

X5 ACQUIRES 99 STORES IN BASHKORTOSTAN

Moscow, 3 April 2018 - X5 Retail Group N.V. ("X5" or the "Company"), a leading Russian food retailer (LSE and MOEX ticker: "FIVE"), announces that it has acquired JSC Ufa Grocery. Russia's Federal Antimonopoly Service has approved the deal.

Under the transaction, X5 has acquired 99 former Polushka stores located in Bashkortostan, including 39 stores in Ufa, four each in Salavat and Neftekamsk, two in Oktyabrsky and one in Sterlitamak. The total floor area of the stores is 65,500 sq m.

The deal gives X5 Retail Group ownership of 59 stores with a total floor area of 44,200 sq m. The remaining facilities are leased under long-term contracts. Nearly all of the acquired stores are due to be integrated into the Pyaterochka chain, with the recently opened distribution centre in Ufa ensuring uninterrupted supplies across Pyaterochka's operations in Bashkortostan.

This acquisition is fully in line with X5's development strategy, which is focused on organic growth aided by targeted acquisitions of unique assets. By developing its retail formats and logistics infrastructure in Bashkortostan, X5 promotes the economic development of the region and offers additional benefits to local producers and communities by redefining the modern retail experience.

Note to Editors:

X5 Retail Group N.V. (LSE and MOEX: FIVE, Fitch – ‘BB’, Moody's – ‘Ba2’, S&P – ‘BB’, RAEX – ‘ruAA’) 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 2017, X5 had 12,121 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 11,225 Pyaterochka proximity stores, 638 Perekrestok supermarkets, 93 Karusel hypermarkets and 165 convenience stores. The Company operates 39 DCs and 3,144 Company-owned trucks across the Russian Federation.

For the full year 2017, revenue totalled RUB 1,295,008 mln (USD 22,193 mln), Adjusted EBITDA reached RUB 99,131 mln (USD 1,699 mln), and adjusted net profit for the period amounted to RUB 33,768 mln (USD 579 mln).

X5's Shareholder structure is as follows: CTF Holdings S.A. – 47.86%, Intertrust Trustees Ltd (Axon Trust) – 11.43%, X5 Directors – 0.06%, treasury shares – 0.01%, Shareholders with less than 3% – 40.63%.

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.

Elements of this press release contain or may contain inside information about X5 Retail Group N.V. within the meaning of Article 7(1) of the Market Abuse Regulation (596/2014/EU).

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