X5 REPORTS FULL YEAR 2009 RESULTS:

COMPANY MEETS FULL YEAR 25% SALES GROWTH TARGET ON INDUSTRY-BEATING LFL PERFORMANCE AND STRONG NEW STORE OPENINGS;

TIGHT COST CONTROL AND EFFICIENCY FOCUS ENABLE FURTHER IMPROVEMENT IN SG&A AS % OF SALES;

OPERATING CASH FLOW OF USD 734 MLN COMPARED TO USD 629 MLN IN 2008;

STRONG CASH GENERATION, EFFICIENT CAPEX AND PRUDENT FINANCIAL MANAGEMENT SUPPORT NET DEBT REDUCTION BY USD 250 MLN

Amsterdam, 15 April 2009 - X5 Retail Group N.V., Russia's largest retailer in terms of sales (LSE ticker: "FIVE"), today announced its audited IFRS results for the year ended 31 December 2009. The Company's Annual Report for 2009 has been published on X5's website at www.x5.ru.

Q4 2009 Highlights

- Net sales increased 23% year-on-year in RUR terms to RUR 79,016 mln or 11% in USD terms to USD 2,636 mln (incl. RUR devaluation effect of approximately 12%);
- Gross profit totaled USD 627 mln, for a gross margin of 23.8%;
- SG&A expenses before D&A[3], as percent of sales, declined by 60 bp year-on-year to 16.4%. Net of ESOP, this item declined by 180 bp year-on-year to 15.3% of sales;
- EBITDA amounted to USD 227 mln, for an EBITDA margin of 8.6%, including ESOP cost of USD 28 mln;
- X5 reported a net profit of USD 44 mln.

FY 2009 Highlights

- Consolidated[1] net sales increased 33% year-on-year in RUR terms to RUR 276,543 mln and 4% in USD terms to USD 8,717 mln;
- On a pro-forma[2] basis, net sales grew 25% year-on-year in RUR terms and declined 2% in USD terms (incl. RUR devaluation effect of approximately 27%);
- Gross profit totaled USD 2,108 mln, for a gross margin of 24.2%;
- SG&A expenses before D&A[3], as percent of sales, declined by almost 90 bp year-on-year to 16.9%. Net of ESOP, this item declined by 160 bp year-on-year to 16.2% of sales;
- EBITDA amounted to USD 736 mln, for an EBITDA margin of 8.4%, including ESOP cost of USD 59 mln;
- X5 reported a net profit of USD 165 mln.

- In 2009 the Company generated USD 734 mln as cash flow from operating activities;
- Net debt decreased by USD 250 mln, for net debt/EBITDA of 2.08x as at 31 December 2009.

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(1) Consolidated sales figures for 2008 include the results of the acquired Karusel's business as from 30 June 2008. Acquired Paterson stores' results are included only for December 2009.

(2) Pro-forma sales figures for 2008 include acquired Karusel's business from 1 January 2008. Acquired Paterson stores' results are included only for December 2009.

(3) D&A stands for depreciation & amortization. D&A for Q4 & FY 2009 includes one-off non-cash impairment charge. Please see section *Impairment of CIP & Fixed Assets* for additional information on 2009 impairment.

X5 Retail Group CEO **Lev Khasis** commented:

2009 was a tough year for Russian consumers and the economy as a whole. X5's response was fast and effective. We won customers by making sure we had the right products at the most attractive prices. As a result, we met our 25% pro forma revenue growth target for 2009 and posted a 10% increase in like-for-like sales, the highest of any Russian retailer.

"Just as important, we kept our focus on X5's strategy to create durable competitive advantages and strengthen our platform for growth and productivity to capitalize on the Russian market's potential. We are building on this with continued priorities for driving customer focus, operational excellence and disciplined growth. For 2010, we expect to step up store expansion and infrastructure development with investments of up to RUR 18 billion. I am confident that X5 is in an excellent position to drive growth and efficiency this year while positioning the Company to benefit from future economic recovery."

X5 Retail Group CFO **Evgeny Kornilov** added:

"Our customer success, price leadership and profitability are enabled by continuous gains in efficiency. In 2009 we drove a dramatic 160 basis point improvement in X5's key performance indicator for cost control, SG&A before D&A and ESOP as a percent of sales. We believe efficiency will be even more important for sustaining leadership and shareholder returns as the market develops, and in 2009 we launched our Strategic Efficiency Program to take X5's operational excellence to the next level.

