Discounters	1,136.8	682.4	67%	2,144.6	1,299.5	65%
Total excluding Karusel	1,968.4	1,230.1	60%	3,743.6	2,331.4	61%
Karusel Hypermarkets	306.7	191.3	60%	558.9	342.8	63%
Total including Karusel*	2,275.1	1,421.4	60%	4,302.6	2,674.2	61%

RUR mln	Q2 2008	Q2 2007	%change		% change	
			y-o-y	H1 2008	H1 2007	y-o-y
Hypermarkets	3,190.5	2,341.8	36%	6,313.5	4,360.0	45%
Supermarkets	16,478.8	11,835.1	39%	31,971.9	22,553.8	42%
Soft Discounters	26,901.4	17,661.0	52%	51,351.5	33,894.5	52%
Total excluding Karusel	46,570.6	31,837.9	46%	89,636.8	60,808.3	47%
Karusel Hypermarkets	7,262.7	4,955.0	47%	13,383.5	8,941.1	50%
Total including Karusel*	53,833.4	36,792.9	46%	103,020.3	69,749.4	48%

Excluding Karusel, net retail sales for the second quarter 2008 increased by 60% in USD terms (46% in RUR terms) to USD 1,968 mln, translating into a 61% (47% in RUR terms) increase year-on-year to USD 3,744 mln for the first half 2008. Solid sales growth was mainly driven by strong performance of soft discounters in Moscow and the regions and healthy results reported by supermarkets in Moscow and St. Petersburg.

Karusel hypermarkets have demonstrated strong performance in the second quarter 2008, with net retail sales surging 60% year-on-year to USD 307 mln, resulting in a 63% year-on-year growth in the first half of the year (to USD 559 mln) on the back of impressive LFL results and contribution of new stores.

Including Karusel, net retail sales for the first half 2008 totaled USD 4,303 mln, a year-on-year increase of 61% in USD terms (on a pro-forma basis).

* On pro-forma basis

Gross Retail Sales Analysis*

*Like-For-Like** Stores Performance (please see Appendix I for detailed LFL performance)*

Based on RUR-denominated gross retail sales	Q2 2008			H1 2008		
	Total LFL, %	Traffic, %	Basket, %	Total LFL, %	Traffic, %	Basket, %
Hypermarkets	18	1	17	23	8	15
Supermarkets	25	6	19	30	11	19
Soft Discounters	25	4	21	25	5	20
Total excluding Karusel	24	4	20	27	7	20
Karusel Hypermarkets	33	10	23	35	14	21
Total including Karusel***	26	5	21	28	7	21

Gross Retail Sales Dynamics

Based on RUR-denominated gross retail sales	Q2 2008			H1 2008		
	LFL, %	Expansion, %	Total change %, excl. FX	LFL, %	Expansion, %	Total change %, excl. FX
Hypermarkets	18	18	36	23	21	44
Supermarkets	25	14	39	30	12	42
Soft Discounters	25	27	52	25	26	51
Total excluding Karusel	24	22	46	27	21	48
Karusel Hypermarkets	33	13	46	35	15	50
Total including Karusel***	26	20	46	28	20	48
FX Effect			14			13
Total change y-o-y, %			60			61

For the second quarter 2008, LFL sales, excluding Karusel, surged 24% in RUR terms, composed of 4% increase in traffic and 20% increase in average basket. Expansion brought additional 22% in terms of growth. As a result, first half 2008 LFL sales increased by 27% with traffic growing by 7% and basket – by 20%, while 21% came from expansion.

During the first half of the year X5 continued to restrain prices growth and invest in its customer loyalty – in June 2008 product prices on X5's shelves increased on average by 13% year-on-year compared to officially reported CPI in Russia of 15.1% (June 2008 to June 2007).

* In this section all sales dynamics analysis is based on RUR-denominated gross sales (including VAT, excluding FX). Net sales RUR growth rates may immaterially differ due to effective VAT rate.

