

Minutes

of the

2007 Annual General Meeting of Shareholders (the "General Meeting") of

X5 Retail Group N.V.

(hereinafter: the "Company")

held on

15 June 2007 at Prins Bernhardplein 200 in Amsterdam

1. Opening and announcements

Mr. Hervé Defforey, chairman of the Supervisory Board and chairman of the General Meeting (the "Chairman") in accordance with clause 34 sub 1 of the Articles of Association (hereinafter: the "Articles") of the Company, opens the General Meeting at 11.00 hours and welcomes (the representatives of) the shareholders present at the General Meeting.

It is recorded that the General Meeting was convened with due observance of all provisions set out by law and the Articles. In the convocation letter to the shareholders was stated the place, the date, the starting time and the agenda (including explanatory notes) of the General Meeting (the "Agenda"). Mr Defforey records that therefore valid resolutions may be passed by the General Meeting on all subjects placed on the Agenda.

The Chairman ascertains that, in accordance to the list of attendance a total number of shares of 54,120,038 were represented at the General Meeting, from the total number of outstanding shares of the Company which is 54,120,038. The Chairman recorded that therefore, the quorum as mentioned in clause 37 sub 1 of the Articles was represented.

The Chairman states that in line with the Dutch Corporate Governance Code, the external auditor of the Company, Mr. Peter Dams from PriceWaterhouseCoopers, is available for answering any questions relating to the annual accounts for the financial year 2006.

Mr Wim Rieff is appointed secretary to this General Meeting (the "Secretary").

2. Report of the Management Board for the financial year 2006

The Secretary provides the General Meeting with an overview of the activities and of the performance of the Company during the financial year 2006. The General Meeting does not require additional information and approves the report of the Management Board by unanimous vote.

3A. Financial Statements for the financial year 2006

The Articles of the Company state that the General Meeting is authorised to adopt the annual accounts for the financial year. The General Meeting does not require additional information and adopts the 2006 annual accounts by unanimous vote.

3B. Explanation of dividend policy on addition to reserves and dividends

Clause 28 of the Articles of the Company states that the General Meeting, on proposal of the Supervisory Board, determines which part of the result for a financial year will be reserved and the allocation of the remainder of the result.

The Supervisory Board suggests to the General Meeting generally not to pay-out any dividend but to use all available funds for the anticipated growth of and strategic acquisitions.

3C. Allocation of the Company's profits

It is proposed by the Supervisory Board to transfer the Company's loss for the financial year 2006 to the retained earnings of the Company.

The Secretary confirms that 44,458,031 votes are in favor of this proposal where 9,662,007 votes abstained.

The Chairman confirms that the General Meeting decides to approve the transfer of the results for 2006 to the retained earnings.

4A Discharge from liability: Management Board

It is proposed to the General Meeting to grant discharge the members of the Management Board from all liability (*décharge verlenen*) in relation to the exercise of their duties in the financial year 2006, to the extent that such exercise is apparent from the annual accounts or has otherwise been disclosed to the General Meeting prior to the adoption of the annual accounts.

The Secretary states that 54,116,288 votes are in favor of the proposal where 3,750 votes are against.

The Chairman confirms that the General Meeting decides to approve the discharge of the members of the Management Board from liability.

4B Discharge from liability; Supervisory Board

It is proposed to the General Meeting to grant discharge the members of the Supervisory Board from all liability (*décharge verlenen*) in relation to the exercise of their duties in the financial year 2006, to the extent that such exercise is apparent from the annual accounts or has otherwise been disclosed to the General Meeting prior to the adoption of the annual accounts.

The Secretary states that 54,116,288 votes are in favor of the proposal where 3,750 votes are against.

The Chairman confirms that the General Meeting decides to approve the discharge of the members of the Supervisory Board from liability.

5. Changes to the composition of the Management Board

It is proposed to the General Meeting to approve the following changes in the composition of the Management Board, subject to amendment of the Articles of Association as set forth under item 9 of this Agenda:

It is proposed to the General Meeting to decrease the number of C Directors from four to zero. The number of A Directors (two) and the number of B Directors (one) will remain unchanged.

Lev Khasis remains as Director A; Vitaly Podolskiy remains as Director A; Wim Rieff remains as Director B.

Pawel Musial, Anzhelika Li and Oleg Vysotsky and Andrei Gusev are removed as Directors C from the Management Board.

The Secretary states that 53,687,493 votes are in favor of the proposal, 369,611 votes against and 62,934 votes abstained.

The Chairman confirms that the General Meeting approves the removal of Pawel Musial, Anzhelika Li, Oleg Vysotsky and Andrei Gusev as members of the Management Board, subject to amendment of the Articles of Association as set forth under item 9 of the Agenda, and to grant discharge (*décharge verlenen*) to these resigning members of the Management Board from liability up to the date of the amendment of the Articles.