"The crisis conditions of 2009 were a successful test of X5's financial strength. X5 generated a record USD 734 mln in operating cash flow thanks to strong operational performance and efficient working capital management. This, helped by prudent liquidity management and improved efficiency of investments, enabled net debt reduction by USD 250 mln year-on-year. We also secured resources to refinance the Company's USD 1.1 bln syndicated loan due in December 2010 with the view to improve our debt maturity profile and minimize currency exposure. We continue to prioritize investments that offer the best returns, while increasing cash flows and strengthening our balance sheet to ensure flexibility in defining strategic goals and supporting growth in the years to come."

Profit & Loss – Key Trends and Developments

P&L Highlights[1]

USD mln	Q4 2009	Q4 2008	*% change y-o-y*	FY 2009	FY 2008[2]	*% change y-o-y*
Net Sales	**2,636.2**	**2,376.3**	***11%***	**8,717.4**	**8,892.4**	***(2%)***
incl. Retail	2,621.4	2,365.1	*11%*	8,674.5	8,843.8	*(2%)*
Gross Profit	**627.1**	**604.8**	***4%***	**2,107.9**	**2,278.5**	***(7%)***
Gross Margin, %	*23.8%*	*25.5%*		*24.2%*	*25.6%*	
EBITDA	**227.2**	**225.2**	***1%***	**736.0**	**803.2**	***(8%)***
EBITDA Margin, %	*8.6%*	*9.5%*		*8.4%*	*9.0%*	
Impairment of CIP, Fixed Assets & Goodwill[3]	(48.3)	(2,257.0)	*(98%)*	(48.3)	(2,257.0)	*(98%)*
Operating Profit / (Loss)	**114.3**	**(2,097.8)**	***n/a***	**467.8**	**(1,704.5)**	***n/a***
Operating Margin, %	*4.3%*	*n/a*		*5.4%*	*n/a*	
Net Profit / (Loss)	**44.2**	**(2,283.7)**	***n/a***	**165.4**	**(2,145.5)**	***n/a***
Net Margin, %	*1.7%*	*n/a*		*1.9%*	*n/a*	

Effect of RUR/USD Exchange Rate Movements on Presentation of X5's Results and Their Dynamics

X5’s operational currency is the Russian Ruble (RUR), while the Company's presentation currency is the U.S. Dollar (USD). As RUR/USD rate has substantially changed in the past twelve months, comparisons of the Company’s financial results either with the corresponding period a year ago (for profit & loss statement) or with the beginning of the year (for balance sheet statement) have been substantially affected by these movements. For more details please see page 8 of this press-release.

(1) Please note that in this and other tables of this press release immaterial deviations in calculation of % change, subtotals and totals are explained by rounding.

(2) Profit & Loss figures for 2008 in this press release are presented on pro-forma basis, unless otherwise stated. Pro-forma figures include results of the acquired Karusel hypermarket chain from 1 January 2008. We believe pro-forma numbers are useful because they allow investors to evaluate X5’s operating results and financial performance for different periods on a more comparable basis. These figures should be used in addition to, but not as a substitute for, the Consolidated Financial Statements, which include Karusel’s results only as from 30 June 2008, when the acquisition was completed. Please note that acquired Paterson stores' results are included only for December 2009.

(3) CIP stands for Construction in Progress. Please see section *Impairment of CIP & Fixed Assets* for additional information on 2009 impairment.

Net Sales & Gross Margin Performance

USD mln	Q4 2009	Q4 2008	*% change y-o-y*	FY 2009	FY 2008	*% change y-o-y*
Net Sales	**2,636.2**	**2,376.3**	***11%***	**8,717.4**	**8,892.4**	***(2%)***
incl. Retail	2,621.4	2,365.1	*11%*	8,674.5	8,843.8	*(2%)*
Hypermarkets	521.6	449.0	*16%*	1,687.9	1,678.0	*1%*
Supermarkets	662.8	709.0	*(7%)*	2,307.2	2,701.8	*(15%)*
Soft Discounters	1,433.8	1,207.1	*19%*	4,676.3	4,464.0	*5%*
Online	3.1	-	*n/a*	3.1	-	*n/a*
Gross Profit	**627.1**	**604.8**	***4%***	**2,107.9**	**2,278.5**	***(7%)***
Gross Margin, %	23.8%	25.5%		24.2%	25.6%	

For 2009 X5 reported net sales of USD 8,717 mln - a year-on-year decline of 2% in USD terms and 25% growth in RUR terms on pro-forma basis driven by industry-beating like-for-like (LFL) [(1)] sales growth of 10% and strong continued expansion.