** Like-for-like 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 like-for-like 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 like-for-like calculation starting from the first day of the month following the month of the store opening. The like-for-like comparison for each store takes into account retail sales generated by that store during the same months it was in operation in both the reporting period and the period of comparison. The retail sales of all the relevant stores in the relevant months are then aggregated and compared. Like-for-like sales are calculated on the basis of traffic and basket amounts of relevant stores in the period under review.

*** On pro-forma basis

Including Karusel, on a pro-forma basis second quarter 2008 LFL sales increased 26% in RUR terms on the back of 5% growth in traffic and 21% increase in average basket. Expansion added 20% in terms of growth. As a result, first half 2008 LFL sales (including Karusel) increased 28% (7% growth in traffic and 21% - in average basket) with additional 20% delivered by non-LFL stores.

X5 Hypermarkets

For the second quarter 2008, hypermarket sales increased 36%, excluding FX effect. This growth came as a result of an 18% increase in LFL sales with another 18% added by non-LFL stores. X5 hypermarkets performance in the second quarter was affected by remodeling process of two stores (in Moscow and in Lipetsk) in line with newly developed hypermarket concept, several regional stores underperformed as competitors opened their hypermarkets in the neighborhood. X5 believes that its new hypermarket concept is well designed to address this situation and continues to invest efforts in increasing its hypermarkets' appeal to customers by gradually introducing it in existing stores.

For the first half 2008, gross sales in the hypermarket format increased by 44% in RUR terms (LFL sales up 23%, non-LFL stores sales up 21%).

Supermarkets

For the second quarter 2008, supermarket sales grew by 39%, excluding FX effect, as a result of 25% surge in LFL sales and 14% coming from expansion. Impressively strong LFL results are due to outperformance of supermarkets located in Moscow and St. Petersburg, which reported healthy growth both in traffic and average basket.

For the first half 2008, gross sales in the supermarket format increased by 42% in RUR terms (LFL sales up 30%, non-LFL stores sales up 12%).

Soft Discounters

For the second quarter 2008 soft discounter sales grew by 52%, excluding FX effect, as a result of a 25% surge in LFL sales and 27% coming from expansion. The strongest LFL growth in the soft discounter format was demonstrated by regional stores (up 42%) underpinning success of the format in the regions, while flat traffic in St. Petersburg reflects highly competitive environment in the city (total LFL growth in soft discounters in St. Petersburg totaled 17%).

For the first half 2008, gross sales in the soft discounter format increased by 51% in RUR terms (LFL sales up 27%, new stores sales up 21%).

Karusel Hypermarkets

For the second quarter 2008 Karusel sales grew by 46%, excluding FX effect, as a result of a 33% surge in LFL sales and 13% coming from expansion. The strongest LFL sales growth was reported by Karusel stores located in St. Petersburg (35%), while the highest traffic growth was delivered by Karusel stores in the regions – plus 23%.

For the first half 2008, gross sales in Karusel hypermarkets increased by 50% in RUR terms (LFL sales up 35%, non-LFL stores sales up 15%).

Expansion

	31-Dec-07	As of 31-Mar-08	30-Jun-08	Net Added in Q2 '08	Net Added in H1 '08	% change vs 31-Dec-07
Selling Space, sq. m.						
Hypermarkets	59,963	64,111	65,187	1,076	5,224	9%
Supermarkets	191,729	196,102	205,333	9,231	13,603	7%
Soft Discounters	357,517	379,084	389,321	10,237	31,804	9%
Total excluding Karusel	609,209	639,297	659,840	20,544	50,631	8%
Karusel Hypermarkets	-	-	132,014	132,014	132,014	
Total including Karusel	609,209	639,297	791,854	152,558	182,645	30%
# of Stores						
Hypermarkets	15	16	16	-	1	7%
Supermarkets	179	183	190	7	11	6%
Soft Discounters	674	731	762	31	88	13%
Total excluding Karusel	868	930	968	38	100	12%
Karusel Hypermarkets	-	-	23	23	23	
Total including Karusel	868	930	991	61	123	14%

In the second quarter 2008, X5 Retail Group N.V. added organically net 38 stores, including 31 soft discounter and seven supermarkets with a total net selling space of 20.5 thousand sq.m. Karusel acquisition added 23 hypermarkets to X5's store network (132.0 thousand sq.m. in selling space). Altogether, during the first half 2008 X5 entered five new cities: Perm, Tver, Kaluga, Velikiy Novgorod and Izhevsk.

