

**X5 RETAIL GROUP EXTRAORDINARY GENERAL MEETING  
OF SHAREHOLDERS  
APPROVES KIERAN BALFE AS GROUP CFO**

**Amsterdam, 22 February 2011** - X5 Retail Group N.V. (the “Company”), Russia's largest retailer in terms of sales, announced today the approval by the Extraordinary General Meeting of Shareholders of the appointment of Mr. Kieran Balfe as Chief Financial Officer and member of the Management Board of the Company (Director “A”) with immediate effect for a period of four years ending on the day of the Annual General Meeting in 2015.

Minutes of the meeting can be found in the Corporate Governance section of the Company’s website at <http://www.x5.ru/en/corporate/general/>.

\*\*\*

Kieran Balfe has almost two decades of management experience in the Russian market, most recently at Mars Inc., a global leader in branded consumer food, confectionary and pet care products with \$30 billion in sales. Following Mars’ acquisition of confectionary leader Wrigley, Kieran played a major role in the integration of the two companies’ Russian operations to drive efficiencies and leverage global scale and best practices. From 2001 to 2009, Kieran was Wrigley’s Deputy General Manager and CFO for Emerging Markets, responsible for corporate finance, strategic business planning, tax, compliance and audit functions with additional experience in managing IT, legal, overseeing a team of 150 people in Russia, Central Asia and other. In addition to managing organic business growth, Kieran participated in Wrigley’s acquisition of Russia’s premier chocolate company, Korkunov.

Kieran, 41, was born in Ireland and holds a Masters’ degree in accountancy from University College, Dublin. He qualified as a Member of the Institute of Chartered Accountants in Ireland in 1993 and was awarded his Fellowship (highest professional rank) in 2005. He is fluent in English and Russian and has worked in Russia since 1994, starting as an auditor with Coopers and Lybrand. From 1996 to 2001, he held positions at Glencore, American Home Products and Japan Tobacco.

---

*For further details please contact*

**Anna Kareva**  
**IR Director**  
**Tel.: +7 (495) 792-3511**  
**e-mail: [anna.kareva@X5.ru](mailto:anna.kareva@X5.ru)**

**Svetlana Vitkovskaya**  
**Head of PR Department**  
**Tel.: +7 (495) 662-8888, ext. 31 140**  
**e-mail: [svetlana.vitkovskaya@X5.ru](mailto:svetlana.vitkovskaya@X5.ru)**

**Note to Editors:**

X5 Retail Group N.V. 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 hypermarket format.

As at 31 December 2010, X5 had 2,469 Company-managed stores located in Moscow, St. Petersburg and other regions of European Russia, Urals and Ukraine, including 1,392 soft discount stores, 301 supermarkets, 71 hypermarkets, 45 convenience stores and 660 acquired Kopeyka stores.

As at 31 December 2010, X5's franchisees operated 665 stores across Russia.

For the first nine months 2010, net sales totaled USD 7,798 mln, EBITDA reached USD 593 mln, and net profit amounted to USD 183 mln. For the full year 2010, net retail sales totaled USD 11,248 mln.

X5 Shareholder structure is as follows: Alfa Group – 47.9%, founders of Pyaterochka – 19.8%, X5 Management – 1.9%, treasury shares – 0.1%, free float – 30.3%.

***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.*