In 2009 we clearly benefited from our multi-format strategy and the phenomenal customer appeal of discounters. Pyaterochka had the highest customer traffic growth of any retailer in Russia as consumers responded enthusiastically to our brand promise of *lowest price in the market on 100% of assortment.* In hypermarkets, we re-launched Karusel following integration of this acquisition, educating Russian consumers on the attractions of hypermarkets through our "Everything under One Roof – at Low Prices" publicity campaigns and promotions. Supermarkets faced the biggest challenge from trading down trends by consumers, especially in regions outside of Moscow and St. Petersburg. Our goal was to maintain loyalty among middle to upper income consumers in areas with favorable demographics for supermarkets.

X5 drove the highest like-for-like sales and customer traffic of any Russian retailer in 2009, with a record of nearly 1 billion store visits, thanks to our “Close to the Customer” policy of reinvesting gross margin in stores' value propositions. As a result, X5's gross margin for the year totaled 24.2% compared to 25.6% in 2008 - a year-on-year margin investment of 140 bp in line with management's expectations.

(1) Like-for-like (LFL) comparisons of retail sales between two periods are comparisons of retail sales in local currency (including VAT) generated by the relevant stores. The stores that are included in LFL comparisons are those that have operated for at least twelve full months preceding the beginning of the last month of the reporting period. Their sales are included in LFL calculation starting from the first day of the month following the month of the store opening.

Selling, General and Administrative Expenses (SG&A)

USD mln	Q4 2009	Q4 2008	*% change y-o-y*	FY 2009	FY 2008	*% change y-o-y*
Staff Costs, incl.	(225.5)	(212.6)	*6%*	(761.2)	(839.5)	*(9%)*
% of Net Sales	*8.6%*	*8.9%*		*8.7%*	*9.4%*	
ESOP	(27.7)	2.4	*n/a*	(59.3)	2.5	*n/a*
% of Net Sales	*1.1%*	*(0.1%)*		*0.7%*	*0.0%*	
Lease Expenses	(74.8)	(70.1)	*7%*	(264.2)	(271.3)	*(3%)*
% of Net Sales	*2.8%*	*2.9%*		*3.0%*	*3.1%*	
Other Store Costs	(32.5)	(33.3)	*(2%)*	(110.8)	(129.5)	*(14%)*
% of Net Sales	*1.2%*	*1.4%*		*1.3%*	*1.5%*	
D&A, incl.	(113.0)	(66.0)	*71%*	(268.2)	(250.7)	*7%*
% of Net Sales	*4.3%*	*2.8%*		*3.1%*	*2.8%*	
CIP & Fixed Assets Impairment	(48.3)	-	*n/a*	(48.3)	-	*n/a*
% of Net Sales	*1.8%*	*0.0%*		*0.6%*	*0.0%*	
Utilities	(44.6)	(35.5)	*26%*	(154.6)	(149.0)	*4%*
% of Net Sales	*1.7%*	*1.5%*		*1.8%*	*1.7%*	
Third Party Services	(26.4)	(31.6)	*(17%)*	(76.5)	(102.2)	*(25%)*
% of Net Sales	*1.0%*	*1.3%*		*0.9%*	*1.1%*	
Other Expenses	(27.7)	(21.4)	*29%*	(105.2)	(86.4)	*22%*
% of Net Sales	*1.0%*	*0.9%*		*1.2%*	*1.0%*	
Total SG&A	**(544.4)**	**(470.5)**	***16%***	**(1,740.6)**	**(1,828.7)**	***(5%)***
% of Net Sales	***20.7%***	***19.8%***		***20.0%***	***20.6%***	

Full year 2009 SG&A expenses decreased as a percentage of revenue by 60 bp year-on-year to 20.0%. Before depreciation, amortization and one-off non-cash impairment charge, SG&A expenses accounted for 16.9% of sales - a year-on-year decrease of nearly 90 bp. Net of ESOP cost, this indicator declined by 160 bp year-on-year. SG&A decline as a percentage of sales was achieved through cost control initiatives and implementation of X5's Strategic Efficiency Programme. Significant savings were obtained from administrative expense and staff cost optimization, renegotiation of leases and energy saving initiatives.

