

X5 RETAIL GROUP WITHDRAWS FAS APPLICATION

Amsterdam, 05 August 2014 - X5 Retail Group N.V. ("X5" or the "Company"), a leading Russian food retailer (LSE ticker: "FIVE"), announced today that the Company has withdrawn its application to the Russian Federal Antimonopoly Service ("FAS") for approval of the Tamerlan acquisition.

Prior to the withdrawal of the FAS application, X5 was in negotiations for the acquisition of the Tamerlan retail chain, which operates 350 stores in Volgograd and Samara, however, the negotiations are no longer active.

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 30 June 2014, X5 had 4,779 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 4,128 Pyaterochka economy-class stores, 387 Perekrestok supermarkets, 81 Karusel hypermarkets and 183 Express stores. The Company operates 30 DCs and 1,622 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 – 0.03%, treasury shares – 0.03%, free float – 37.64%.

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