

X5 SIGNS LOAN AGREEMENT WITH VTB CAPITAL

Amsterdam, 28 August 2012 - X5 Retail Group N.V., (“X5” or the “Company”), Russia's largest retailer in terms of revenue (LSE ticker symbol: FIVE), announced today that the Company has signed a RUR term-loan agreement with VTB Capital Plc. (VTB) in the amount of RUR 9,000 million to refinance X5’s current short-term debt.

The new term-loan has a bullet repayment, a tenor of 3.5 years.

The new VTB facility will diversify and improve X5’s current debt structure, extending the maturity schedule of the Company’s debt portfolio to 2016 and reducing short-term debt to less than 30% of X5’s total debt. The new loan will not result in an increase in the Company’s total debt.

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Note to Editors:

Headquartered in Moscow, X5 Retail Group (LSE: FIVE, Moody's - "B2", S&P - "B+") is Russia's largest retailer in terms of revenue. 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, the online retail channel under E5.ru brand and convenience stores under various brands.

As at 30 June 2012, X5 had 3,298 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 2,783 soft discounter stores, 341 supermarkets, 77 hypermarkets and 97 convenience stores. The Company operates 28 DCs and 1,539 Company-owned trucks across the Russian Federation.

X5 is run on an SAP platform.

As at 30 June 2012, X5's direct franchisees operated 399 stores across Russia.

For the full year 2011, net sales totaled USD 15,455 mln, EBITDA reached USD 1,130 mln, and net profit amounted to USD 302 mln. For the first half 2012, net sales totaled USD 7,859 mln, EBITDA reached USD 554 mln and net profit amounted to USD 135 mln.

X5 Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 19.85%, X5 Directors – 0.14%, treasury shares – 0.11%, free float – 32.04%.