

X5 DECIDES TO REGISTER THREE ISSUES OF EXCHANGE TRADED BONDS

Amsterdam, 16 June 2010 - X5 Retail Group N.V. (“X5” or the “Company”), Russia's largest retailer in terms of sales (LSE ticker: “FIVE”), announces today that its wholly owned subsidiary X5 Finance LLC decides to register three issues of exchange traded bonds for the total amount of RUR 15 billion.

X5 Retail Group CFO Evgeny Kornilov commented:

“Our objective is to diversify X5’s available sources for debt refinancing and we want to have flexibility to issue bonds in case needed. We see that conditions in Russia’s debt markets are improving and we shall have an opportunity to consider a potential placement of bonds as another available instrument for optimizing X5’s borrowing terms and costs.”

As of the end of March 2010, the Company’s total debt amounted to USD 1,811 mln (at RUR exchange rate of 29.36), out of which 85% was short-term (USD 1,530 mln or RUR 45 bln) and 15% long-term (USD 280.4 mln or RUR 8.2 bln).

As of 31 March 2010, the Company had access to RUR-denominated credit facilities of approximately RUR 24.6 billion (approximately USD 836 million). Of this amount, approximately RUR 21.1 billion (approximately USD 717 million) represented available undrawn credit lines with major Russian and international banks. The Company also has a commitment from Sberbank for a 5-year ruble-denominated credit line (equivalent of up to USD 1.1 bln).

For further details please contact

Egor Voytenkov
Senior IR Manager
Tel.: +7 (495) 980-2729, ext. 22 455
e-mail: egor.voytenkov@X5.ru

Svetlana Vitkovskaya
Head of PR Department
Tel.: +7 (495) 662-8888, ext. 31 140
e-mail: svetlana.vitkovskaya@X5.ru

Note to Editors:

X5 Retail Group N.V. is Russia's largest retailer in terms of sales. The Company was created as a result of a merger between Pyaterochka (soft discounter chain) and Perekrestok (supermarket chain) on 18 May 2006. In June 2008, X5 acquired Karusel hypermarket chain and substantially strengthened its position in hypermarket format.

As at 31 March 2010, X5 had 1,399 Company-managed stores located in Moscow, St. Petersburg and other regions of European Russia, Urals and Ukraine, including 1,063 soft discount stores, 276 supermarkets and 60 hypermarkets.

As at 31 March 2010, X5's franchisees operated 640 stores across Russia.

For the full year 2009 X5's net sales totaled USD 8,717 mln, EBITDA reached USD 736 mln, and net profit amounted to USD 165 mln.

For the first quarter 2010, net sales totaled USD 2,543 mln, EBITDA reached USD 179 mln.

X5 Shareholder structure is as follows: Alfa Group – 47.9%, founders of Pyaterochka – 23.1%, X5 Management – 1.9%, treasury shares – 0.1%, free float – 27.0%.

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.