6. Adoption of the Remuneration Policy of the Management Board

According to article 2:135 of the Dutch Civil Code a public limited liability company (*naamloze vennootschap*) must have a policy on the remuneration of its Management Board.

The Chairman makes reference to page 29 et seq of the 2006 annual accounts (Remuneration of Management Board Members) and the remuneration policy available at the General Meeting (the "Remuneration Policy"). The Supervisory Board proposes the General Meeting to adopt this Remuneration Policy in accordance with clause 14 sub 1 of the Articles.

The Secretary states that 42,379,943 votes are in favor of the proposal, 1,927,413 votes against and 9,812,682 votes abstained.

The Chairman confirms that the General Meeting adopts the Remuneration Policy as presented.

7. Composition of the Supervisory Board

Under the rotation schedule set by the Supervisory Board, Ms. Tatiana Franus will resign as a Supervisory Board member this year at the end of the General Meeting. Ms. Franus is eligible for reappointment.

The Supervisory Board proposes appointing her for another four-year period. The Supervisory Board has drawn up the following binding list of candidates in accordance with clause 20 of the Articles:

Ms. Tatiana Franus
Mr. Nigel Robinson

As explained in the explanatory notes to the Agenda, Ms. Franus has been a member of the Supervisory Board as of 2002 and is currently serving as a member of the Audit Committee.

The Secretary states that 52,353,304 votes are in favor of the proposal, 1,464,938 votes against and 301,796 votes abstained.

The Chairman confirms that the General Meeting decides to re-appoint Ms Franus as member of the Supervisory Board.

8. Approval of the Employee Stock Option Program

The Articles of the Company provide that the Supervisory Board determines the remuneration and further conditions of employment of the Management Board within the Remuneration Policy adopted by the General Meeting.

According to clause 14 sub 2 of the Articles and article 2:135 sub 4 of the Dutch Civil Code, option schemes to members of the Management Board require prior approval of the General Meeting.

The Management Board has prepared, as approved by the Supervisory Board, an Employee Stock Option Plan for the Company (the "ESOP") that includes granting of options to acquire GDR's comprising 5% of the Company's currently issued stock - i.e. a limit of 10,824,008 GDRs - available for the ESOP. The ESOP is considered a long-term compensation for key employees and members of the Management Board.

Under the ESOP options will be granted in four equal grants issued over a period of four years (2007 through 2010) with immediate vesting for the first grant, an 11 month vesting period for the 2nd grant and a one year vesting period for the 3rd and 4th grants. The ESOP will be offered to about 120 employees of the Company and companies controlled by the Company. The Supervisory Board considers the ESOP a long-term value creation for the Company.

The exercise price of the first option grant will be USD 18 per GDR (i.e. the GDR price at the date of the merger between Pyaterochka and Perekriostok on 18 May 2006), the exercise price of the second option grant will be equal to the average market value of the GDRs during 30 days prior to 18 May 2007, the exercise price of the subsequent two option grants will be equal to the average market value of the GDRs during 30 days prior to the granting date of each of these options.

The size of individual grants under the ESOP to Management Board members and key employees will be linked to pre-determined, measurable performance based targets which can be influenced by those employees and Management Board members.

The Secretary states that 42,595,577 votes are in favor of the proposal, 11,479,195 votes against and 45,266 votes abstained.

The Chairman confirms that the General Meeting decides to approve the ESOP.

9. Proposal to amend the Articles of Association

Copies of the proposed amendments to the Articles have been available for the shareholders and GDR holders at the Company since the date of the convocation of the General Meeting.

The Chairman states that it is anticipated that clause 17 and 24 of the Articles be revised in order to align the Dutch wording with the wording used in the Dutch Civil Code.

Clause 17 shall be revised in order that the independent auditor's compensation may be approved by the Audit Committee of the Supervisory Board rather than by the whole of the Supervisory Board, in accordance with the currently effective Rules of the Supervisory Board.

Clause 12 shall be amended in respect of the composition of the Management Board. See also item 5 above.

Clause 12, 20 and 37 will be changed in respect of clarification of voting procedures at the annual general meeting of shareholders.

Clause 41 does not mention the quorum requirements according to Dutch law and this clause will be amended consequently.

The Secretary states that 43,966,015 votes are in favor of the proposal. 10,091,089 votes against and 62,934 votes abstained.

The Chairman confirms that the General Meeting decides to approve the amendment of the Articles of Association.

10. Authorization of the Management Board to have the Company acquire shares or depository receipts in its own capital

The General Meeting is proposed, in accordance with clause 9 sub 4 of the Company's current Articles, to authorize the Management Board for a period of 18 months as of the date of the General Meeting, to allow the Company to purchase, for general corporate purposes, up to 10% of the Company's own issued and fully paid up share capital or depository receipts (i.e. GDRs) representing up to 10% of the Company's issued fully paid up share capital, at or below the market price of the GDRs (as being traded at London Stock Exchange) when such purchase is executed.

