

## **OLEG VYSOTSKY TO STEP DOWN AS GENERAL DIRECTOR OF DISCOUNTER FORMAT**

**Amsterdam, 5 March 2012** - X5 Retail Group N.V., Russia's largest retailer in terms of sales, today announced that Oleg Vysotsky, Discounter format General Director, will step down after nearly 15 years with the Company. He will continue to manage the business for an interim period and will serve as a transition advisor once a successor is appointed. The Company has already identified internal and external candidates and is conducting an exhaustive search to consider the broadest pool of management talent for this position.

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

*"I would like to thank Oleg for his many years of contribution and for his commitment to an orderly management transition. I am confident we will appoint an outstanding retail executive to lead the discounter format for its next phase of profitable growth."*

*"X5 has built an outstanding position in discounters, and Pyaterochka is consistently ranked as one of Russia's strongest consumer brands. In the fall of 2011, we transitioned to a true multi-format structure that is more strongly focused on customers. Following completion of the Kopeyka integration, P&L responsibilities were delegated to experienced regional directors to manage our growing scale in discounters on a decentralized basis. This expanded discounter management team is now executing on key business priorities and the format is well positioned for sustainable profitable growth."*

Oleg Vysotsky has been with the Company since 1998. He was appointed General Director of X5 Retail Group's discounter format in 2006 following the merger between Pyaterochka and Perekrestok

**Note to Editors:**

X5 Retail Group N.V. (LSE: FIVE, Moody's - "B2", S&P - "B+") is Russia's largest food retailer. The Company operates several retail formats: the soft discounter chain under the Pyaterochka brand, the supermarket chain under the Perekrestok brand, the hypermarket chain under the Karusel brand and convenience stores under different brands.

As at 31 December 2011, X5 had 3,002 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 2,525 soft discounter stores, 330 supermarkets, 77 hypermarkets and 70 convenience stores. The Company operates 29 distribution centres across the Russian Federation.

As at 31 December 2011, X5's franchisees operated 658 stores across Russia.

For the full year 2010, net sales totaled USD 11,280 mln, EBITDA reached USD 844 mln, and net profit amounted to USD 271 mln. For the first nine months of 2011, net sales totaled USD 11,490 mln, EBITDA reached USD 786 mln and net profit amounted to USD 168 mln.

X5 Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 19.85%, X5 Management and/or Supervisory Board members – 0.09%, treasury shares – 0.11%, free float – 32.09%.

*Forward looking statements:*

*This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the fact that they do not only relate to historical or current events. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "expected", "plan", "goal", "believe", or other words of similar meaning.*

*By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, a number of which are beyond X5 Retail Group N.V.'s control. As a result, actual future results may differ materially from the plans, goals and expectations set out in these forward-looking statements.*

*Any forward-looking statements made by or on behalf of X5 Retail Group N.V. speak only as at the date of this announcement. Save as required by any applicable laws or regulations, X5 Retail Group N.V. undertakes no obligation publicly to release the results of any revisions to any forward-looking statements in this document that may occur due to any change in its expectations or to reflect events or circumstances after the date of this document.*

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