

X5 OPENS 7,000th STORE IN RUSSIA

Krasnodar, 17 December 2015 – X5 Retail Group (“X5” or the “Company”), a leading Russian food retailer (LSE ticker: “FIVE”), announces the opening of its 7,000th store in Russia and a more than 1.5x year-on-year increase in the expansion rate of its retail chains. Since the beginning of the year, X5 has opened more than 1,500 Pyaterochka, Perekrestok and Karusel stores, compared to 939 new stores in 2014.

Igor Shekhterman, X5 Retail Group CEO, said:

"In 2015 we significantly accelerated organic growth rates, and are proud to open our 7,000th store today. By expanding the Company's geographic presence, we maintain our focus on creating the best value offer for customers while developing ties with Russian suppliers."

X5's 7,000th store is a Pyaterochka in Krasnodar (65 Rossiyskaya St.). This is the second time this year that a new Pyaterochka has been opened as a “milestone store”. In late March, X5 opened a new Pyaterochka in Lyubertsy, marking the Group's 5,555th store. In July 2015, X5 opened its 6,000th location, a Perekrestok store on Bolshaya Dorogomilovskaya St., Moscow; in November 2015, the Group launched its 6,555th facility, a Karusel hypermarket in Nevinnomyssk (Stavropol region).

The new Pyaterochka store opened today will have an assortment of over 4,000 SKUs, and 35% of this falls into fresh categories. The store's total area is over 600 sq m, in line with the new Pyaterochka concept launched in October 2013. The new concept has already been rolled out at over 60% of Pyaterochka stores.

Yea-to-date, X5 has opened more than 1,500 stores in Russia, creating over 14,500 new jobs. Significant growth in X5's retail chains has also increased sales opportunities for Russian suppliers, whose share in the product mix offered by X5 retail chains exceeds 90%.

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 30 September 2015, X5 had 6,512 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 5,795 Pyaterochka proximity stores, 451 Perekrestok supermarkets, 84 Karusel hypermarkets and 182 convenience stores. The Company operates 34 DCs and 1,393 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 – 0.05%, treasury shares – 0.02%, free float – 37.64%.

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