X5 RETAIL GROUP

# UPDATED[1] X5 RETAIL GROUP Q4 & FY 2011 TRADING RESULTS[2]:

## FY 2011 NET RETAIL SALES UP 32% IN RUR TERMS AND 37% IN USD TERMS TO USD 15.4 BLN

## X5 EXCEEDED ITS ORGANIC EXPANSION PLAN FOR 2011 WITH A RECORD 577 NET STORE OPENINGS

## COMPANY SURPASSES THE 3,000 STORE MARK AND MAINTAINS NUMBER ONE POSITION IN RUSSIAN RETAIL MARKET

**Amsterdam, 20 January 2012 -** X5 Retail Group N.V., Russia's largest retailer in terms of revenue (LSE ticker: "FIVE"), announced today its retail sales and operational performance for the fourth quarter and full year of 2011.

### Q4 2011 Highlights

- Consolidated net retail sales increased 16% year-on-year in RUR terms to RUR 123,316 mln or 14% in USD terms to USD 3,955 mln;
- X5's LFL sales decreased by 2% in RUR terms year-on-year;
- 217 stores added organically on a net basis in Q4 2011, including 198 soft discounters, nine supermarkets, five hypermarkets and five convenience stores;
- Net addition of 86 thousand sq. m. of selling space.

### FY 2011 Highlights

- Consolidated net retail sales increased 32% year-on-year in RUR terms to RUR 452,482 mln or 37% in USD terms to USD 15,397 mln;
- X5's LFL sales grew 6% in RUR terms year-on-year;
- 577 stores added organically on a net basis in FY 2011, including 526 soft discounters, 20 supermarkets, six hypermarkets, 25 convenience stores;
- X5 converted 616 Kopeyka stores (607 as soft discounters and nine as supermarkets) and closed 44 acquired stores;
- Net addition of 172 thousand sq. m. of selling space.

X5 Retail Group CEO **Andrei Gusev** commented:

*"X5 drove top-line growth of 37% in USD terms this year and maintained its market leadership position with USD 15.4 bln in annual sales. Execution of our organic expansion plan was well in excess of our objectives, with a record 577 net new stores openings in 2011.*

*"Whereas X5's results in 2010 and the first half of 2011 benefited from stronger consumer spending and trading up trends bolstered by economic recovery, the picture has reversed in the third and fourth quarter of this year. The tougher market environment, a strong comparative base effect and consolidation of Kopeyka from December 2010 are reflected in X5's Q4 2011 trading results."*

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(1) Updated on 22 March 2012, based on reviewed calculation of percentage contributions to YoY total gross retail sales growth in Q4 and FY 2011 (page 3, *Gross Retail Sales Dynamics table*).

(2) Numbers provided in this press release are preliminary and not audited.

## Net Retail Sales[1] Performance

### *Net Retail Sales Dynamics by Format[2]*

| USD mln | Q4 2011 | Q4 2010 | % change y-o-y | FY 2011 | FY 2010 | % change y-o-y |
|---|---|---|---|---|---|---|
| Hypermarkets | 572.8 | 592.2 | *(3%)* | 2,267.3 | 2,012.7 | *13%* |
| Supermarkets | 847.7 | 813.4 | *4%* | 3,358.2 | 2,737.2 | *23%* |
| Soft Discounters | 2,014.8 | 1,817.6 | *11%* | 7,840.9 | 6,199.8 | *26%* |
| Convenience stores[3] | 27.7 | 22.6 | *23%* | 101.8 | 61.2 | *66%* |
| Online[4] | - | 6.9 | *n/a* | 7.8 | 20.3 | *(62%)* |
| Kopeyka stores[5] | 491.6 | 217.0 | *127%* | 1,821.3 | 217.0 | *740%* |
| **X5 Retail Group Total** | **3,954.6** | **3,469.5** | ***14%*** | **15,397.3** | **11,248.1** | ***37%*** |

