

X5 CUSTOMERS DONATE OVER FIVE TONNES OF FOOD TO LOW-INCOME FAMILIES

Moscow, 1 February 2016, — X5 Retail Group, a leading Russian food retailer, and the Rus Food Foundation, Russia's first food bank, are pleased to announce the preliminary results of the Basket of Kindness initiative to provide food support to disadvantaged families.

From August to December, over 2,500 customers in Moscow, St Petersburg, Perm and Tyumen donated more than 5 tonnes of food to low-income families through the 23 X5 stores involved in the project. The food was collected, packed and given to those in need by 300 in-store volunteers. A further 12 Basket of Kindness campaigns will be held in Moscow and other regions in 2016.

The most food was collected in Moscow in December, with around 1,200 kg from give Perekrestok stores and another tonne donated by Pyaterochka shoppers.

X5 donated a further 700 kg to support people in need in addition to customer purchases during the campaign on 2-14 December in Moscow and St Petersburg.

The Basket of Kindness project was launched in summer 2015, when X5 gave customers the opportunity to pay RUB 100 or RUB 200 toward food parcels to be given away to families in need. The parcels included affordable, high-quality foods with long shelf lives, such as cereal grains, sugar, pasta, tea, canned meat, biscuits and oil. X5 arranged for the food sets to be collected in Perm's Karusel hypermarket, packed and handed over to the Rus Food Foundation to distribute among low-income families.

X5 became the first Russian retailer to collect and distribute food donations with its joint project with the Rus Food Foundation. Food banks in various countries collect thousands of tonnes of food via retail chains giving shoppers the opportunity to buy products to be given to people in need.

In 2016, X5 plans to continue working with the Rus Food Foundation to provide aid to low-income families. From February to December this year, 12 campaigns lasting from several days to one month will be held in the Pyaterochka, Perekrestok and Karusel chains in Moscow, St Petersburg, Lipetsk, Rostov, Krasnodar, Samara, Kazan, Yekaterinburg, Sochi and Nizhny Novgorod.

Photo reports showing how the donated food is given personally to those in need can be found on the <u>Karusel</u> and <u>Perekrestok</u> websites. For more information on how the food is donated, please contact the <u>Rus Food Foundation</u>.

Note to Editors:

X5 Retail Group N.V. (LSE: FIVE, Fitch – 'BB', Moody's – 'Ba3', S&P – 'BB-') is a leading Russian food retailer. The Company operates several retail formats: the chain of proximity stores under the Pyaterochka brand, the supermarket chain under the Perekrestok brand, the hypermarket chain under the Karusel brand and Express convenience stores under various brands.

As of 31 December 2015, X5 had 7,020 Company-operated stores. It has the leading market position in both Moscow and St. Petersburg and a significant presence in the



European part of Russia. Its store base includes 6,265 Pyaterochka proximity stores, 478 Perekrestok supermarkets, 90 Karusel hypermarkets and 187 convenience stores. The Company operates 35 DCs and 1,561 Company-owned trucks across the Russian Federation.

For the full year 2014, revenue totaled RUB 633,873 mln (USD 16,498 mln), EBITDA reached RUB 45,860 mln (USD 1,194 mln), and profit for the period amounted to RUB 12,691 mln (USD 330 mln). In 9M 2015, revenue totaled RUB 578,701 mln (USD 9,763 mln), EBITDA reached RUB 41,780 mln (USD 705 mln), and net income amounted to RUB 12,084 mln (USD 204 mln).

X5's Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 14.43%, X5 Directors – 0.06%, treasury shares – 0.02%, free float – 37.64%.

For further details please contact:

Maxim Novikov Head of Investor Relations Tel.:+7 (495) 502-9783

e-mail: Maxim.Novikov@x5.ru