The Supervisory Board has resolved, subject to the above delegation by the General Meeting to the Management Board, that in case the amount of Company's own issued share capital or depository receipts (i.e. GDRs) being purchased reaches a level of more than 5% of the Company's own issued share capital the Management Board shall obtain a Supervisory Board approval before proceeding with such purchase, pursuant to clause 17 sub 3 of the Company's Articles.

The Secretary states that 44,185,154 votes are in favor of the proposal and 9,934,884 votes against.

The Chairman confirms that the General Meeting decides to authorize the Management Board to have the Company acquire shares or GDRs in its own capital in accordance with and subject to the above proposal.

11. Authorization of the Management Board, to allow the Company to sell or otherwise dispose, the Company's own issued and fully paid up share capital or depository receipts

The General Meeting is proposed, in accordance with clause 9 sub 6 of the Company's current Articles, to authorize the Management Board for a period of 18 months as of the date of the General Meeting, to allow the Company to sell or otherwise dispose, for general corporate purposes, the Company's own issued and fully paid up share capital or depository receipts (i.e. GDRs) at or above the market price of the GDRs (as being traded at London Stock Exchange) when such disposal is executed.

The Supervisory Board has resolved, subject to the above delegation by the General Meeting to the Management Board, that in case the price of the sale is below the market price when such disposal is executed or if there is any uncertainty over whether the price of the sale may be below the market price when such disposal is executed, the Management Board shall be obligated to receive Supervisory Board approval before proceeding with such sale, pursuant to clause 17 sub 3 of the Company's Articles.

The Secretary states that 44,454,281 votes are in favor of the proposal, 9,662,007 votes against and 3,750 votes abstained.

The Chairman confirms that the General Meeting decides to authorize the Management Board to allow the Company for a period of 18 months as of the date of the General Meeting, to sell or otherwise dispose the Company's own issued and fully paid up share capital in accordance with and subject to the above proposal.

12. Designation of the Supervisory Board as the corporate body which is authorized to issue shares, including any granting of rights to subscribe to shares, with the power to restrict or exclude the pre-emptive rights, in connection with the ESOP as approved in this General Meeting.

In accordance with clause 6 sub 1 and clause 7 sub 3 of the Articles, it is proposed to the General Meeting to designate the Supervisory Board, for a period of eighteen months, to be calculated from the date of the General Meeting, as the corporate body of the Company which shall be authorized to issue shares or GDRs to the Management Board members or to any other member of management or employee of the Company or its subsidiary companies in connection with the ESOP, including any granting of rights to subscribe to shares or GDRs, with the power to restrict or exclude the pre-emptive rights to such shares or GDRs.

The designation will be limited to 5% of the issued share capital of shares as it reads at the date of the General Meeting (for the avoidance of doubt, the issued share capital includes issued shares owned by the Company in its own capital). The Supervisory Board shall determine the time, price and other conditions of the share issue in accordance with the ESOP.

The Secretary states that 42,591,827 votes are in favor of the proposal, 11,479,195 votes against and 49,016 votes abstained.

The Chairman confirms that the General Meeting decides to designate the Supervisory Board, for a period of 18 months as of the date of this General Meeting, as the corporate body of the Company which shall be authorized to issue shares or GDRs to the Management Board members or any other member of management or employees of the Company or its subsidiary companies in connection with the ESOP, including any granting of rights to subscribe to shares, with the power to restrict or exclude the pre-emptive rights to such shares or GDRs, all in accordance with and subject to the above proposal.

13. Approval of grant of options on shares of the Company to Mr. H. Defforey, Chairman of the Supervisory Board

It is proposed to the General Meeting to grant options on GDRs of the Company to the chairman of the Supervisory Board - Mr. H. Defforey - during the period June 2007 and May 2009.

The numbers of options to be granted, vesting dates and exercise prices are set forth in the explanatory notes to the Agenda.

This individual option plan will be funded from the ESOP and will count towards its limits.

The Secretary states that 42,640,577 votes are in favor of the proposal, 1,768,438 votes against and 9,711,023 votes abstained.

The Chairman confirms that the General Meeting decides to approve the grant of options on shares of the Company to Mr. H. Defforey in the way as stated above.

14. Corporate Governance

The deviations by the Company from the Dutch Corporate Governance Code as described on page 20 et seq of the annual account have been discussed.

The General Meeting does not require additional information.

15. Any other items and conclusion

No other items were brought to the attention of the General Meeting.

As the Agenda contained no further issues to be deliberated, the General Meeting was closed.

Signed:

Mr. Hervé Defforey
The Chairman of the General Meeting

Mr. Wim Rieff
Secretary of the General Meeting