



**DIXY GROUP ANNOUNCES 16% REVENUE GROWTH IN RUSSIAN RUBLES DURING
THE FIRST SIX MONTHS OF 2009**

Moscow, Russian Federation, July 27, 2009

Dixy Group – one of the leading food retailers in the Russian Federation - has announced revenue growth of 16% in Russian ruble (a 16% decline in US dollars) for the first six months of 2009 ended 30 of June, 2009 over the same period in 2008.^{1,2}

Dixy Group's total revenue for the first six months of 2009 was RUR 26 751 mln., a 16% increase over the first six months sales in 2008, of RUR 23 092 mln.³ In dollars revenue declined 16% to USD 809.0 mln., from USD 964.4 mln. for the same period last year.

Retail revenue from DIXY operations for the first six months of 2009 amounted to RUR 22 356 mln. (USD 676.1 mln.), corresponding to a 13.2% increase in RUR and an 18% decline in USD, over the same period last year.

Retail revenue from MEGAMART operations for the first six months of 2009 amounted to RUR 2 992 mln. (USD 90.5 mln.), corresponding to a 34.8% increase in RUR and a 2.4% decline in USD, over the same period last year.

Retail revenue from MINIMART operations for the first six months of 2009 reached RUR 991 mln. (USD 30.0 mln.), corresponding to a 19.2% increase in RUR and a 13.7 % decline in USD, over the same period last year.

Retail revenue from VMart for the first six months of 2009 was RUR 68 mln. (USD 2.0 mln.).

Revenue from other activities, such as marketing revenue, sublease income and wholesale revenue amounted to RUR 344 mln. (USD 10.4 mln.).

The following exchange rates were used for converting Russian Rubles to US dollars:

Exchange Rate according to CBR	2008	2009
Average (6 months), RUR/USD	23.94	33.07

¹ Revenue figures are based on internal management reports and have not been audited.

² All revenue figures provided in this press release do not include VAT.

³ Total revenue includes retail revenue and other revenue, which consists of income from subleases and marketing revenue.

Commenting these results, the President of DIXY Group, Ilya Yakubson said:

The main priorities of the Company during the first half of 2009 were optimization of the logistics function and the rollout of the GOLD system at the level of operating companies in the Central Federal district. These undertakings were executed according to schedule within a larger framework of centralization of the Company's business processes at the HQ level. Today, the main part of these undertakings is successfully completed. During the next months, there remains a rollout of the GOLD IT system in stores, offices and distribution centers operating in the Moscow region, in Yaroslavl, and in Chelyabinsk. At the same time, we continue to work on increasing the level of centralization of deliveries throughout the Company. All of these actions, coupled with the optimization of the assortment mix and a heavier engagement in marketing activities, are the necessary elements for achieving a reversal in sales growth trend, which we will demonstrate in the second half of 2009.

Key operating and financial data for the six months ended June 30, 2009 and June 30, 2008

<i>As of</i>	30 June 2009	30 June 2008	Growth
Number of stores	488 ⁴	403 ⁵	21.1%
Net Selling space (sq.m.)	191 916	157 514	21.8%
 For the 3-month period ending			
	30 June 2009	30 June 2008	Growth
Revenue (mln. RUR)	26 751	23 091	16%
Revenue (mln. USD)	809	964	-16%
Store openings	16	19	
Dixy	16	16	
Megamart	0	1	
Minimart	0	0	
VMart	0	2	

Information about DIXY's formats of stores as of 30.06.2009

Format Brand	DIXY	MINIMART	MEGAMART
Format Description	Discounter	Economical Supermarket	Compact Hypermarket
Average Selling Space (sq. m.)	339	702	2,194
SKU (average per store)	3,500	7,500	20,500
Number of stores (as of 30.06.2009)	467	8	13
Selling Space per Format (sq. m.)	157,771	5,620	28,525
Total Space per Format (sq. m.)	366,624	12,555	68,134
Total Selling Space (sq. m.)	191,916		
Total Space (sq. m.)	447,313		

⁴ 7 DIXY stores were closed during the period from January 1, 2009 to June 30, 2009. Also, 12 VMART stores were closed during the same period, [please refer to our press-release for further details](#).

⁵ 4 DIXY stores were closed during the period from January 1, 2008 to June 30, 2008 due to changes in the competitive environment.

LFL Sales in RUR for H1 2009

For purposes of internal reporting and planning we include in like-for-like store base only stores that were opened twelve months before the beginning of the comparison period, thus giving the stores time to achieve maturity. We view this calculation as the most prudent, as it reflects the performance of the mature stores. We include in this base stores opened before 01.01.07. We now, for LFL purposes, compare sales data which includes VAT.

For the purposes of comparison of our results with those published by our peers in Russia, we also present like-for-like calculation that includes stores that were open before 01.06.08.

	For stores opened before 01.06.08*			For stores opened before 01.01.07**		
	TOTAL	Traffic	Average check	TOTAL	Traffic	Average check
DIXY						
Central Region	-2,58%	-8,24%	6,17%	-3,63%	-9,24%	6,18%
North West Region	6,64%	-0,72%	7,41%	5,57%	-2,10%	7,84%
Urals Region	-6,63%	-9,00%	2,61%	-7,69%	-10,01%	2,58%
TOTAL DIXY	-0,26%	-6,12%	6,24%	-1,52%	-7,36%	6,30%
MEGAMART (Urals)	9,64%	6,67%	2,79%	-11,12%	-8,43%	-2,94%
MINIMART (Urals)	2,18%	-1,28%	3,51%	-3,72%	-6,86%	3,37%
TOTAL GROUP	0,77%	-5,52%	6,65%	-2,21%	-7,37%	5,57%

* LFL Block includes 315 "DIXY" stores, 8 "MEGAMART" stores and 7 "MINIMART" stores

** LFL Block includes 250 "DIXY" stores, 5 "MEGAMART" stores and 6 "MINIMART" stores



DIXY GROUP

Press-release

OJSC DIXY Group (RTS, MICEX: DIXY) is one of the leading Russian companies operating on the food retail and FMCG market.

The first DIXY store opened in 1999 in Moscow. As of June 30, 2009, the Group operated 488 stores, including 467 Dixy (discounter) stores, 13 Megamart (compact hypermarket) stores, 8 Minimart (supermarket) stores throughout three Federal Districts of Russia: Central, Northwest and Urals.

In May 2007 the Company completed an IPO on RTS and MICEX, in which it raised USD 360 mln.. The controlling stake of OJSC DIXY Group is owned by the Mercury Group of Companies.

In 2008, DIXY's total revenue reached USD 1.94 billion (USD 1.43 billion in 2007). As of June 30, 2009, the Company had a total of 191,916 sq.m. of net selling space and employed 15,500 people.

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