

X5 CONCLUDES COOPERATION AGREEMENT WITH THE TYUMEN REGION

Tyumen, 15 November 2013 - X5 Retail Group N.V., (“X5” or the “Company”) a leading Russian food retailer, announced today that it has concluded a cooperation agreement with the Tyumen Region’s government. According to a document signed by Vladimir Yakushev, the Governor of the Tyumen Region, and Stephan DuCharme, Chief Executive Officer, X5 Retail Group, X5 plans to build a distribution center and open not less than 100 new stores in the Region, including franchise stores in municipal districts, by 2016. Total planned capital expenditures amount to approximately five billion Russian roubles. The regional administration undertakes to support X5 in implementing these plans.

Currently, X5 manages 10 Pyaterochka stores, six Perekrestok stores and one Karusel hypermarket in the city of Tyumen. In addition, there are two Pyaterochka stores in Tobolsk the second largest city in the region. The Company’s development plans in the Tyumen Region will increase tax payments and create new job opportunities.

The Tyumen Region is an important region for X5’s development plans beyond the Ural Mountains. During the last six years, the annual growth rate of the Tyumen Region’s gross regional product (GRP) stood at 10%; in 2013, the GRP is expected to reach €19 billion. Tyumen is strategically located, connecting the region’s northern, southern, eastern and western territories. The region is crossed by the Trans-Siberian Railroad and federal highways that connect Yekaterinburg, Kurgan, Omsk, Yamal, Yugra and Kazakhstan.

After signing the agreement, the X5 Retail Group delegation, headed by Stephan DuCharme, took part in the opening ceremony of Golden Autumn, an annual agricultural exhibition. X5 was the first federal retail company to take part in the event, which was also attended by Nikolai Fyodorov, Russia’s Minister of Agriculture.

During the visit, X5 representatives held a purchasing session in which more than 50 local producers were involved. As of now, the share of local products in X5’s Tyumen stores is approximately 27% and there is significant potential to increase local producers’ shares in respect to certain categories of products, such as: fish, meat and milk. Participants in the purchasing session were Sergei Zhdanov, Deputy Minister of Industry and Trade, and Andrei Karpov, Executive Director of the Association of Retail Companies, who emphasized the importance of using principles outlined in the Russian retail industry’s “Code of Good Practice”.

On 13 November, prior to X5’s visit to Tyumen, the company held a purchasing session for local suppliers in Yekaterinburg, within the framework of the annual event, “Retail Chains’ Week”.

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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 chains: 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 Pyaterochkas, 382 Perekrestoks, 78 Karusels and 159 convenience stores. The Company operates 29 DCs and 1,823 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%.