As at 31 December 2009 the Company employed 68,457 people compared to 60,467 as at 31 December 2008. The increase is primarily due to new store additions in 2009, when X5 added a net 271 new stores. Nevertheless, headcount growth of 13% was noticeably below the 22% increase in selling space for the year as X5 began to implement its store labour productivity improvement project. Achieved staff cost savings this year were partially offset by ESOP cost of USD 59 million for 2009 (compared to USD 2.5 million gain reported in 2008). ESOP charge is attributable to X5 GDR price appreciation of over 270% in 2009.

Impairment of CIP & Fixed Assets

Based on a regular impairment test of land, buildings and construction in progress ("CIP") performed by X5 at the end of 2009, the Company has taken an impairment charge of USD 48 million with respect to certain real estate assets and construction projects suspended due to the financial crisis or otherwise affected by economic deterioration. This impairment charge is recorded on the profit & loss statement for 2009 along with depreciation & amortization, with a corresponding decrease in property, plant and equipment on the balance sheet. This impairment charge is a non-cash one-off item that does not impact the strategic value of X5’s assets or business and is not indicative of the Company’s overall ability to generate cash flow.

Non-Operating Gains and Losses

USD mln	Q4 2009	Q4 2008	*% change y-o-y*	FY 2009	FY 2008	*% change y-o-y*
Operating Profit / (Loss)	**114.3**	**(2,097.8)**	*n/a*	**467.8**	**(1,704.5)**	*n/a*
Finance Costs (Net)	(40.0)	(46.1)	*(13%)*	(154.1)	(163.7)	*(6%)*
Net FX Result	(7.6)	(227.2)	*(97%)*	(45.7)	(267.2)	*(83%)*
Share of Loss of Associates	(1.4)	(0.6)	*116%*	(4.0)	(0.6)	*512%*
Profit / (Loss) before Tax	**65.3**	**(2,371.7)**	*n/a*	**264.0**	**(2,136.0)**	*n/a*
Income Tax (Expense)/Benefit	(21.1)	88.0	*n/a*	(98.6)	(9.4)	*944%*
Current Income Tax	(69.8)	(47.0)	*49%*	(168.4)	(185.7)	*(9%)*
Deferred Income Tax	48.7	135.0	*(64%)*	69.8	176.3	*(60%)*
Net Profit / (Loss)	**44.2**	**(2,283.7)**	*n/a*	**165.4**	**(2,145.5)**	*n/a*
Net Margin, %	*1.7%*	*n/a*		*1.9%*	*n/a*	

Finance Costs

Full year 2009 net finance costs decreased 6% year-on-year in USD terms and increased 20% in RUR terms due to higher interest rates on RUR funding, which were especially noticeable at the beginning of 2009 and moderated throughout the year. The effective interest rate on X5's debt for the full year 2009 was approximately 8.0%.

Foreign Exchange (FX) Gain/(Loss)

The Company posted a USD 46 million FX loss for full year 2009 due to exchange rate volatility throughout 2009. This is a primarily non-cash item, resulting from revaluation of the Company's USD-denominated debt.

Income Tax

For 2009, X5 reported income tax expense in the amount of USD 99 mln. Effective tax rate for the year totaled 37%, which is higher than the statutory tax rate for three main reasons: inventory shrinkage is not tax deductable in Russia, ESOP cost is not tax deductable in Russia and FX loss is only partially tax deductable.

Cash Flow – Key Trends and Developments

USD mln	Q4 2009	Q4 2008	% change y-o-y	FY 2009	FY 2008	% change y-o-y
Net Cash Flows from Operating Activities	543.2	369.6	*47%*	733.7	629.3	*17%*
Net Cash from Operating Activities before Changes in Working Capital	*263.6*	*219.6*	*20%*	*835.5*	*774.3*	*8%*
Change in Working Capital	*348.9*	*222.8*	*57%*	*166.0*	*243.9*	*(32%)*
Net Interest and Income Tax Paid	*(69.3)*	*(72.8)*	*(5%)*	*(267.9)*	*(388.9)*	*(31%)*
Net Cash Used in Investing Activities	(284.7)	(131.8)	*116%*	(433.8)	(1,656.0)	*(74%)*
Net Cash (used in)/generated from Financing Activities	(146.7)	(124.1)	*18%*	(194.3)	1,194.2	*n/a*
Effect of Exchange Rate Changes on Cash & Cash Equivalents	23.1	(61.0)	*n/a*	29.3	(70.2)	*n/a*
Net Increase in Cash & Cash Equivalents	**134.9**	**52.6**	***156%***	**134.8**	**97.3**	***39%***

Full year 2009 net cash flow from operating activities totaled USD 734 million compared to USD 629 million a year ago. Higher cash generation was driven by strong operating performance and efficient working capital management.