| RUR mln | Q4 2011 | Q4 2010 | % change y-o-y | FY 2011 | FY 2010 | % change y-o-y |
|---|---|---|---|---|---|---|
| Hypermarkets | 17,886.8 | 18,148.5 | *(1%)* | 66,629.3 | 61,123.0 | *9%* |
| Supermarkets | 26,471.9 | 24,922.9 | *6%* | 98,688.8 | 83,126.4 | *19%* |
| Soft Discounters | 62,827.0 | 55,704.7 | *13%* | 230,424.4 | 188,284.1 | *22%* |
| Convenience stores[3] | 859.2 | 689.3 | *25%* | 2,991.9 | 1,857.3 | *61%* |
| Online[4] | - | 210.6 | *n/a* | 224.2 | 616.9 | *(64%)* |
| Kopeyka stores[5] | 15,271.6 | 6,588.6 | *132%* | 53,523.6 | 6,588.6 | *712%* |
| **X5 Retail Group Total** | **123,316.4** | **106,264.6** | ***16%*** | **452,482.1** | **341,596.3** | ***32%*** |

X5 net retail sales for the fourth quarter of 2011 grew 16% year-on-year in RUR terms to RUR 123,316 mln, or 14% in USD terms to USD 3,955 mln. FY 2011 net retail sales were RUR 452,482 mln - an increase of 32% year-on-year in RUR and 37% in USD terms, respectively.

(1) Net retail sales represent revenue from operations of X5 managed stores excluding VAT. This number differs from total net sales that also include revenue from franchisees (royalty payments) and other revenue. The total net sales number will be reported along with Q4 2011 financial results.

(2) Please note that in this and other tables of this press release immaterial deviations in calculation of % change, subtotals and totals are explained by rounding.

(3) Included from 1 April 2010.

(4) Online business was sold on 29 April 2011.

(5) Kopeyka sales consolidated by X5 from 1 December 2010; the number includes sales of rebranded stores.

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## Gross Retail Sales[1] Analysis

### *Gross Retail Sales Dynamics*

| | Q4 2011, YoY | | | | FY 2011, YoY | | | |
|---|---|---|---|---|---|---|---|---|
| **Based on RUR-denominated gross retail sales** | ***LFL, %*** | ***Organic expansion, %*** | ***Kopeyka contribu-tion, %*** | ***Total change %*** | ***LFL, %*** | ***Organic expansion, %*** | ***Kopeyka contribu-tion, %*** | ***Total change %*** |
| Hypermarkets | *(6)* | *4* | | *(2)* | *0* | *9* | | *9* |
| Supermarkets | *1* | *5* | | *6* | *10* | *9* | | *19* |
| Soft Discounters | *(1)* | *14* | | *13* | *5* | *18* | | *23* |
| Convenience stores | *4* | *22* | | *26* | *10* | *52* | | *62* |
| **Total Gross Retail Sales** | ***(2)*** | ***10*** | ***8*** | ***16*** | ***6*** | ***12*** | ***14*** | ***32*** |
| FX Effect | | | | *(2)* | | | | *5* |
| **Total change %, incl. FX** | | | | ***14*** | | | | ***37*** |

RUR gross retail sales growth of 16% for the fourth quarter 2011 consisted of a 2% LFL sales decrease, a 10% increase from organic store expansion and an 8% contribution from Kopeyka.

## LFL Sales Performance

The Company's total LFL sales in fourth quarter 2011 decreased by 2% in RUR terms, driven by a 4% decrease in customer traffic and 2% increase in average basket.

