

15 NEW PYATEROCHKA STORES TO OPEN IN MAGNITOGORSK

Magnitogorsk, 21 April 2014 – X5 Retail Group N.V., (“X5” or the “Company”), a leading Russian food retailer in terms of sales, announced today the Company’s acquisition of a 100% share in Malakhit LLC, which owns 15 stores under the “Family” brand. X5 plans to refurbish the stores according to the “New Pyaterochka” concept and brand book. Prior to the acquisition, X5 operated 168 Pyaterochka stores in the Chelyabinsk Region of which, 18 were located in Magnitogorsk.

As part of the refurbishment process, X5 plans to install new equipment, change in-store navigation and improve the stores’ appearance. According to the “New Pyaterochka” concept, each store’s product range will include more fresh products (vegetables, fruits, meat, fish, and dairy products), and up to 50 new products will rotate onto store shelves each week. There will also be special attention paid to products from local manufacturers and producers.

Under the “New Pyaterochka” concept, store directors will be located on the sales floor and be responsible for monitoring the quality of fresh products, employee productivity and providing assistance to customers.

Every day from 09:00 to 12:00, in all Pyaterochka stores in the Urals, pensioners receive a 5% discount. This discount will also be available to the more than 60,000 employees of the Magnitogorsk Metallurgical Plant (MMK) who pay with their corporate payroll bank cards as part of a joint project between MMK and Pyaterochka. This partnership will allow Pyaterochka stores to expand their loyal customer base, and to increase and maintain traffic while the family budgets of MMK employees will benefit from the purchasing conditions.

The official announcement of the Pyaterochka and MMK joint project is planned for 24 April in Magnitogorsk.



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 chain of economy class stores under the Pyaterochka brand, the supermarket chain under the Perekrestok brand, the hypermarket chain under the Karusel brand, Express convenience stores under various brands and the online retail channel under the E5.RU brand.

At 31 March 2014, X5 had 4,618 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 3,966 Pyaterochka economy-class stores, 384 Perekrestok supermarkets, 81 Karusel hypermarkets and 187 Express stores. The Company operates 32 DCs and 1,690 Company-owned trucks across the Russian Federation.

For the full year 2013, revenue totaled USD 16,785 mln, EBITDA reached USD 1,204 mln, and net income amounted to USD 345 mln.

X5's Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 14.43%, X5 Directors – 0.02%, treasury shares – 0.08%, free float – 37.61%.

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