Net cash used in investing activities decreased dramatically to USD 434 million in 2009 from USD 1,656 million in 2008. Organic capital expenditures ("CapEx") totaled USD 245 million in 2009 versus USD 997 million in 2008, while in 2009 X5 added 126 thousand sq.m. of selling space organically compared to 127 thousand sq.m. in 2008. CapEx savings were attributable to more favourable real estate conditions and a shift in focus to leased versus owned premises (over 70% of selling space added and new stores opened in 2009 were leased), as well as a decrease in construction and repair costs. Increased CapEx efficiency provided flexibility for consolidation opportunities: X5 acquired Paterson for USD 189.5 million (equity value), adding 82 stores with total net selling space of approximately 63 thousand sq.m. on attractive, value enhancing terms while remaining within our 2009 CapEx limit and financing this acquisition from operating cash flow.

Net cash used in financing activities in 2009 amounted to USD 194 million, as the Company utilized generated free cash flow to reduce its debt levels, including redemption of acquired Paterson debt in the amount of approximately USD 90 million (gross debt).

Liquidity Update

USD mln	31-Dec-09	% in total	30-Sep-09	% in total	31-Dec-08	% in total	% change y-o-y
Total Debt	**1,944.0**		**2,018.9**		**2,059.4**		***(6%)***
Short-Term Debt	1,656.6	*85%*	637.2	*32%*	578.4	*28%*	*186%*
Long-Term Debt	287.4	*15%*	1,381.7	*68%*	1,481.0	*72%*	*(81%)*
Net Debt	**1,532.3**		**1,742.1**		**1,782.6**		***(14%)***
Denominated in USD	1,162.8	*76%*	1,064.6	*61%*	1,170.0	*66%*	*(1%)*
Denominated in RUR	369.5	*24%*	677.6	*39%*	612.6	*34%*	*(40%)*
FX, EoP	30.24		30.09		29.38		
Net Debt/EBITDA	**2.08x**		**2.37x**		**2.22x**		

Prudent financial management and deleveraging efforts have significantly strengthened the Company's balance sheet and liquidity. As at 31 December 2009, total debt amounted to USD 1,944 million. Net debt totaled USD 1,532 million - a year-on-year reduction of USD 250 million or 14%. Net debt to EBITDA ratio decreased from 2.22 times as at 31 December 2008 to 2.08 times at year-end 2009.

X5's short-term debt increased from USD 578 million as at 31 December 2008 to USD 1,657 million at the end of 2009, due to reclassification of certain obligations from long-term to short-term debt. These obligations potentially come due within twelve months and include RUR 9 billion in corporate bonds with a put option exercisable in July 2010, and the USD 1.1 billion syndicated loan maturing in December 2010. Importantly, X5 has already secured a 5-year ruble-denominated credit line equivalent of up to USD 1.1 billion from Sberbank for the purpose of refinancing the loan. This fully-committed long-term credit line is the first large-size "forward-start" facility in the Russian market. It can be utilised in several tranches with varying maturities. This arrangement provides X5 with great flexibility for managing the Company's liquidity position, minimising currency exposure and improving our debt maturity profile.

Net of the aforementioned arrangement with Sberbank, as at 31 December 2009, the Company had access to RUR-denominated credit facilities of approximately RUR 25 billion (approximately USD 812 million). Of this amount, approximately RUR 17 billion (approximately USD 555 million) represented available undrawn credit lines with major Russian and international banks.

Effect of RUR/USD Exchange Rate Movements on Presentation of X5's Results and Their Dynamics

X5's operational currency is the Russian Ruble (RUR), while the Company's presentation currency is the U.S. Dollar (USD). As RUR/USD rate has substantially changed in the past twelve months, comparisons of the Company's financial results either with the corresponding period a year ago (for profit & loss statement) or with the beginning of the year (for balance sheet statement) have been substantially affected by these movements:

- Comparisons of profit & loss figures with respective periods last year reflect a negative translational effect from RUR/USD rate movements, resulting in a difference between year-on-year change in RUR and the respective change in USD of approximately 12% for Q4 and 27% for full year 2009. For reference, to translate its profit & loss figures from RUR to USD for reporting purposes, the Company applied RUR/USD rate of 24.86 for full year 2008 (average for the period) and RUR/USD rate of 31.72 for full year 2009 (average for the period). Reported USD-denominated profit & loss figures for Q4 2009 and 2008 represent difference between reported full year and nine months figures for respective years.