### *Like-For-Like[2][3] Store Performance (see Appendix I for detailed LFL performance)*

| | Q4 2011 | | | FY 2011 | | |
|---|---|---|---|---|---|---|
| | **Total LFL, %** | **Traffic, %** | **Basket, %** | **Total LFL, %** | **Traffic, %** | **Basket, %** |
| Hypermarkets | *(6)* | *(8)* | *2* | *0* | *(3)* | *3* |
| Supermarkets | *1* | *(4)* | *5* | *10* | *2* | *8* |
| Soft Discounters | *(1)* | *(3)* | *2* | *5* | *(1)* | *6* |
| Convenience stores | *4* | *(3)* | *7* | *10* | *0* | *10* |
| **X5 Retail Group Total** | ***(2)*** | ***(4)*** | ***2*** | ***6*** | ***(1)*** | ***7*** |
| **Kopeyka (for informational purposes only)** [3] | ***(3)*** | ***(4)*** | ***1*** | ***(6)*** | ***(6)*** | ***0*** |

(1) In this section sales dynamics analysis is based on RUR-denominated gross retail sales (including VAT). Net retail sales RUR growth rates may reflect immaterial differences due to the effective VAT rate.

(2) Like-for-like (LFL) comparisons of retail sales between two periods are comparisons of retail sales in local currency (including VAT) generated by the relevant stores. The stores included in LFL comparisons are those that have operated for at least twelve full months preceding the beginning of the last month of the reporting period. Their sales are included in LFL calculations starting from the first day of the month following the month of the store opening.

(3) Kopeyka stores' LFLs will be included into X5's LFL calculation starting from 1 January 2012.

Soft discounters' LFL sales decreased by 1% in Q4 2011 on 3% lower traffic and a 2% increase in basket, reflecting the tougher market environment. Additionally, this format faces the highest base effect due to very strong performance in the same period in Q4 2010, when soft discounters delivered LFL growth of 13% on top of a 16% increase in LFL sales in Q4 2009.

Supermarkets delivered 1% LFL growth in Q4 2011 on 4% lower traffic and a 5% increase in basket. After delivering double-digit LFL performance in the first half of the year on rising consumer trends, our supermarkets experienced traffic and basket declines in the second half of 2011 as trading down trends became more and more visible in Russia.

Hypermarkets' LFL sales decreased by 6% in Q4 2011 on 8% lower traffic and 2% higher basket.

### *Kopeyka LFL Sales Performance*

X5 completed the integration of Kopeyka – X5's largest acquisition ever – in less than a year. Stores converted in the initial part of the year are now delivering solid double-digit sales growth. The Company is positioned to realize substantial synergies from this acquisition in 2012 and beyond, including upside in sales densities of rebranded stores, as well as benefits from X5's larger scale and purchasing power and efficiencies from administrative restructuring.

## Expansion

| | | | | **Rebranding** | **Closings** | **Net Added** | | ***% change vs 31-Dec-10*** |
|---|---|---|---|---|---|---|---|---|
| | **31-Dec-10** | **30-Sep-11** | **31-Dec-11** | **FY 2011** | **FY 2011** | **Q4 2011** | **FY 2011** | |
| **Selling Space, sq. m.** | | | | | | | | |
| Hypermarkets | 351,753 | 350,785 | 371,293 | - | (9,135) | 20,508 | 19,540 | *6%* |
| Supermarkets | 313,024 | 325,482 | 333,892 | - | (4,552) | 8,409 | 20,867 | *7%* |
| Soft Discounters | 586,311 | 678,892 | 735,239 | - | (1,990) | 56,347 | 148,928 | *25%* |
| Convenience stores | 9,222 | 12,258 | 12,671 | - | (753) | 413 | 3,449 | *37%* |
| Kopeyka[1] | 294,768 | 274,190 | 274,190 | 274,190 | (20,578) | - | (20,578) | *(7%)* |
| **X5 Retail Group Total** | **1,555,079** | **1,641,607** | **1,727,285** | **274,190** | **(37,008)** | **85,678** | **172,207** | ***11%*** |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **# of Stores** | | | | | | | | |
| Hypermarkets | 71 | 72 | 77 | - | (1) | 5 | 6 | *8%* |
| Supermarkets | 301 | 312 | 321 | - | (5) | 9 | 20 (577[2] in total for Hypermarkets, Supermarkets, Soft Discounters and Convenience stores) | *7%* |
| Soft Discounters | 1,392 | 1,720 | 1,918 | - | (4) | 198 | 526 | *38%* |
| Convenience stores | 45 | 65 | 70 | - | (3) | 5 | 25 | *56%* |
| Kopeyka[1] | 660 | 616 | 616 | 616 | (44) | - | (44) | *(7%)* |
| **X5 Retail Group Total** | **2,469** | **2,785** | **3,002** | **616** | **(57)** | **217** | **533** | ***22%*** |

