

## **X5 ACQUIRES MORE THAN 100 STORES IN SOUTHWEST RUSSIA**

**Moscow, 18 August 2015** - X5 Retail Group, a leading Russian food retailer (LSE ticker: "FIVE"), announces the acquisition of 104 stores owned by the Rosinka Group in the Orel, Voronezh, Lipetsk, Kursk and Tambov regions. The purchased Rosinka, Apelsin and Sberegaika stores will be rebranded under the Pyaterochka retail chain.

Nearly half of the acquired stores (51 properties) are located in the Orel Region, giving X5 the opportunity to expand the Pyaterochka chain footprint in the region threefold. Additionally, the acquisition gives X5 control of 36 stores in the Voronezh Region, 14 stores in the Lipetsk Region, two stores in the Kursk Region and one store in the Tambov Region, with the new properties' total floor and selling space amounting to over 78,000 sq. m. and nearly 42,000 sq. m., respectively.

By the end of the year, all of the stores are due to be refurbished in line with the new Pyaterochka concept. The chain will seek to expand its fresh offering (fruits, vegetables, meat, fish, and dairy), and therefore strengthen X5's cooperation with local suppliers. Currently, all 27 stores in the Orel region, 41 of 68 stores in the Voronezh region, 48 of 72 stores in the Lipetsk region, 37 of 54 stores in the Kursk region, and 16 of 39 stores in the Tambov region are operating under the new Pyaterochka concept. As of 31 July 2015, X5 had a total of 260 Pyaterochka stores in these five regions.

Before this transaction, X5 had 260 Pyaterochka stores, 12 Perekrestok supermarkets and five Karusel hypermarkets in these five regions. The nearest distribution centres servicing X5 retail chains in these regions are located in Voronezh. Since its opening in summer 2015, the Ramon Distribution Centre (39,500 sq. m.) has been handling merchandise deliveries to all Pyaterochka stores across these five regions. The Group plans to leverage the capacities of this logistics facility to ensure deliveries to the newly-acquired stores as well.

**Note to Editors:**

X5 Retail Group N.V. (LSE: FIVE, Fitch – ‘BB’, Moody’s – ‘Ba3’, S&P – ‘BB-’) is a leading Russian food retailer. The Company operates several retail formats: the chain of proximity 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.

As of 30 June 2015, X5 had 5,971 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 5,273 Pyaterochka proximity stores, 438 Perekrestok supermarkets, 83 Karusel hypermarkets and 177 convenience stores. The Company operates 35 DCs and 1,364 Company-owned trucks across the Russian Federation.

For the full year 2014, revenue totaled RUB 633,873 mln (USD 16,498 mln), EBITDA reached RUB 45,860 mln (USD 1,194 mln), and profit for the period amounted to RUB 12,691 mln (USD 330 mln). In H1 2015, revenue totaled RUB 382,608 mln (USD 6,666 mln), EBITDA reached RUB 27,518 mln (USD 479 mln), and net income amounted to RUB 7,942 mln (USD 138 mln).

X5’s Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 14.43%, X5 Directors – 0.05%, treasury shares – 0.01%, free float – 37.64%.

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**For further details please contact**

Maxim Novikov  
Head of Investor Relations  
Tel.: +7 (495) 502-9783  
e-mail: [Maxim.Novikov@x5.ru](mailto:Maxim.Novikov@x5.ru)

Anastasiya Kvon  
IR Director  
Tel.: +7 (495) 792-3511  
e-mail: [Anastasiya.Kvon@x5.ru](mailto:Anastasiya.Kvon@x5.ru)