- Comparisons of balance sheet figures as at 31 December 2009 to balance sheet figures as at 31 December 2008 reflect a negative translational effect from RUR/USD rate movement, resulting in a difference between change in RUR and the respective change in USD of approximately 3%. For reference, to translate its balance sheet figures from RUR to USD for reporting purposes, the Company applied RUR/USD rate of 29.38 as at 31 December 2008 and RUR/USD rate of 30.24 as at 31 December 2009.

Appendices

I. **Pro-Forma Income Statement for the Quarter and Year Ended 31 December 2009**

II. **Consolidated Income Statement for the Quarter and Year Ended 31 December 2009**

III. **Consolidated Statement of Comprehensive Income for the Quarter and Year Ended 31 December 2009**

IV. **Consolidated Statement of Financial Position (Balance Sheet) at 31 December 2009**

V. **Consolidated Statement of Cash Flows for the Quarter and Year Ended 31 December 2009**

VI. **Financial Calendar for 2010**

Note to Editors:

X5 Retail Group N.V. 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 31 March 2010, X5 had 1,399 Company-managed stores located in Moscow, St. Petersburg and other regions of European Russia, Urals and Ukraine, including 1,063 soft discount stores, 276 supermarkets and 60 hypermarkets.

As at 31 March 2010, X5's franchisees operated 640 stores across Russia.

For the full year 2009 X5's net sales totaled USD 8,717 mln, EBITDA reached USD 736 mln, and net profit amounted to USD 165 mln. For the first quarter 2009 X5's net retail sales reached USD 2,534 mln.

X5 Shareholder structure is as follows: Alfa Group – 47.9%, founders of Pyaterochka – 23.1%, X5 Management – 1.9%, treasury shares – 0.1%, free float – 27.0%.

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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Appendix I:

PRO-FORMA[(1)] INCOME STATEMENT
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2009
(expressed in thousands of US Dollars)

	Three months ended		Year ended	
	31-Dec-09	**31-Dec-08**	**31-Dec-09**	**31-Dec-08**
Revenue	**2,636,160**	**2,376,266**	**8,717,399**	**8,892,390**
Cost of sales	(2,009,087)	(1,771,476)	(6,609,522)	(6,613,866)
Gross profit	**627,073**	**604,790**	**2,107,877**	**2,278,524**
Selling, general and administrative expenses	(544,418)	(470,479)	(1,740,604)	(1,828,655)
Lease/sublease and other income	31,626	24,913	100,496	102,610
Operating profit before impairment	**114,281**	**159,224**	**467,769**	**552,479**
Impairment of Goodwill	-	(2,257,020)	-	(2,257,020)
Operating profit/(loss) after impairment	**114,281**	**(2,097,796)**	**467,769**	**(1,704,541)**
Net finance cost	(40,007)	(46,068)	(154,147)	(163,660)
Share of loss of associates	(1,395)	(647)	(3,964)	(647)
Net foreign exchange loss	(7,589)	(227,176)	(45,692)	(267,193)
Profit/(Loss) before tax	**65,290**	**(2,371,687)**	**263,966**	**(2,136,041)**
Income tax (expense)/benefit	(21,114)	88,006	(98,615)	(9,448)
Profit/(Loss) for the period	**44,176**	**(2,283,680)**	**165,351**	**(2,145,489)**

(1) Including the results of the acquired Karusel business from 1 January 2008, i.e. including them for the full year in both 2009 and 2008. Acquired Paterson stores' results are included only for December 2009.

Appendix II:

CONSOLIDATED[1] INCOME STATEMENT
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2009
(expressed in thousands of US Dollars)

