

## **X5 OPENS FIRST REFURBISHED PYATEROCHKA IN NIZHNY NOVGOROD**

**Nizhny Novgorod, 26 October 2013** - X5 Retail Group N.V. (“X5” or the “Company”), a leading Russian food retailer, announced today the opening of the first refurbished Pyaterochka in Nizhny Novgorod under the format’s new brand concept. Stephan DuCharme, X5 Retail Group CEO, and Vladimir Soldatenkov, head of Avtozavodskoy district administration, took part in store opening ceremony.

The opening ceremony for the refurbished Pyaterochka, located at 24 Arkadiy Gaidar Street at March Shopping Mall in Nizhny Novgorod, took place on 26 October, 2013. The selling space of the store is 551 sqm. As part of the refurbishment process the store’s fresh category assortment (fruits, vegetables, meat, dairy products and fish) was significantly expanded.

Pyaterochka is actively interacting with over 70 local producers and suppliers. The share of local supplies reaches 70-100% in selected categories, e. g. – bread and bakery products.

Avtozavodskoy districts is the most populated district in Nizhny Novgorod with more than 300,000 citizens and the second district with food retail turnover. March Shopping Mall is located at the highway to airport, that will support Pyaterochka’s traffic.

Currently Pyaterochka operates 169 stores in Nizhny Novgorod Region with 73 stores in Nizhny Novgorod. There are also 17 Perekrestok supermarkets and 5 Karusel hypermarkets in the region. By the end of 2013, X5 plans to open 20 Pyaterochkas in the region under the new brand concept.

The refurbishment program was launched on 1 October 2013. According to the program, almost all Pyaterochka stores will be renovated within two years. The assortment at Pyaterochka will be refreshed weekly with up to 50 new products introduced each week, primarily in the fresh category. The program also includes new uniforms for in-store employees.

As part of the brand positioning initiative, store Directors will also assume the role of Fresh Director and be responsible for control of product expiry dates, customer relations and service and will always be available to customers on the trading floor. Pyaterochka will also optimize subleasing arrangements and customers will find new services in stores, like E5.ru stands (X5’s online retail channel), pharmacies, dry cleaners, mobile phone outlets and payment terminals for utilities.

### **Contacts:**

**Gregory Madick**  
**Executive IR Director**  
**Tel.: +7 (495) 502-9783**  
**e-mail: [Gregory.Madick@x5.ru](mailto:Gregory.Madick@x5.ru)**

**Vladimir Rusanov**  
**Head of PR Department**  
**Tel.: +7 (495) 662-8888, ext. 31-328**  
**e-mail: [Vladimir.Rusanov@x5.ru](mailto:Vladimir.Rusanov@x5.ru)**

**Note to Editors:**

X5 Retail Group N.V. (LSE: FIVE, Moody's - "B2", S&P - "B+") is a leading Russian 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, the online retail channel under the E5.ru brand and convenience stores under various brands.

At 30 September 2013, X5 had 4,187 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 3,568 Pyaterochka soft discounter stores, 382 Perekrestok supermarkets, 78 Karusel hypermarkets and 159 convenience stores. The Company operates 29 DCs and 1,820 Company-owned trucks across the Russian Federation.

For the full year 2012, net sales totaled USD 15,795 mln, EBITDA reached USD 1,124 mln, and net loss amounted to USD 126 mln. For the first six months of 2013, net sales totaled USD 8,382 mln, EBITDA reached USD 576 mln and net profit amounted to USD 139 mln.

X5's Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 16.35%, X5 Directors – 0.02%, treasury shares – 0.06%, free float – 35.71%.