



X5 SIGNS COOPERATION AGREEMENT WITH LENINGRAD REGION

St. Petersburg, 22 May 2014 - X5 Retail Group N.V., (“X5” or the “Company”), one of Russia's leading food retailers, announced today that a Cooperation Agreement (the “Agreement”) has been signed between the Company, represented by X5’s Executive Director of Corporate Services, Sergey Bakumov, and the Government of the Leningrad Region¹ (the “Region”), represented by Governor Alexander Drozdenko. The Agreement was signed within the framework of the St. Petersburg International Economic Forum.

The Agreement, valid until the end of 2016, covers cooperation in the areas of investment and economic development for the Leningrad Region and highlights that the opening of X5 stores will create jobs and economic prosperity for the Region. According to the Agreement, the Company, in conjunction with the Government of the Region, will conduct charitable activities and support environmental projects and other socially important initiatives. Also, in addition to the development of retail operations in the Region, the Company will also work to expand cooperation with local manufacturers and producers.

Currently, X5 manages 196 Pyaterochka economy class stores, two Karusel hypermarkets and two Perekrestok supermarkets in the Leningrad Region, which is a key part of the Company’s North-Western Division. The Company also manages five distribution centers in the Region with a total area of 80,000 square meters.

To date, X5 has concluded cooperation agreements with the governments of the Moscow, Leningrad, Tyumen, Sverdlovsk, Volgograd, Kursk, Orel, Ryazan, Stavropol and Krasnodar Regions to promote modern retail and economic development in Russia.

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¹ Leningrad region is a federal subject of Russian Federation with population of over 1.7 mln people. The city of Saint Petersburg is a separate subject of the Federation.



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%.