



DIXY GROUP ANNOUNCES 15% REVENUE GROWTH IN RUSSIAN RUBLES DURING THE FIRST NINE MONTHS OF 2009

Moscow, Russian Federation, October 27, 2009

Dixy Group – one of the leading food retailers in the Russian Federation - has announced revenue growth of 15% in Russian ruble (a 15% decline in US dollars) for the first nine months of 2009 ended 30 of September, 2009 over the same period in 2008.^{1,2}

Dixy Group's total revenue for the first nine months of 2009 was RUR 39 619 mln., a 15% increase over the same period in 2008, of RUR 34 594 mln.³ In dollars revenue declined 15% to USD 1 219.7 mln., from USD 1 438.7 mln. for the same period last year.

Retail revenue from DIXY operations for the first nine months of 2009 amounted to RUR 33 088 mln. (USD 1 018.7 mln.), corresponding to a 12.6% increase in RUR and a 16.6% decline in USD, over the same period last year.

Retail revenue from MEGAMART operations for the first nine months of 2009 amounted to RUR 4 483 mln. (USD 138.0 mln.), corresponding to a 28.7% increase in RUR and a 4.7% decline in USD, over the same period last year.

Retail revenue from MINIMART operations for the first nine months of 2009 reached RUR 1 476 mln. (USD 45.4 mln.), corresponding to a 17.1% increase in RUR and a 13.3% decline in USD, over the same period last year.

Retail revenue from VMart for the first nine months of 2009 was RUR 68 mln. (USD 2.1 mln.).

Revenue from other activities, such as marketing revenue, sublease income and wholesale revenue amounted to RUR 503 mln. (USD 15.4 mln.).

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

Exchange Rate according to CBR	2008	2009
Average (9 months), RUR/USD	24.05	32.48

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:

“During the third quarter of 2009, we successfully accomplished the majority of undertakings related to increasing the effectiveness of our logistics and goods flow functions. As of September 30th, 2009, the level of centralization of deliveries processed through our distribution center located in the Serpukhov region of Moscow reached 68 percent. On October 25th 2009, we completed transfer of all Company’s operations onto the Aldata GOLD information system. The primary stage of centralizing our logistical operations across the Company is therefore complete. Today, our main priorities include assortment optimization and other marketing actions designed to stimulate average ticket and traffic growths. First marketing actions and promotional campaigns, which ran throughout Q3 2009, had proven that such instruments can be effective in terms of improving sales growth pattern.”

Key operating and financial data for the first nine months of 2009 and 2008:

As of	30 September 2009	30 September 2008	Growth
Number of stores	509 ⁴	425 ⁵	20%
Net Selling space (sq.m.)	197 425	166 823	18%
For the 9-month period ending	30 September 2009	30 September 2008	Growth
Revenue (mln. RUR)	39 619	34 594	15%
Revenue (mln. USD)	1 220	1 439	-15%
Store openings	37	37	
Dixy	36	29	
Megamart	1	3	
Minimart	0	0	
VMart	0	5	

Information about DIXY’s formats of stores as of 30.09.2009

Format Brand	DIXY	MINIMART	MEGAMART
Format Description	Discounter	Economical Supermarket	Compact Hypermarket
Average Selling Space (sq. m.)	331	702	2,164
SKU (average per store)	3 100	7,500	20,500
Number of stores (as of 30.09.2009)	487	8	14
Selling Space per Format (sq. m.)	161 500	5,620	30 305
Total Space per Format (sq. m.)	379 492	12 555	70 985
Total Selling Space (sq. m.)	197 425		
Total Space (sq. m.)	463 032		

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

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

LFL Sales in RUR for the first nine months of 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 01.09.08.

	On stores opened before 01.09.08*			On stores opened before 01.01.07**		
	TOTAL	receipt q-ty	ave. receipt	TOTAL	receipt q-ty	ave. receipt
DIXY						
Central Fed. Distr.	-3,61%	-5,52%	2,02%	-5,23%	-7,19%	2,11%
North - West. FD	3,74%	-0,24%	3,99%	1,60%	-2,44%	4,14%
Urals FD	-9,35%	-7,98%	-1,49%	-10,59%	-9,28%	-1,44%
TOTAL Dixy:	-1,92%	-4,18%	2,37%	-3,83%	-6,08%	2,40%
Megamarts (Urals)	7,30%	7,09%	0,20%	-13,10%	-8,53%	-5,00%
Minimarts (Urals)	0,92%	0,18%	0,74%	-5,11%	-5,77%	0,70%
TOTAL GROUP (RUB):	-0,83%	-3,60%	2,87%	-4,50%	-6,13%	1,73%

* LFL Block includes 305 "DIXY" stores, 9 "MEGAMART" stores and 7 "MINIMART" stores

** LFL Block includes 246 "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 October 27, 2009, the Group operated 515 stores, including 493 Dixy (discounter) stores, 14 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 September 30, 2009, the Company had a total of 197 425 sq.m. of selling space and employed 16 085 people.

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