

X5 ANNOUNCES SENIOR MANAGEMENT CHANGES & PROMOTIONS

Amsterdam, 23 September 2014 - X5 Retail Group N.V. (“X5” or the “Company”), a leading Russian food retailer (LSE ticker: “FIVE”), announced today that Janusz Lella will be stepping down as general director of X5’s Perekrestok supermarket chain.

Vladimir Sorokin will be promoted to general director of Perekrestok and to the Company’s executive board effective 1 October 2014. Mr. Sorokin was most recently director of category management for Pyaterochka, X5’s chain of economy class stores, where he oversaw the successful implementation of the chain’s category management function and new assortment. Mr. Sorokin was also a key member of the transformation team responsible for the strategic changes to X5’s new operational model and the “New Pyaterochka” rebranding concept launched in October 2013.

Mr. Sorokin has approximately 20 years of experience in the retail, FMCG and insurance industries. He joined X5 in January 2013 as deputy purchasing director and prior to that he held senior management positions with Alfa Insurance, SunInterbrew and Gillette.

Mr. Sorokin’s deputy will be promoted to the director of category management position for Pyaterochka.

X5 Retail Group CEO **Stephan DuCharme** commented:

“We have made succession and management development programs a priority at X5 and these promotions are a direct result of our efforts to develop the internal talent necessary to meet the needs and challenges of our rapidly growing business.

Vladimir played a key role in the turnaround of Pyaterochka and has developed the necessary strategic, operational and analytic skills to oversee the final stages of the turnaround at Perekrestok as well as the future expansion of our supermarket business.

I would like to thank Janusz for the work he has done on the transformation of Perekrestok. He has overseen the introduction of the structural and conceptual changes necessary to reposition Perekrestok as the number one supermarket in Russia for quality, choice and value. Thanks to Janusz we are on schedule to deliver the turnaround our customers and shareholders expect. We wish him well in his future endeavors.

We expect a seamless transition of responsibilities and do not expect any disruptions to the turnaround timeline as a result of these changes.

I look forward to introducing the new members of our team at X5’s upcoming Capital Market’s Day at the end of October.”

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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