

MOODY'S CHANGES X5'S OUTLOOK TO POSITIVE

Amsterdam, 9 September 2014 - X5 Retail Group N.V. ("X5" or the "Company"), a leading Russian food retailer (LSE ticker: "FIVE"), announced today that Moody's has changed the Company's outlook from stable to positive and affirmed X5's corporate family rating at B2.

As stated in the rating agency's press-release, *"the rating action reflects X5's consistently improving operating performance since 4Q 2013 as a result of the company's ongoing efforts to turnaround the business model and achieve the post-merger integration of various formats"*. Moody's also noted that *"X5 has managed to strengthen its liquidity position, improving the maturity profile of its debt portfolio"*.

The agency explained that the change in outlook to positive from stable was mainly prompted by its view that *"the Company will deliver on its operating targets, including sustainable like-for-like sales growth, which should translate into gradual deleveraging"*.

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 RUB 534,560 mln, EBITDA reached RUB 38,350 mln, and net income amounted to RUB 10,984 mln. In H1 2014, revenue totaled RUB 299,746 mln, EBITDA reached RUB 21,194 mln, and net income amounted to RUB 6,449 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 – 37.65%.

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