

X5 RETAIL GROUP APPOINTS PAUL MARTINS AS COMMERCIAL DIRECTOR

Amsterdam, 05 August 2011 - X5 Retail Group N.V., Russia's largest retailer in terms of sales, announced today the appointment of Paul Martins as X5 Retail Group Commercial Director.

Paul Martins has over 25 years of international industry experience with Casino Group and Tesco. He will become X5's Commercial Director with effect from 13 August 2011 following nomination of the Supervisory Board. He succeeds Ekaterina Ishevskaya, who is leaving X5 to pursue other opportunities.

Andrei Gusev, CEO of X5 Retail Group, said:

“In her four years as Commercial Director, Ekaterina demonstrated the highest degree of professionalism and was instrumental to X5's success in building the Commercial function and setting up an efficient purchasing system. Paul brings invaluable international retail industry experience to X5. He will further strengthen our relationships with suppliers to support X5's goal of providing customers with best value and assortment.”

Paul Martins, studied at the University of Lyon, Economics Faculty. He has more than 25 years of experience in multinational retail companies. He worked for Casino Group for 23 years, starting as a store manager and holding various positions including Commercial Director, Marketing Director and General Director of Geant hypermarkets (division of Casino Group in Poland). He headed the discounter chain Leader Price in Poland for seven years (another division of Casino Group). In 2007 Paul joined Tesco Group as Operations Director for small formats in Poland.

Note to Editors:

X5 Retail Group N.V. (LSE: FIVE, Moody's - "B2", S&P - "B+") 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 30 June 2011, X5 had 2,683 Company-managed stores located in Moscow, St. Petersburg and other regions of European Russia, Urals and Ukraine, including 1,606 soft discount stores, 306 supermarkets, 70 hypermarkets, 54 convenience stores and 647 acquired Kopeyka stores (including 315 stores rebranded as Pyaterochka and one as Perekrestok).

As at 30 June 2011, X5's franchisees operated 705 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 quarter 2011, net sales totaled USD 3,845 mln, EBITDA reached USD 281 mln and net profit amounted to USD 97 mln.

X5 Shareholder structure is as follows: Alfa Group – 47.9%, founders of Pyaterochka – 19.9%, X5 Management – 1.8%, treasury shares – 0.1%, free float – 30.3%.

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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