As a result, at 30 June 2008, X5 Retail Group N.V., operated 991 stores in total, consisting of 762 soft discounters, 190 supermarkets, and 39 hypermarket stores (including 23 Karusel hypermarkets), with the total net selling space of 791.9 thousand sq. m..

Franchisees Expansion and Buy-Out Update

In the second quarter 2008, in accordance with the agreement between X5 and the former owners of Pyaterochka franchisee in Chelyabinsk, X5 purchased further 24% in the company that operates Pyaterochka stores in Yekaterinburg and Chelyabinsk for approximately USD 11 million (the chain's sales for 2007 exceeded USD 160 million). As a result, X5's stake in the business increased to 75%. As per the agreement, X5 has an option to purchase the remaining 25% in 2009. Purchase price will be determined on the basis of the chain's sales for 2008.

Additionally, X5 signed a new franchising agreement with the Prodmag company (Ivanovo) to develop a chain of Pyaterocka stores in the Ivanovo and Kostroma regions. In accordance with the agreement, *Prodmag* is obliged to open no fewer than 30 Pyaterochka stores in the Ivanovo and Kostroma regions within two years. The parties have also signed a call option agreement enabling X5 to buy-out *Prodmag*'s chain. The option is exercisable in 2011, which is in line with the Company's planned timing for entering these regions. Purchase price will depend on the chain's performance in 2010.

Overall, at the end of the first half 2008 the Company's franchisee store network totaled 710 stores across Russia and in Kazakhstan, including 8 *Perekrestok* and 702 *Pyaterochka* stores – these numbers take into account the buy out of 27 Kama-Retail's *Pyaterochka* stores that are now reported as Company-managed stores. X5 Retail Group does not consolidate franchisee stores' sales. The Group receives royalty payments from franchisees and reports them as other revenue.

Logistics Infrastructure Development

During the first half 2008 X5 Retail Group substantially increased its storage capacity – it added net four distribution centers (DCs) (one DC in Chelyabinsk was closed) with the total storage area of 45.1 thousand sq.m. As a result, as at 30 June 2008 the Group had 14 DCs totaling 188.8 thousand sq.m., including six DCs in Moscow (total storage space of 123.7 thousand sq.m.), three DCs in St. Petersburg (total storage space of 37.2 thousand sq.m.), one DC in Nizhniy Novgorod (storage space of 13.5 thousand sq.m.), one DC in Chelyabinsk (6.6 thousand sq.m.), one DC in Yekaterinburg (2.5 thousand sq.m.) one DC in Perm (3.6 thousand sq.m.) and one in Lipetsk (1.7 thousand sq.m.). Six Moscow-based DCs mentioned above include a distribution center in Lobnya (the Moscow region) with the storage area of 32.0 thousand sq.m., which X5 acquired in the second quarter 2008. This distribution center is currently under reconstruction and is planned for opening in October this year.

Karusel Integration and Outlook for 2008

X5 Retail Group N.V. has acquired operational control over Karusel hypermarkets on 27 June 2008 and has begun the integration process. X5 is revising its previously developed integration plan in line with more detailed and accurate information it obtained after the completion of the acquisition. Also, based on the fact that X5 has purchased Karusel brand, the Company now is evaluating all the pro's and con's of potential rebranding of acquired hypermarkets and might reconsider its initial approach.

As soon as the Company finalizes its analysis, it plans to provide the market with detailed information on the integration progress and inform of any changes to the initially announced integration plan, including its decision on rebranding. X5 also plans to provide updated guidance for the full year 2008 including expectations on performance of Karusel stores and new hypermarket openings. We expect to make such announcements along with the release of our first half 2008 financial results, which is currently scheduled for 28 August 2008.