(1) Out of 660 Kopeyka stores acquired in 2010, 616 stores were rebranded into X5 stores with remaining 44 stores closed.

(2) In 2011 X5 added organically a net 577 new stores.

In Q4 2011, X5 added 217 stores on net basis, including 198 soft discounters, nine supermarkets, five hypermarkets and five convenience stores.
In 2011 X5 added organically a net 577 new stores, including 526 soft discounters, 20 supermarkets, six hypermarkets, 25 convenience stores. These organic openings were offset by 44 store closings related to the Kopeyka acquisition. In total, X5 converted 616 Kopeyka stores (607 as Pyaterochka soft discounters and nine as Perekrestok supermarkets).

Additional information is provided in Appendix IV to this press release.

As at 31 December 2011, X5 Retail Group was present in 52[(1)] cities of European Russia, the Urals and Ukraine, operating 3,002 stores in total (1,727 thousand sq. m. in selling space). This comprises 1,918 soft discounters, 321 supermarkets, 77 hypermarkets, 70 convenience stores and 616 ex-Kopeyka stores.

## Logistics Infrastructure Development

In FY 2011, X5 Retail Group expanded its warehouse capacity by a net 118 thousand sq. m.

X5 integrated five Kopeyka distribution centres (DCs) into our logistics infrastructure (two in the Moscow region, one in Nizhny Novgorod, one in Voronezh and one in Samara). In addition, we added a strategically important DC in Bogorodsk to further optimize X5's logistics network in Moscow region.

X5 also expanded the storage capacity of an existing DC in the Moscow region, replaced one DC in the St. Petersburg region with a more functional one and closed a DC in Ekaterinburg.

As a result, at 31 December 2011 the Company operated 29 DCs with overall warehouse capacity of 524 thousand sq. m., which is more than adequate to service X5's 1,727 thousand sq. m. of retail selling space.

X5's owned truck fleet has increased from about 800 at the beginning of 2011 to over 1,300 at the end of the year.

| | Warehouse space, '000 sq. m. | | | # of DCs | | |
|---|---|---|---|---|---|---|
| **Region** | **31-Dec-10** | **31-Dec-11** | **Net added in FY 2011** | **31-Dec-10** | **31-Dec-11** | **Net added in FY 2011** |
| Central | 217.8 | 302.3 | 84.5 | 9 | 12 | 3 |
| North-West | 70.4 | 81.7 | 11.3 | 5 | 5 | - |
| Volgo-Vyatsky | 17.5 | 29.8 | 12.3 | 1 | 2 | 1 |
| Urals | 34.7 | 27.7 | (7.0) | 5 | 4 | (1) |
| Centralno-Chernozemny | 23.5 | 33.7 | 10.2 | 1 | 2 | 1 |
| Sredne-Volzhsky | 13.4 | 20.1 | 6.7 | 1 | 2 | 1 |
| South | 15.6 | 15.6 | - | 1 | 1 | - |
| Privolzhsky | 13.1 | 13.1 | - | 1 | 1 | - |
| **X5 Retail Group Total** | **406.0** | **524.0** | **118.0** | **24** | **29** | **5** |

(1) With population over 200,000 people.

