

X5 REFURBISHED 100 PYATEROCHKA STORES IN MOSCOW

Moscow, 14 May 2014 – X5 Retail Group N.V. (“X5” or the “Company”), a leading Russian food retailer, announced today that a 100th Pyaterochka store in Moscow was reopened after refurbishment under the format’s new brand concept (“New Pyaterochka”).

The refurbished store is located in the South-Western District of Moscow at 21 Nagornaya Street. Olga Naumova, General Director of the Pyaterochka retail chain, and Olga Zubkova, Head of the Moscow Department of Retail Trade and Services Infrastructure Development took part in the opening ceremony.

The refurbishment was completed in less than 20 days and included changes to facade, store lay-out and equipment. As part of the refurbishment process the store’s selling space area was increased, new equipment was installed and the store became “lighter”, more spacious and convenient for shopping. The fresh category assortment (fruits, vegetables, meat, dairy products and fish) was also significantly expanded. The assortment at Pyaterochka will be refreshed weekly with up to 50 new products introduced each week.

Refurbishment program was launched in October 2013 and was positively received by our customers. Since the start of the program total number of refurbished stores and stores opened organically under the new brand concept exceeded 500 stores.

Product quality and customer service are key priorities of the new brand positioning initiative. As a part of this initiative, store directors assumed the role of fresh director and are now responsible for control of product expiry dates, customer relations and service. In addition to this, X5 continues to develop its program “We Are Responsible for Quality” which provides our customers who find an expired product with an opportunity to receive a fresh one for free. Despite its focus on service and quality, Pyaterochka stores still offer low prices, run attractive and popular promo campaigns and provide a 5% discount for pensioners.

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 RUR 534,560 mln, EBITDA reached RUR 38,350 mln, and net income amounted to RUR 10,984 mln. In Q1 2014, revenue totaled RUR 144,167 mln, EBITDA reached RUR 9,796 mln, and net income amounted to RUR 2,469 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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