	Three months ended		Year ended	
	31-Dec-09	**31-Dec-08**	**31-Dec-09**	**31-Dec-08**
Revenue	**2,636,160**	**2,394,426**	**8,717,399**	**8,353,250**
Cost of sales	(2,009,087)	(1,785,203)	(6,609,522)	(6,206,324)
Gross profit	**627,073**	**609,223**	**2,107,877**	**2,146,926**
Selling, general and administrative expenses	**(544,418)**	**(472,319)**	**(1,740,604)**	**(1,698,524)**
Lease/sublease and other income	31,626	25,177	100,496	94,776
Operating profit before impairment	**114,281**	**162,081**	**467,769**	**543,178**
Impairment of Goodwill	-	(2,257,020)	-	(2,257,020)
Operating profit/(loss) after impairment	**114,281**	**(2,094,939)**	**467,769**	**(1,713,841)**
Net finance costs	(40,007)	(46,578)	(154,147)	(148,505)
Share of loss of associates	(1,395)	(647)	(3,964)	(647)
Net foreign exchange loss	(7,589)	(227,176)	(45,692)	(267,187)
Profit/(Loss) before tax	**65,290**	**(2,369,341)**	**263,966**	**(2,130,181)**
Income tax (expense)/benefit	(21,114)	85,083	(98,615)	(8,106)
Profit/(Loss) for the period	**44,176**	**(2,284,258)**	**165,351**	**(2,138,287)**

[1] Including the results of the acquired Karusel business from 30 June 2008 when the acquisition was completed. Acquired Paterson stores' results are included only for December 2009.

Appendix III:

CONSOLIDATEDSTATEMENT OF COMPREHENSIVE INCOME(1)
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2009
(expressed in thousands of US Dollars)

	Three months ended		The year ended	
	31-Dec-09	**31-Dec-08**	**31-Dec-09**	**31-Dec-08**
Profit/(Loss) for the period	**44,176**	**(2,284,258)**	**165,351**	**(2,138,287)**
Other comprehensive income/(loss)				
Exchange differences on translation from functional to presentation currency	(9,700)	(634,888)	(39,392)	(814,353)
Changes in fair value of financial instruments	5,050	(24,070)	8,072	(18,180)
Other comprehensive loss	**(4,650)**	**(658,958)**	**(31,320)**	**(832,533)**
Total comprehensive income/(loss) for the period	**39,526**	**(2,943,216)**	**134,031**	**(2,970,820)**
Total comprehensive income/(loss) for the period attributable to:				
Equity holders of the parent	39,526	(2,943,216)	134,031	(2,970,820)

(1) According to the changes to IAS 1, *Presentation of Financial Statements*, the Income Statement should be replaced or complimented by a Statement of Comprehensive Income which will also include all non-owner changes in equity, such as the revaluation of available-for-sale financial assets. For your convenience, X5 Retail Group chose to provide both statements.

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Appendix IV: CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2009
(expressed in thousands of US Dollars)

	31 December 2009	31 December 2008
ASSETS		
Non-current assets		
Property, plant and equipment	2,995,329	3,039,044
Investment property	133,425	125,693
Goodwill	767,523	554,559
Intangible assets	496,111	499,324
Prepaid leases	84,805	80,677
Investment in associates	5,609	10,054
Other non-current assets	1,304	2,443
Deferred tax assets	151,786	94,558
	4,635,892	4,406,352
Current assets		
Inventories of goods for resale	612,722	476,475
Derivative financial assets	-	765
Loans originated	2,848	350
Current portion of non-current prepaid lease	13,705	10,154
Trade and other accounts receivable	309,571	176,313
Current income tax receivable	18,663	60,866
VAT and other taxes recoverable	174,762	239,418
Cash and cash equivalents	411,681	276,837
	1,543,952	1,241,178
Total assets	**6,179,844**	**5,647,530**
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	93,712	93,712
Share premium	2,049,144	2,049,144
Cumulative translation reserve	(559,576)	(520,184)
Retained earnings	199,292	33,941
Hedging reserve	(10,108)	(18,180)
Total equity	**1,772,464**	**1,638,433**
Non-current liabilities		
Long-term borrowings	287,378	1,480,968
Long-term finance lease payable	4,586	1,843
Deferred tax liabilities	207,689	219,161
Long-term deferred revenue	1,839	3,482
Share-based payments liability	25,986	30,665
	527,478	1,736,119
Current liabilities		
Trade accounts payable	1,556,325	1,175,279
Short-term borrowings	1,656,622	578,433
Share-based payments liability	59,559	7,256
Derivative financial liabilities	10,108	18,180
Short-term finance lease payables	1,950	2,197
Interest accrued	8,863	8,384
Short-term deferred revenue	18,979	4,872
Current income tax payable	33,790	20,887
Provisions and other liabilities	533,706	457,490
	3,879,902	2,272,978
Total liabilities	**4,407,380**	**4,009,097**
Total equity and liabilities	**6,179,844**	**5,647,530**

Appendix V: CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2009

(expressed in thousands of US Dollars)

