

## **X5 OPENS 7,500 STORES IN RUSSIA**

**Lipetsk, 27 May 2016** – X5 Retail Group, a leading Russian food retailer, announces its first milestone opening in the year of its 10th anniversary.

Its 7,500th store is Pyaterochka located at 8 Zoi Kosmodemyanskoy St., Lipetsk, which is also the chain's 1,000th store within the Central-Chernozemny Division (this includes the Lipetsk, Voronezh, Kursk, Belgorod, Orel, Tula, Kaluga, Ryazan, Smolensk, Tambov and Bryansk Regions). Spanning over 460 sq m, it is fully in line with the new Pyaterochka concept launched in October 2013. To date, the chain has upgraded and rebranded more than 5,000 stores (about 75% of the total number). For the Central-Chernozemny Division, the share of new concept stores exceeds 75%.

The store offers 3,500 SKUs, with over 35% of products classified as fresh (fruits, vegetables, meat, fish and dairy). As part of its large-scale store refurbishment programme, X5 focuses on developing cooperation with local suppliers, whose produce accounts for over 25% of Pyaterochka's offering in the regions covered by the Central-Chernozemny Division. At present, Pyaterochka works with more than 60 Lipetsk Region producers contributing some 1,100 SKUs to its product mix. Notably, last year saw X5 Retail Group's stores located in the division's eleven regions add more than 20 local businesses to its supplier list. Domestic produce makes up over 90% of Pyaterochka's, Perekrestok's and Karusel's current product mix.

In 2016, Pyaterochka plans to open approximately 300 new stores within the Central-Chernozemny Division (including more than 25 stores in the Lipetsk Region), creating over 4,000 new jobs. Currently, the Division has 1,000 Pyaterochka stores (101 of them in the Lipetsk Region), which employ more than 15,000 local residents. In addition to Pyaterochka stores, X5 operates six Perekrestok supermarkets and two Karusel hypermarkets in the Lipetsk Region.

### **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 March 2016, X5 had 7,397 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 6,636 Pyaterochka proximity stores, 486 Perekrestok supermarkets, 91 Karusel hypermarkets and 184 convenience stores. The Company operates 35 DCs and 1,462 Company-owned trucks across the Russian Federation.

For the full year 2015, revenue totalled RUB 808,818 mln (USD 13,268 mln), Adjusted EBITDA reached RUB 59,413 mln (USD 975 mln), and net profit for the period amounted to RUB 14,174 mln (USD 233 mln). In Q1 2016, revenue totalled RUB 231,611 mln (USD 3,104 mln), EBITDA reached RUB 16,493 mln (USD 221 mln), and net profit amounted to RUB 5,054 mln (USD 68 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%.

**Forward looking statements:**

*This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the fact that they do not only relate to historical or current events. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "expected", "plan", "goal", "believe", or other words of similar meaning.*

*By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, a number of which are beyond X5 Retail Group N.V.'s control. As a result, actual future results may differ materially from the plans, goals and expectations set out in these forward-looking statements.*

*Any forward-looking statements made by or on behalf of X5 Retail Group N.V. speak only as at the date of this announcement. Save as required by any applicable laws or regulations, X5 Retail Group N.V. undertakes no obligation publicly to release the results of any revisions to any forward-looking statements in this document that may occur due to any change in its expectations or to reflect events or circumstances after the date of this document.*

---

**For further details please contact:****Maxim Novikov**

Head of Investor Relations

Tel.: +7 (495) 502-9783

e-mail: [Maxim.Novikov@x5.ru](mailto:Maxim.Novikov@x5.ru)**Andrey Vasin**

Investor Relations Officer

Tel.: +7 (495) 662-8888 ext. 21-456

e-mail: [Andrey.Vasin@x5.ru](mailto:Andrey.Vasin@x5.ru)