

**X5 RETAIL GROUP APPOINTS FRANK MICHAEL MROS
AS SOFT DISCOUNTER FORMAT DIRECTOR**

Amsterdam, 3 May 2012 – X5 Retail Group N.V. (“X5” or the “Company”), Russia's largest retailer in terms of revenue (LSE ticker: “FIVE”), announced today the appointment of Frank Michael Mros as the Company’s Soft Discounter Format Director, with effect from 1 June, 2012.

Mr. Mros has over 18 years of retail industry experience in Europe with the leading German discounter chain Lidl. He began his career at Lidl as a retail clerk and worked his way up through management positions in sales and logistics to the senior executive level. As Managing Director of Lidl Germany, Mr. Mros was responsible for 3,000 stores, more than 50,000 employees and turnover of approximately EUR 15 billion. He also led Lidl’s entry into Eastern Europe and successful development of the Polish market as Managing Director of Lidl Poland.

Andrei Gusev, CEO of X5 Retail Group, commented:

“Frank’s unique experience encompasses the entire retail value chain and will be invaluable to X5. His development of the Polish market provides a strong background as he steps in to lead the growth of the soft discounter format, while his track record of optimizing operational efficiencies complements our proven Pyaterochka business model.”

Notes to editors:

Headquartered in Moscow, X5 Retail Group (LSE: FIVE, Moody's - "B2", S&P - "B+") is Russia's largest retailer in terms of revenue. 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, the online retail channel under E5.ru brand and convenience stores under various brands.

As at 31 March 2012, X5 had 3,139 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 2,643 soft discounter stores, 337 supermarkets, 77 hypermarkets and 82 convenience stores. The Company operates 29 DCs and 1,392 Company-owned trucks across the Russian Federation.

X5 is run on an SAP platform.

As at 31 March 2012, X5's franchisees operated 434 stores across Russia.

For the full year 2011, net sales totaled USD 15,455 mln, EBITDA reached USD 1,130 mln, and net profit amounted to USD 302 mln.

X5 Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 19.85%, X5 Directors – 0.12%, treasury shares – 0.11%, free float – 32.06%.

For further details please contact

Gregory Madick
Executive IR Director
Tel.: +7 (495) 502-9783
e-mail: gregory.madick@X5.ru

Svetlana Vitkovskaya
Head of PR Department
Тел.: +7 (495) 662-8888, ext. 41 130
e-mail: svetlana.vitkovskaya@X5.ru