

**X5 BOARD NOMINATES STEPHAN DUCHARME AS CEO CANDIDATE;
X5 ANNOUNCES Q4 AND FULL YEAR 2012 PRELIMINARY TRADING RESULTS**

Amsterdam, 14 January 2013 – X5 Retail Group N.V. (“X5” or the “Company”), Russia's largest retailer in terms of sales (LSE ticker: “FIVE”), announced today the results of the Company’s Supervisory Board Meeting (the “Meeting”) held on Friday, 11 January 2013. At the Meeting, the Supervisory Board (the “Board”) nominated the Company’s acting CEO, Stephan DuCharme, to become statutory CEO subject to X5 shareholder approval at the Annual General Meeting to be held in April 2013.

The Board also agreed to accept Mr. DuCharme’s resignation as a Supervisory Board member effective immediately.

Mr. DuCharme commented, “I am very honored to have this opportunity to continue to be part of the ongoing transformation of X5 and the development of the Russian food retail market. 2012 was a year of significant challenges and changes for the Company however, I think our ability to regroup in the second half of the year and deliver on our annual guidance demonstrates the strength of our asset base and validates the decisions we have made so far. We will continue to make the hard decisions and implement the necessary changes in 2013 to achieve the full potential of our stores in order to take advantage of the market opportunities and deliver shareholder value.”

X5 announces Q4 and Full Year 2012 preliminary trading results

X5 is announcing preliminary trading results for the fourth quarter (Q4) and full year (FY) 2012 with net retail sales of Russian Rouble (RUR) 133,881.4 million (mln) and RUR 490,088.2 mln, respectively.

X5 plans to release the Q4 and Full Year 2012 Trading Update on 23 January 2013, with a conference call hosted by the CEO to provide additional detail on the results and other recent announcements.

Please see the table below for trading results highlights.

	Q4 2012	Q4 2011	% change, y-o-y	FY 2012	FY 2011	% change, y-o-y
Net stores added	330	217	52.1%	800	533	50.1%
Net selling space added, square meters (sq. m.)	104,323	85,677	21.8%	242,460	172,206	40.8%
Net retail sales, RUR mln	133,881.4	123,316.7	8.6%	490,088.2	452,482.4	8.3%

Note to Editors:

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

At 30 September 2012, X5 had 3,472 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 2,936 soft discounter stores, 350 supermarkets, 76 hypermarkets and 110 convenience stores. The Company operates 28 DCs and 1,854 Company-owned trucks across the Russian Federation. At 30 September 2012, the number of X5 employees totaled 102 thousand.

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. For the nine months of 2012, net sales totaled USD 11,475 mln, EBITDA reached USD 774 mln and net profit amounted to USD 147 mln.

X5's Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 19.85%, X5 Directors – 0.13%, treasury shares – 0.11%, free float – 32.05%.

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