## Appendices

*I. LFL Store Performance by Format and Region*
*II. Net Retail Sales Performance by Region*
*III. Average Ticket and Number of Customer Visits*
*IV. Net Store Addition by Format and Region*
*V. Kopeyka Operational Performance*
*VI. Financial Calendar for 2012*

**Note to Editors:**

X5 Retail Group N.V. (LSE: FIVE, Moody's - "B2", S&P - "B+") is Russia's largest food retailer. The Company operates several retail formats: the soft discounter chain under the Pyaterochka brand, the supermarket chain under the Perekrestok brand, the hypermarket chain under the Karusel brand and convenience stores under different brands.

As at 31 December 2011, X5 had 3,002 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 2,525 soft discounter stores, 330 supermarkets, 77 hypermarkets and 70 convenience stores. The Company operates 29 distribution centres across the Russian Federation.

As at 31 December 2011, X5's franchisees operated 658 stores across Russia.

For the full year 2010, net sales totaled USD 11,280 mln, EBITDA reached USD 844 mln, and net profit amounted to USD 271 mln. For the first nine months of 2011, net sales totaled USD 11,490 mln, EBITDA reached USD 786 mln and net profit amounted to USD 168 mln.

X5 Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 19.85%, X5 Management and/or Supervisory Board members – 0.09%, treasury shares – 0.11%, free float – 32.09%.

***Forward looking statements:***

*This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the fact that they do not only relate to historical or current events. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "expected", "plan", "goal", "believe", or other words of similar meaning.*

*By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, a number of which are beyond X5 Retail Group N.V.'s control. As a result, actual future results may differ materially from the plans, goals and expectations set out in these forward-looking statements.*

*Any forward-looking statements made by or on behalf of X5 Retail Group N.V. speak only as at the date of this announcement. Save as required by any applicable laws or regulations, X5 Retail Group N.V. undertakes no obligation publicly to release the results of any revisions to any forward-looking statements in this document that may occur due to any change in its expectations or to reflect events or circumstances after the date of this document.*

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# Appendix I: LFL Store Performance by Format and Region[1]

| | Q4 2011 | | | FY 2011 | | |
|---|---|---|---|---|---|---|
| | **Total LFL, %** | **Traffic, %** | **Basket, %** | **Total LFL, %** | **Traffic, %** | **Basket, %** |
| **<u>Moscow & Central Region</u>** | | | | | | |
| Hypermarkets | *0* | *(3)* | *3* | *6* | *2* | *4* |
| Supermarkets | *2* | *(4)* | *6* | *10* | *2* | *8* |
| Soft Discounters | *(5)* | *(4)* | *(1)* | *3* | *(3)* | *6* |
| Convenience stores | *4* | *(3)* | *7* | *10* | *0* | *10* |
| **X5 Retail Group Total** | ***(2)*** | ***(4)*** | ***2*** | ***6*** | ***(1)*** | ***7*** |
| **<u>St. Petersburg & North-West</u>** | | | | | | |
| Hypermarkets | *(9)* | *(10)* | *1* | *(4)* | *(7)* | *3* |
| Supermarkets | *6* | *(2)* | *8* | *19* | *5* | *14* |
| Soft Discounters | *4* | *(2)* | *6* | *8* | *0* | *8* |
| **X5 Retail Group Total** | ***1*** | ***(3)*** | ***4*** | ***6*** | ***0*** | ***6*** |
| **<u>Other Regions</u>** | | | | | | |
| Hypermarkets | *(9)* | *(9)* | *0* | *(2)* | *(3)* | *1* |
| Supermarkets | *(3)* | *(6)* | *3* | *8* | *1* | *7* |
| Soft Discounters | *0* | *(4)* | *4* | *8* | *(1)* | *9* |
| **X5 Retail Group Total** | ***(3)*** | ***(5)*** | ***2*** | ***5*** | ***(1)*** | ***6*** |
| **<u>X5 Retail Group</u>** | | | | | | |
| Hypermarkets | *(6)* | *(8)* | *2* | *0* | *(3)* | *3* |
| Supermarkets | *1* | *(4)* | *5* | *10* | *2* | *8* |
| Soft Discounters | *(1)* | *(3)* | *2* | *5* | *(1)* | *6* |
| Convenience stores | *4* | *(3)* | *7* | *10* | *0* | *10* |
| **X5 Retail Group Total** | ***(2)*** | ***(4)*** | ***2*** | ***6*** | ***(1)*** | ***7*** |

[1] Based on RUR-denominated gross retail sales (including VAT). Net sales RUR growth rates may immaterially differ due to effective VAT rate.

