



DIXY GROUP

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NEW DIXY GROUP STORE FORMAT 'VMART' NAMED 'DISCOVERY OF THE YEAR'

Moscow, June 5, 2008

OAO DIXY Group, one of the leading Russian companies on the food and FMCG retail markets, is glad to announce that the Group has received the 'DISCOVERY OF THE YEAR' Award for its new VMart stores concept within the framework of the 7th Golden Networks – 2008 national competition.

The VMart store concept was recognized as the most successful chain store format in 2007. VMart is a network of on-the-go convenience stores and one of four store formats under management at OAO DIXY Group. DIXY opened its first VMart store in St. Petersburg in the beginning of 2007.

VMart stores provide a maximum range of high-quality goods and services within a relatively small floor space (80-100 sq.m.). The stores' product range numbers an estimated 1400 SKUs. In addition, VMart stores have fast food and Internet areas.

The new VMart on-the-go convenience store concept is designed to replace unorganized trade in major cities with high consumer traffic.

As of May 31, 2008, OAO DIXY Group operates six VMart stores in St. Petersburg. The Group plans to open another 10 VMart stores in 2008.

"We are glad that the professional community has recognized our new brainchild, the VMart concept, as a significant phenomenon on the national retail market," said Oksana Grishina, director of VMart stores. "This is a really new, interesting and unprecedented sales concept for Russia, while several similar chains operate successfully in the West. The VMart format enables retailer to capitalize on the rising incomes of the urban population through value-added services."



ADDITIONAL INFORMATION

The Golden Networks national competition (<http://goldennets.ru>) is held annually among retail chains on the food and FMCG retail markets. The competition is designed to provide an efficient, independent and professional assessment of Russian retail companies from the consumer's point of view.

OAO DIXY Group (RTS, MICEX: DIXY) is one of the leading Russian companies on the food and FMCG retail markets. The first DIXY store opened in 1999 in Moscow. As of May 31, 2008, the Group operates 401 stores, including 379 Dixy (discounter) stores, 9 Megamarts (compact hypermarkets), 7 Minimart (supermarket) stores and 6 VMart (on-the-go convenience) stores in three Federal Districts of Russia: Central, Northwest and Urals.

In May 2007, the Company held an IPO on the RTS and MICEX exchanges, raising \$360 million. The Mercury Group owns a controlling stake in OAO DIXY Group (51%).

In 2007, DIXY's consolidated sales reached \$1.43 billion (\$1 billion in 2006). The Group's revenue in Q1 2008 was \$459 million. As of March 31, 2008 DIXY had a net sales area of 153,922 sq. m. As of March 31, 2008 the Company employs 14,576 people.

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By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, a number of which are beyond Dixy Group's control. As a result, actual future results may fundamentally differ from the plans, goals and expectations set out in these forward-looking statements.

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