

PEREKRESTOK EXPANDS DISCOUNTS FOR PENSIONERS

Moscow, 27 January 2015 – X5 Retail Group N.V., ('X5' or the 'Company'), a leading Russian food retailer (LSE ticker: 'FIVE'), announced the launch of a social support program for pensioners, which provides a 10% discount on socially important food products in all of its Perekrestok stores. The program kicked off in the Moscow and Moscow region stores and will shortly be rolled out to other cities across Russia's Central Region and then to other regions where Perekrestok is located.

Discounted prices will be available throughout the week from 9 am to 1 pm and will cover the top thirty food products with the highest demand, including cabbage, tomatoes, onions, carrots, potatoes, apples, bananas, bread, buckwheat, millet, rice, oat flakes, flour, sugar, sunflower oil, chicken legs, yoghurt, sour cream, milk, cottage cheese, eggs, butter and cheese. The product items covered by the program may vary by region and locally available stock, and will be marked by special red '10% pensioner discount' eye catching labels. The current 5% pensioner discount from 9 am to 1 pm on all other products available at Perekrestok stores will also remain in effect. The discounts are not applied to promotional items.

Discounts offered at Perekrestok stores present an additional opportunity for cost savings for socially vulnerable population groups in line with X5's priority target of providing access to high quality food products at affordable prices. In addition to Perekrestok stores, regular pensioner discounts are available across our Pyaterochka (5%, from 10 am to 2 pm) and Karusel (5%, from the store opening to 1 pm) chains.

All Moscow Pyaterochka, Perekrestok and Karusel stores also accept electronic social cards with a monthly balance of RUB 500 credited by the Moscow City Social Security Department to Moscow residents. The project was launched by the Moscow City Government in October 2013 to support low-income population groups including senior citizens, multi-child families, the disabled and people suffering specific hardships.

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 and Express convenience stores under various brands.

At 31 December 2014, X5 had 5,483 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 4,789 Pyaterochka economy-class stores, 403 Perekrestok supermarkets, 82 Karusel hypermarkets and 209 Express stores. The Company operates 34 DCs and 1,438 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 9M 2014, revenue totaled RUB 452,285 mln, EBITDA reached RUB 32,365 mln, and net income amounted to RUB 9,869 mln.

X5's Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 14.43%, X5 Directors – 0.04%, treasury shares – 0.04%, free float – 37.63%.

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