Like-for-like (LFL) comparisons of retail sales between two periods are comparisons of retail sales in local currency (including VAT) generated by the relevant stores. The stores that are included in LFL comparisons are those that have operated for at least twelve full months preceding the beginning of the last month of the reporting period. Their sales are included in LFL calculation starting from the first day of the month following the month of the store opening. The LFL comparison for each store takes into account retail sales generated by that store during the same months it was in operation in both the reporting period and the period of comparison. The retail sales of all the relevant stores in the relevant months are then aggregated and compared. LFL sales are calculated on the basis of traffic and basket amounts of relevant stores in the period under review.

Please note that acquired Kopeyka stores are not included in X5's LFL calculations for Q4 and FY 2011. Information on Kopeyka's stand-alone operational performance is provided in Appendix V to this press release.

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## Appendix II: Net Retail Sales Performance by Region

| USD mln | Q4 2011 | Q4 2010 | *% change y-o-y* | FY 2011 | FY 2010 | *% change y-o-y* |
|---|---|---|---|---|---|---|
| Moscow & Central Region | 1,754.0 | 1,684.9 | *4%* | 6,918.7 | 5,696.4 | *21%* |
| St. Petersburg & North-West | 813.7 | 781.6 | *4%* | 3,248.5 | 2,788.6 | *16%* |
| Other Regions | 895.3 | 779.1 | *15%* | 3,400.9 | 2,525.8 | *35%* |
| Online[1] | - | 6.9 | *n/a* | 7.8 | 20.3 | *(62%)* |
| Kopeyka[2] | 491.6 | 217.0 | *127%* | 1,821.3 | 217.0 | *740%* |
| **X5 Retail Group Total** | **3,954.6** | **3,469.5** | ***14%*** | **15,397.3** | **11,248.1** | ***37%*** |

| RUR mln | Q4 2011 | Q4 2010 | *% change y-o-y* | FY 2011 | FY 2010 | *% change y-o-y* |
|---|---|---|---|---|---|---|
| Moscow & Central Region | 54,753.8 | 51,633.3 | *6%* | 203,323.8 | 172,995.3 | *18%* |
| St. Petersburg & North-West | 25,425.8 | 23,969.6 | *6%* | 95,465.8 | 84,688.4 | *13%* |
| Other Regions | 27,865.3 | 23,862.5 | *17%* | 99,944.8 | 76,707.1 | *30%* |
| Online[1] | - | 210.6 | *n/a* | 224.2 | 616.9 | *(64%)* |
| Kopeyka[2] | 15,271.6 | 6,588.6 | *132%* | 53,523.6 | 6,588.6 | *712%* |
| **X5 Retail Group Total** | **123,316.4** | **106,264.6** | ***16%*** | **452,482.1** | **341,596.3** | ***32%*** |

(1) Online business was sold on 29 April 2011.

(2) Kopeyka sales consolidated by X5 from 1 December 2010; the number includes sales of rebranded stores.

