

X5 OPENS 4,000 PYATEROCHKA STORE

Krasnodar-Tikhoretsk, 22 May 2014 - X5 Retail Group N.V., (“X5” or the “Company”), one of Russia’s leading food retailers, announced today the opening of the Company’s 4,000th Pyaterochka store in the city of Tikhoretsk, located in the Krasnodar Region. The store is the 250th Pyaterochka located in Southern Russia.

The announcement was made at a press conference held at the store and attended by Stephan DuCharme, X5 CEO, Olga Naumova, General Director of Pyaterochka and Gennady Taran, Director of Pyaterochka’s southern division.

The store has over 300 square meters of selling space and was built on the Company’s own land plot in accordance with Pyaterochka’s rebranding concept "Pyaterochka – Surprising customers every day!", which was launched in October 2013. To date, more than 500 Pyaterochka stores have been opened or rebranded in accordance with the new concept.

The first Pyaterochka store opened in St. Petersburg in February 1999 and by the end of 2009 there were more than 1,000 Pyaterochka stores. Over the past five years, X5 has opened approximately 3,000 Pyaterochka stores, considerably expanding the format's geographical presence from Petrozavodsk, in the Karelia Republic, to Tobolsk, in the Tyumen Region.

Pyaterochka generates almost two-thirds of X5’s net retail sales. In Q1 2014, Pyaterochka's net retail sales grew 17.7% compared Q1 2013 due to a 10.1% increase in customers, approximately four million customers per day, and a 6.9% increase in average ticket.

As part of the 4,000th Pyaterochka store opening festivities, customers were offered prizes and promotions, including: a new refrigerator for the largest purchase made today in Pyaterochka stores in certain major cities, also from 20 May to 29 May, the format will run the “Shocking Discounts” promotional campaign and from 9 June to 29 June, Pyaterochka will hold a mega promotion for 1,000 products discounted by up to 70%.

Tikhoretsk customers were treated to a large festival with contests, quizzes, and a concert as part of the opening celebration and the store also adopted a local school and will serve as its patron. Third-year pupils from the school who earned excellent grades received corporate gifts and top Pyaterochka and X5 managers awarded them special Pyaterochnik’s (Outstanding Pupil’s) neckties.

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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 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%.