As far as outstanding issues with former Formata (the owner of Karusel hypermarket chain) shareholders are concerned, as announced earlier, the Company is considering how best to resolve these issues and will keep the market updated of any developments in this respect.

Expected Changes in Financial Reporting

Starting from the second quarter 2008 X5 plans to introduce new reporting schedule based on limited audit reviews on a quarterly basis and one full-scope yearly audit.

Appendices

- I. LFL Store Performance by Format and Region**
- II. Net Retail Sales Performance by Region**
- III. Average Ticket and Number of Customers**
- IV. Net Selling Space Addition by Format and Region**
- V. Net Store Addition by Format and Region**
- VI. Financial Calendar for 2008**

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Note to Editors:**X5 Retail Group**

X5 Retail Group N.V. is Russia's largest food 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.

As at 30 June 2008, X5 had 991 Company-managed stores located in Moscow, St. Petersburg and other regions of European Russia, Urals and Ukraine, including 762 soft discount stores, 190 supermarkets and 39 hypermarkets.

As of 30 June 2008, X5's franchisees operated 710 stores across Russia and in Kazakhstan.

X5's net sales for the full year 2007 reached USD 5,320 mln, an increase of 53% year-on-year. Gross profit for the period totaled USD 1,404 mln, EBITDA amounted to USD 479 mln. Full year 2007 net income reached USD 144 mln.

X5 Retail Group N.V.'s net retail sales for the first half 2008 surged 61% in USD terms and reached USD 3,744 mln (excluding Karusel). Including Karusel on pro-forma basis the Company's net retail sales for the first half 2008 totaled USD 4,303 mln.

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.

Appendix I: LFL Store Performance by Format and Region*

	Total LFL, %	Q2 2008 Traffic, %	Basket, %	Total LFL, %	H1 2008 Traffic, %	Basket, %
<u>Moscow & the Moscow Region</u>						
Hypermarkets	23	4	19	25	6	19
Supermarkets	30	8	22	34	13	21
Soft Discounters	31	6	25	32	7	25
Total excluding Karusel	30	6	24	33	9	24
Karusel Hypermarkets	27	3	24	29	6	23
Total including Karusel**	30	6	24	33	9	24
<u>St. Petersburg & North-West</u>						
Hypermarkets	-	-	-	-	-	-
Supermarkets	30	12	18	31	15	16
Soft Discounters	17	-	17	16	-	16
Total excluding Karusel	18	1	17	17	2	15
Karusel Hypermarkets	35	10	25	36	13	23
Total including Karusel**	23	2	21	23	3	20
<u>Regions</u>						
Hypermarkets	14	-	14	21	8	13
Supermarkets	11	-1	12	15	4	11
Soft Discounters	42	16	26	45	19	26
Total excluding Karusel	17	5	12	22	10	12
Karusel Hypermarkets	31	23	8	34	30	4
Total including Karusel**	18	5	13	23	10	13
<u>X5 Retail Group</u>						
Hypermarkets	18	1	17	23	8	15
Supermarkets	25	6	19	30	11	19
Soft Discounters	25	4	21	25	5	20
Total excluding Karusel	24	4	20	27	7	20
Karusel Hypermarkets	33	10	23	35	14	21
Total including Karusel**	26	5	21	28	7	21

* Based on RUR-denominated gross sales (including VAT, excluding FX). Net sales RUR growth rates may immaterially differ due to effective VAT rate.

Like-for-like 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 like-for-like 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 like-for-like calculation starting from the first day of the month following the month of the store opening. The like-for-like comparison for each store takes into account retail sales generated by that store during the same months it was in operation in both the reporting period and the period of comparison. The retail sales of all the relevant stores in the relevant months are then aggregated and compared. Like-for-like sales are calculated on the basis of traffic and basket amounts of relevant stores in the period under review.