	Three months ended		Full year ended	
	Q4 2009	**Q4 2008**	**31-Dec-09**	**31-Dec-08**
Profit/(loss) before tax	65,288	(2,369,341)	263,966	(2,130,181)
Adjustments for:				
Depreciation, amortisation and impairment	112,952	64,371	268,243	225,238
Goodwill impairment	-	2,257,020	-	2,257,020
Loss on disposal of property, plant and equipment	1,787	1,858	3,113	835
Loss on disposal of intangible assets	-	245	-	245
Finance costs, net	40,008	46,578	154,147	148,505
Impairment of trade and other accounts receivable	3,445	243	12,955	7,350
Share-based options expense/(income)	27,748	(7,636)	59,316	(7,647)
Amortisation of deferred expenses	3,005	(1,567)	10,226	5,087
Loss from associate	1,396	647	3,964	647
Net foreign exchange loss	7,589	227,176	45,692	267,187
Other non-cash items	389	-	13,877	-
Net cash from operating activities before changes in working capital	**263,606**	**219,594**	**835,499**	**774,286**
(Increase)/Decrease in trade and other accounts receivable	(18,505)	(10,480)	(91,463)	39,043
(Increase) in inventories of goods for resale	(106,780)	(175,091)	(128,095)	(164,858)
Increase in trade payables	458,997	305,048	343,752	239,744
Increase in other accounts payable	15,209	103,321	41,844	130,007
Net cash generated from operations	**612,527**	**442,392**	**1,001,537**	**1,018,222**
Interest paid	(55,745)	(52,013)	(156,914)	(150,493)
Interest received	565	4,203	4,449	12,078
Income tax paid	(14,142)	(25,032)	(115,390)	(250,460)
Net cash flows from operating activities	**543,205**	**369,550**	**733,682**	**629,347**
Cash flows from investing activities:				
Purchase of property, plant and equipment	(68,478)	(98,394)	(175,317)	(883,020)
Purchase of investment property	(8,574)	(3,034)	(8,574)	(3,034)
Non-current prepaid lease	(2,780)	(9,247)	(4,555)	(57,384)
Acquisition of subsidiaries and non-controlling interest	(201,817)	(21,024)	(229,367)	(711,072)
Short-term loans issued	-	(328)	-	-
Proceeds from sale of property, plant and equipment	1,375	2,002	3,290	6,826
Purchase of intangible assets	(4,462)	(2,430)	(19,321)	(8,361)
Net cash used in investing activities	**(284,737)**	**(131,799)**	**(433,844)**	**(1,656,045)**
Cash flows from financing activities:				
Proceeds from short-term loans	(42,018)	480,045	259,934	2,061,428
Repayment of short-term loans	(108,810)	(595,754)	(656,357)	(1,999,787)
Proceeds from long-term bonds	-	-	-	-
Proceeds from long-term loans	5,807	-	248,733	-
Repayment of long-term loans	(936)	-	(40,074)	-
Proceeds from issue of share capital	-	(8,138)	-	999,454
Proceeds from sale of treasury shares	-	-	-	144,217
Acquisition of derivative financial assets	(59)	8,876	(2,512)	-
Acquisition of treasury shares	-	(9,102)	-	(9,102)
Principal payments on finance lease obligations	(690)	(63)	(4,018)	(2,017)
Net cash (used in)/generated from financing activities	**(146,706)**	**(124,136)**	**(194,294)**	**1,194,193**
Effect of exchange rate changes on cash and cash equivalents	23,128	(61,012)	29,300	(70,154)
Net (decrease)/increase in cash and cash equivalents	**134,890**	**52,603**	**134,844**	**97,341**
Movements in cash and cash equivalents				
Cash and cash equivalents at the beginning of the period	276,791	224,234	276,837	179,496
Net (decrease)/increase in cash and cash equivalents	134,890	52,603	134,844	97,341
Cash and cash equivalents at the end of the period	**411,681**	**276,837**	**411,681**	**276,837**

Appendix VI:

Financial Calendar for 2010

Date	Event
27 May 2010, TBC	Q1 2010 Financial Results Reviewed by Auditors
9 July 2010, TBC	Q2 & H1 2010 Trading Update
26 August 2010, TBC	Q2 & H1 2010 Financial Results Reviewed by Auditors
11 October 2010, TBC	Q3 & 9M 2010 Trading Update
29 November 2010, TBC	Q3 & 9M 2010 Financial Results Reviewed by Auditors