







X5 RETAIL GROUP, RUSNANO AND RTI OPEN THE "STORE OF THE FUTURE"

Moscow, 17 December 2012 — X5 Retail Group N.V. ("X5 or the Company"), OJSC RUSNANO and OJSC RTI announced today the opening of the Perekrestok supermarket "Store of the Future" (the "Store") located on the territory of the Company's Moscow office. This innovative joint project represents a unique venture in the Russian and global retail industry by combining cutting-edge technologies for retail operations and customer service. Currently, only X5 employees and guests of the Company's Moscow office can shop at the Store.

The sales area of the pilot Store amounts to 234 square meters and the assortment includes 5,300 products. The Store employs advanced technologies and equipment, which allow it to operate without cashiers and salespeople. All items in the Store are marked with Radio Frequency Identification ("RFID") tags, which facilitate product monitoring from the vendor to distribution centers and further to the Store's shelves. It also allows the Store director to control product expiry dates, collect information on quantity and assortment on the shelves and to prevent the delivery and acceptance of pirated products. The use of the RFID technology allows the customer to scan all of the selected products at the same time and instantly calculate an electronic bill. This technology is also effective in preventing theft and shrinkage.

Using the new technology to improve the shopping process at the Store is very simple. First, the customer selects products from the trade floor, puts them into a basket and proceeds to the automated cash pay-office (the "Identifier"). Then, after loading the basket with the selected products into a special scanner-compartment located within the Identifier, the customer inserts the special client card into the readout device and the terminal screen displays the list of selected products and the total price. The products are scanned simultaneously, which significantly decreases check-out times, and payment is then performed via a special terminal that accepts cash, credit cards and Pay Pass payments.

Stephan DuCharme, Acting-Chief Executive Officer of X5 Retail Group N. V. commented:

"X5 has taken a leading role in promoting and applying the most advanced technology in the food retail industry. We are grateful to our partners in the joint project for their hard work and contributions, which have resulted in the successful creation of the Store of the Future. We hope that this unique and improved shopping experience will soon be available to more of X5's customers."

Georgiy Kolpachev, Managing Director of RUSNANO commented:

"We are certain that this is the first step toward the universal application of RFID technology in the retail industry. The introduction of the new technology decreases expenses for all market participants and demonstrates the benefits of cross industry collaboration to improve processes and results. The widespread introduction of RFID during our lifetime will improve our quality of life and create new markets for Russian and foreign hi-tech companies."

Sergey Boyev, RTI General Director commented:

"The consolidation of high tech assets under the umbrella of RTI, has created the conditions for the design of innovative products and solutions. The "Store of the Future" is an example of the cooperation between industry leaders X5 Retail Group, RUSNANO and RTI to introduce breakthrough technology in the retail and hi-tech industries. We are convinced that RFID technology has a promising future and expect see an increase in its application in the coming years."

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For reference:

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

At 30 September 2012, X5 had 3,472 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 2,936 soft discounter stores, 350 supermarkets, 76 hypermarkets and 110 convenience stores. The Company operates 28 DCs and 1,854 Company-owned trucks across the Russian Federation. At 30 September 2012, the number of X5 employees totaled 102 thousand.

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 nine months of 2012, net sales totaled USD 11,475 mln, EBITDA reached USD 774 mln and net profit amounted to USD 147 mln.

X5's Shareholder structure is as follows: Alfa Group -47.86%, founders of Pyaterochka -19.85%, X5 Directors -0.13%, treasury shares -0.11%, free float -32.05%.

Open Joint Stock Company (OJSC) RUSNANO was created in March 2011 through the re-organization of state corporation "Russian Corporation of Nanotechnologies". OJSC RUSNANO contributes to the realization of government policy in the field of nanotechnology by acting as a co-investor in nanotechnology projects with significant economic or social potential. OJSC RUSNANO is wholly-owned by the Russian government and Anatoly Chubais is the Chairman of the Executive Board.

Open Joint Stock Company (OJSC) RTI is the largest Russian industrial holding. The production facilities of OJSC RTI include in-house R&D-infrastructure, which allows it to implement unique projects in terms of complexity and scale in the sphere of radio- and space-technologies, navigation and the micro-electronics industry. OJSC RTI's product portfolio includes turnkey solutions in the fields of complex communications and security systems, as well as systems integration, micro-electronics, telecommunications, geo-informatics and radio-navigation. OJSC RTI also participates in large-scale defense projects and is listed in the Defense News Top 100 international ranking.