** On pro-forma basis

Appendix II: Net Retail Sales Performance by Region

USD mln	Q2 2008	Q2 2007	% change		H1 2008	H1 2007	% change	
			y-o-y				y-o-y	
Moscow & the Region	1,073.0	683.2	57%		2,053.2	1,302.5	58%	
St. Petersburg & North-West	509.7	357.3	43%		976.1	684.9	43%	
Other Regions	385.7	189.6	103%		714.3	344.0	108%	
Total excluding Karusel	1,968.4	1,230.1	60%		3,743.6	2,331.4	61%	
Karusel Moscow Region	66.0	41.2	60%		114.2	67.0	71%	
Karusel St. Petersburg & NW	206.9	135.0	53%		387.4	249.7	55%	
Karusel Regions	33.7	15.1	123%		57.3	26.1	119%	
Total Karusel	306.7	191.3	60%		558.9	342.8	63%	
Total including Karusel*	2,275.1	1,421.4	60%		4,302.6	2,674.2	61%	

RUR mln	Q2 2008	Q2 2007	% change		H1 2008	H1 2007	% change	
			y-o-y				y-o-y	
Moscow & the Region	25,382.3	17,681.5	44%		49,162.6	33,971.9	45%	
St. Petersburg & North-West	12,056.0	9,245.0	30%		23,371.0	17,864.0	31%	
Other Regions	9,132.4	4,911.3	86%		17,103.2	8,972.4	91%	
Total excluding Karusel	46,570.6	31,837.9	46%		89,636.8	60,808.3	47%	
Karusel Moscow Region	1,566.3	1,069.2	46%		2,735.5	1,747.4	57%	
Karusel St. Petersburg & NW	4,897.0	3,494.7	40%		9,276.8	6,512.6	42%	
Karusel Regions	799.4	391.1	104%		1,371.2	681.1	101%	
Total Karusel	7,262.7	4,955.0	47%		13,383.5	8,941.1	50%	
Total including Karusel*	53,833.4	36,792.9	46%		103,020.3	69,749.4	48%	

* On pro-forma basis

Appendix III: Average Ticket and Number of Customers

	Q2 2008	Q2 2007	% change, y-o-y	H1 2008	H1 2007	% change, y-o-y
<u>Average Ticket, RUR</u>						
Hypermarkets	453.6	391.2	16%	448.5	395.1	14%
Supermarkets	341.8	296.5	15%	340.5	299.5	14%
Soft Discounters	239.1	208.6	15%	239.1	209.1	14%
Total excluding Karusel	277.8	244.0	14%	277.9	244.9	13%
Karusel Hypermarkets	681.8	565.1	21%	666.4	558.6	19%
Total including Karusel*	302.0	264.3	14%	300.7	264.0	14%
<u>Average Ticket, USD</u>						
Hypermarkets	19.2	15.1	27%	18.7	15.1	24%
Supermarkets	14.5	11.5	26%	14.2	11.5	24%
Soft Discounters	10.1	8.1	25%	10.0	8.0	25%
Total excluding Karusel	11.7	9.4	25%	11.6	9.4	24%
Karusel Hypermarkets	28.8	21.8	32%	27.8	21.4	30%
Total including Karusel*	12.8	10.2	25%	12.6	10.1	24%
<u># of Customers</u>						
Hypermarkets	8.0	6.9	17%	16.1	12.7	27%
Supermarkets	55.1	45.6	21%	107.3	85.8	25%
Soft Discounters	127.8	96.3	33%	244.1	184.4	32%
Total excluding Karusel	191.0	148.8	28%	367.6	282.8	30%
Karusel Hypermarkets	12.2	10.0	21%	23.0	18.3	25%
Total including Karusel*	203.2	158.8	28%	390.5	301.1	30%

