

## NEW PEREKRESTOK PROMOTIONAL CAMPAIGN – “WE LOVE YOU!”

**Moscow, 3 April 2012** - X5 Retail Group N.V., (“X5” and/or the “Company”) Russia's largest retailer (in terms of revenue), announced the launch of a new promotional campaign for the Company’s federal supermarket chain, operating under the Perekrestok brand. The Perekrestok campaign is part of a large-scale strategy focused on upgrading the quality of X5’s formats.

Customer relations, within the Perekrestok format’s chain of stores, are the principal focus of the campaign. Perekrestok is carrying out detailed customer preference surveys to develop its product range based on consumer tastes in an effort to exceed the expectations of the most discerning shoppers.

The surveys are also informing decisions to optimize supermarket format standards, including: planning and shop floor navigation, expanded product range, quality control, reasonable prices and targeted campaigns, to better meet buyers’ expectations. The key goal for the Perekrestok chain is to offer customers the best products and services at the best price and we are using all our efforts to make sure customers are aware of our policy.

Today, we are providing shoppers with the ability to not only register complaints, but also to propose their own ideas to improve business. In addition to the supermarket’s hotline number, **8 (800) 200-9555**, Perekrestok has also launched new communications options, including: social networks like **facebook.com/perekrestok**; **vk.com/perekrestok\_shop** and **twitter.com/perekrestok**, where shoppers may share ideas and concerns.

The campaign has been organized around marketing slogans, which include: “We know what you mean!” – “We do our best for you!” – “You are very welcome” and commercials, which feature rock-and-roll legend Buddy Holly’s famous love song *Everyday*, that express our attitude towards customers.

The campaign was launched in late March and commercials will be aired on most federal and regional television channels. The campaign also includes: billboard, point-of-purchase, radio and print advertising.

**Igor Sotnikov**, General Director of the Supermarket Format commented:

*“It is important that buyers visit us not only to buy food and other products, but also because they feel welcome and that their choice and loyalty are very much appreciated. Perekrestok is a “friend”, ready to talk with any customer about his/her tastes, wishes and expectations. The campaign is aimed at making buyers aware of this side of Perekrestok’s business. We offer our customers the very best that we have every day including our positive attitude.”*

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**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 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 centers and more than 1,300 Company-owned trucks across the Russian Federation.

X5 is run on an SAP platform.

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 stood at USD 271 mln. For the first nine month of 2011, net sales amounted to USD 11,490 mln, EBITDA reached USD 786 mln, and net profit totaled USD 168 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%.