## Appendix III: Average Ticket and Number of Customer Visits[1]

| | Q4 2011 | Q4 2010 | *% change, y-o-y* | FY 2011 | FY 2010 | *% change, y-o-y* |
|---|---|---|---|---|---|---|
| **Average Ticket, RUR** | | | | | | |
| Hypermarkets | 668.6 | 670.6 | *0%* | 632.4 | 619.5 | *2%* |
| Supermarkets | 419.1 | 389.6 | *8%* | 391.9 | 362.0 | *8%* |
| Soft Discounters | 279.9 | 257.5 | *9%* | 274.2 | 257.7 | *6%* |
| Convenience stores[2] | 229.0 | 220.7 | *4%* | 217.2 | 199.3 | *9%* |
| Online[3] | - | 4,648.7 | *n/a* | 5,282.4 | 4,278.5 | *23%* |
| Kopeyka | 260.4 | - | *n/a* | 237.4 | - | *n/a* |
| **X5 Retail Group Total** | **327.3** | **321.2** | ***2%*** | **315.1** | **313.9** | ***0%*** |
| **Average Ticket, USD** | | | | | | |
| Hypermarkets | 21.4 | 21.8 | *(2%)* | 21.5 | 20.4 | *6%* |
| Supermarkets | 13.4 | 12.7 | *6%* | 13.3 | 11.9 | *12%* |
| Soft Discounters | 9.0 | 8.4 | *7%* | 9.3 | 8.5 | *10%* |
| Convenience stores[2] | 7.4 | 7.2 | *3%* | 7.4 | 6.6 | *13%* |
| Online[3] | - | 151.4 | *n/a* | 179.8 | 140.9 | *28%* |
| Kopeyka | 8.4 | - | *n/a* | 8.1 | - | *n/a* |
| **X5 Retail Group Total** | **10.5** | **10.5** | ***0%*** | **10.7** | **10.3** | ***4%*** |
| **# of Customer Visits, mln** | | | | | | |
| Hypermarkets | 30.6 | 31.0 | *(2%)* | 120.7 | 113.1 | *7%* |
| Supermarkets | 72.3 | 73.2 | *(1%)* | 287.9 | 262.9 | *9%* |
| Soft Discounters | 256.3 | 246.5 | *4%* | 957.3 | 831.4 | *15%* |
| Convenience stores[2] | 4.3 | 3.6 | *21%* | 15.8 | 10.6 | *49%* |
| Online[3] | - | 0.1 | *n/a* | 0.1 | 0.2 | *(70%)* |
| Kopeyka | 67.0 | - | *n/a* | 257.3 | - | *n/a* |
| **X5 Retail Group Total** | **430.5** | **354.4** | ***21%*** | **1,639.0** | **1,218.1** | ***35%*** |

(1) Based on all stores' gross retail sales, which include acquired Kopeyka stores' sales consolidated from 1 December 2010.

(2) Included from 1 April 2010.

(3) Online business was sold on 29 April 2011.

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# Appendix IV: Net Store Addition by Format and Region

| | | | | Rebranding | Closings | Net Added | | | % change |
|---|---|---|---|---|---|---|---|---|---|
| **# of Stores** | **31-Dec-10** | **30-Sep-11** | **31-Dec-11** | **FY 2011** | **FY 2011** | **Q4 2011** | **FY 2011** | | ***vs 31-Dec-10*** |
| **Moscow & Central Region** | | | | | | | | | |
| Hypermarkets | 14 | 14 | 17 | - | - | 3 | 3 | | *21%* |
| Supermarkets | 172 | 178 | 184 | - | (1) | 6 | 12 | | *7%* |
| Soft Discounters | 567 | 645 | 728 | - | (1) | 83 | 161 | | *28%* |
| Convenience stores | 45 | 65 | 70 | - | (3) | 5 | 25 | | *56%* |
| **Total** | **798** | **902** | **999** | **-** | **(5)** | **97** | **201** | | ***25%*** |
| **St. Petersburg & North-West** | | | | | | | | | |
| Hypermarkets | 17 | 17 | 17 | - | - | - | - | | *0%* |
| Supermarkets | 33 | 34 | 34 | - | - | - | 1 | | *3%* |
| Soft Discounters | 358 | 408 | 438 | - | (1) | 30 | 80 | | *22%* |
| **Total** | **408** | **459** | **489** | **-** | **(1)** | **30** | **81** | | ***20%*** |
| **Other Regions** | | | | | | | | | |
| Hypermarkets | 40 | 41 | 43 | - | (1) | 2 | 3 | | *8%* |
| Supermarkets | 96 | 100 | 103 | - | (4) | 3 | 7 | | *7%* |
| Soft Discounters | 467 | 667 | 752 | - | (2) | 85 | 285 | | *61%* |
| **Total** | **603** | **808** | **898** | **-** | **(7)** | **90** | **295** | | ***49%*** |
| **X5 Retail Group** | | | | | | | | | |
| Hypermarkets | 71 | 72 | 77 | - | (1) | 5 | 6 | | *8%* |
| Supermarkets | 301 | 312 | 321 | - | (5) | 9 | 20 | 577[1] | *7%* |
| Soft Discounters | 1,392 | 1,720 | 1,918 | - | (4) | 198 | 526 | | *38%* |
| Convenience stores | 45 | 65 | 70 | - | (3) | 5 | 25 | | *56%* |
| Kopeyka[2] | 660 | 616 | 616 | 616 | (44) | - | (44) | | *(7%)* |
| **X5 Retail Group Total** | **2,469** | **2,785** | **3,002** | **616** | **(57)** | **217** | **533** | | ***22%*** |