* On pro-forma basis

Appendix IV: Net Selling Space Addition by Format and Region

Selling Space, sq. m.	31-Dec-07	As of 31-Mar-08	30-Jun-08	Net Added in Q2 '08	Net Added in H1 '08	% change vs 31-Dec-07
<u>Moscow & the Moscow Region</u>						
Hypermarkets	17,189	17,189	18,259	1,070	1,070	6%
Supermarkets	107,554	110,370	111,234	864	3,680	3%
Soft Discounters	175,101	180,330	181,335	1,005	6,234	4%
Total excluding Karusel	299,845	307,890	310,829	2,939	10,984	4%
Karusel Hypermarkets	-	-	16,977	16,977	16,977	
Total including Karusel	299,845	307,890	327,805	19,916	27,961	9%
<u>St. Petersburg & North-West</u>						
Hypermarkets	-	-	-	-	-	
Supermarkets	24,061	23,633	23,628	-5*	-433	-2%
Soft Discounters	135,006	137,273	143,477	6,204	8,471	6%
Total excluding Karusel	159,067	160,906	167,105	6,199	8,038	5%
Karusel Hypermarkets	-	-	93,467	93,467	93,467	
Total including Karusel	159,067	160,906	260,572	99,666	101,505	64%
<u>Regions</u>						
Hypermarkets	42,774	46,922	46,928	6*	4,154	10%
Supermarkets	60,114	62,098	70,470	8,372	10,356	17%
Soft Discounters	47,410	61,481	64,508	3,028	17,098	36%
Total excluding Karusel	150,298	170,501	181,907	11,406	31,609	21%
Karusel Hypermarkets	-	-	21,570	21,570	21,570	
Total including Karusel	150,298	170,501	203,477	32,976	53,179	35%
<u>X5 Retail Group</u>						
Hypermarkets	59,963	64,111	65,187	1,076	5,224	9%
Supermarkets	191,729	196,102	205,333	9,231	13,603	7%
Soft Discounters	357,517	379,084	389,321	10,237	31,804	9%
Total excluding Karusel	609,209	639,297	659,840	20,544	50,631	8%
Karusel Hypermarkets	-	-	132,014	132,014	132,014	
Total including Karusel	609,209	639,297	791,854	152,558	182,645	30%

* Adjustment

Appendix V: Net Store Addition by Format and Region

# of Stores	31-Dec-07	As of 31-Mar-08	30-Jun-08	Net Added in Q2 '08	Net Added in H1 '08	% change vs 31-Dec-07
<u>Moscow & the Moscow Region</u>						
Hypermarkets	4	4	4	-	-	0%
Supermarkets	105	108	109	1	4	4%
Soft Discounters	309	321	334	13	25	8%
Total excluding Karusel	418	433	447	14	29	7%
Karusel Hypermarkets	-	-	4	4	4	
Total including Karusel	418	433	451	18	33	8%
<u>St. Petersburg & North-West</u>						
Hypermarkets	-	-	-	-	-	
Supermarkets	19	18	18	-	-1	-5%
Soft Discounters	244	249	259	10	15	6%
Total excluding Karusel	263	267	277	10	14	5%
Karusel Hypermarkets	-	-	15	15	15	
Total including Karusel	263	267	292	25	29	11%
<u>Regions</u>						
Hypermarkets	11	12	12	-	1	9%
Supermarkets	55	57	63	6	8	15%
Soft Discounters	121	161	169	8	48	40%
Total excluding Karusel	187	230	244	14	57	30%
Karusel Hypermarkets	-	-	4	4	4	
Total including Karusel	187	230	248	18	61	33%
<u>X5 Retail Group</u>						
Hypermarkets	15	16	16	-	1	7%
Supermarkets	179	183	190	7	11	6%
Soft Discounters	674	731	762	31	88	13%
Total excluding Karusel	868	930	968	38	100	12%
Karusel Hypermarkets	-	-	23	23	23	
Total including Karusel	868	930	991	61	123	14%

Appendix VI: Financial Calendar for 2008

Date	Event
10 July 2008	Q2 & H1 2008 Trading Update Release
28 August 2008, TBC	Q2 & H1 Financial Results Release
9 October 2008, TBC	Q3 2008 Trading Update Release
25 November 2008, TBC	Q3 2008 Financial Results Release