

Press Release
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O'KEY GROUP S.A. announces unaudited operating results for 1Q 2012

O'KEY GROUP S.A. (the "Company" or "O'KEY"), one of the leading Russian food retailers, announces its unaudited operating results for 1Q 2012.

Operating Highlights

- LFL traffic posted strong growth of 7.2%
- LFL average ticket increased by 4.6%, above overall CPI inflation
- LFL revenue increased by 12.1%
- 1Q net retail revenue increased by 29.4% year-on-year (y-o-y)
- Selling space exceeded 358,000 sq.m.

Commenting on the results, O'KEY CEO Patrick Longuet said:

"We are delighted to report strong net retail revenue growth for the first quarter of 2012, and excellent like-for-like (LFL) results. Retail revenue increased 29.4% with LFL revenue accelerating by 12.1%. During the first quarter general market conditions looked healthy for retailing, except for the low food inflation which did hamper our progress on average basket."

"Part of the increase was anticipated due to a relatively low base of 1Q 2011 caused by the accident in St. Petersburg. However actual numbers were still ahead of our expectations. St. Petersburg did contribute to improvements in LFL revenue growth, but we also had strong results in the majority of other regions."

"Top line growth was driven by a 22% y-o-y increase in trading space and was further enhanced by improvement in St. Petersburg sales, but what is more important is that most other regions also reported similar growth dynamics. In cities where we had invested into increased presence, we saw clear improvements in sales performance."

"LFL revenue climbed to 12.1% driven by an increase in the number of transactions. We saw double-digit LFL revenue growth in the majority of cities, including St. Petersburg. Our LFL analysis for 1Q 2012 is based on 14 cities. The LFL number of transactions increased by 7.2% driven by a rebound in the St. Petersburg market and this was supported by stable growth in majority of other regions. The average LFL ticket grew by 4.6% which exceeded overall CPI inflation for the first quarter, despite also being restrained by it."

"Since the first quarter of 2011, we have opened 8 hypermarkets and 6 supermarkets, increasing the trading space by 22% to 358,000 sq.m. Out of the 4 hypermarkets which were originally scheduled for opening in December but were delayed due to administrative issues, 2 were opened during the first quarter of 2012 and 2 two are scheduled to open in the second quarter of 2012. In total we plan to open 17 hypermarkets in 2012."



Key operating results:

Number of new stores	1Q 2012	1Q 2011
Company	2	2
Hypermarkets	2	1
Supermarkets	-	1

Stores at the end of the period ⁱ	1Q 2012	1Q 2011
Company	73	59
Hypermarkets	44	36
Supermarkets	29	23

Trading space at the end of the period, '000 sq.m.	1Q 2012	1Q 2011	Growth
Company	358	293	22.2%
Hypermarkets	320	264	21.1%
Supermarkets	38	29	31.0%

Net Retail Revenue, mln RUB	1Q 2012	1Q 2011	Growth
Company	26 308	20 324	29.4%

LFL indicators, % ⁱⁱ	1Q 2012	1Q 2011
Retail Revenue, LFL	12.1	2.3
Average ticket, LFL	4.6	5.2
Number of tickets, LFL	7.2	-2.8

COMPANY OVERVIEW

“O’KEY” is one of the largest retail chains in Russia. Its primary retail format is the modern Western European hypermarket under the “O’KEY” brand, complemented by “O’KEY - Express” supermarkets.

The Company opened its first hypermarket in St. Petersburg in 2002 and has demonstrated continuous growth ever since. As at 31 December 2011, O’KEY operated 71 stores in 17 cities across Russia: 42 hypermarkets with an aggregate selling space of approximately 308,000 square meters and 29 supermarkets with an aggregate trading space of approximately 38,000 square meters. As of 31 December 2011 OKEY employed more than 19,000 people.

In accordance with the unaudited consolidated financial statements for 1H 2011, O’KEY’s revenue was RUR 42,798 million, like-for-like revenue growth rate was 4.8% and its EBITDA margin was 6.5%.

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ⁱ Ozerki hypermarket is included in total number of stores, in calculation of trading space and total retail revenue

ⁱⁱ Ozerki hypermarket was excluded from the calculation of like-for-like revenue because it has not been in operation February - September