[1] In 2011 X5 added organically a net 577 new stores.

[2] Out of 660 Kopeyka stores acquired in 2010, 616 stores were rebranded into X5 stores with remaining 44 stores closed.

# Appendix V: Kopeyka Operational Performance

## *Net Retail Sales*

| | Q4 2011 | Q4 2010 | *% change, y-o-y* | FY 2011 | FY 2010 | *% change, y-o-y* |
|---|---|---|---|---|---|---|
| Kopeyka, USD mln | 489.0 | 547.5 | *(11%)* | 1,821.3 | 2,015.6 | *(10%)* |
| Kopeyka, RUR mln | 15,271.6 | 16,814.6 | *(9%)* | 53,523.6 | 61,213.1 | *(13%)* |

## *LFL Sales Performance*[(1)]

| | Q4 2011 | | | FY 2011 | | |
|---|---|---|---|---|---|---|
| | **Total LFL, %** | **Traffic, %** | **Basket, %** | **Total LFL, %** | **Traffic, %** | **Basket, %** |
| Kopeyka | *(3)* | *(4)* | *1* | *(6)* | *(6)* | *0* |

## *Average Ticket and Number of Customer Visits*[(1)]

| **Average Ticket, RUR** | **Q4 2011** | **Q4 2010** | ***% change, y-o-y*** | **FY 2011** | **FY 2010** | ***% change, y-o-y*** |
|---|---|---|---|---|---|---|
| Kopeyka | 260.4 | 254.4 | *2%* | 237.4 | 238.7 | *(1%)* |
| **# of Customer Visits, mln** | **Q4 2011** | **Q4 2010** | ***% change, y-o-y*** | **FY 2011** | **FY 2010** | ***% change, y-o-y*** |
| Kopeyka | 67.0 | 75.3 | *(11%)* | 257.3 | 292.5 | *(12%)* |

(1) Based on all Kopeyka stores' RUR-denominated gross retail sales. LFL performance includes VAT.

## Appendix VI: Financial Calendar for 2012

| Date | Event |
|---|---|
| 11 April 2012, TBC | Q1 2012 Trading Update |
| 19 April 2012, TBC | Audited FY 2011 IFRS Results |
| 29 May 2012, TBC | Q1 2012 Financial Results |
| 13 July 2012, TBC | Q2 & H1 2012 Trading Update |
| 28 August 2012, TBC | Q2 & H1 2012 Financial Results Reviewed by Auditors |
| 11 October 2012, TBC | Q3 & 9M 2012 Trading Update |
| 30 November 2012, TBC | Q3 & 9M 2012 Financial Results |