

PYATEROCHKA OPENS NEW DISTRIBUTION CENTRE IN TATARSTAN

Kazan, 11 November 2019 – X5 Retail Group ("X5" or the "Company"), a leading Russian food retailer (LSE and MOEX ticker: "FIVE"), has expanded its logistics infrastructure in the Volga Federal District with a Pyaterochka distribution centre (DC) in Zelenodolsk, a town not far from Kazan.

Boasting a total area of some 39,500 sq m, the DC features eight storage zones with a specific temperature band in each one. It also contains a banana ripening room and is able to accommodate dry goods, alcoholic beverages, fresh products, frozen goods, caviar, as well as fruits and vegetables.

The Kazan DC is already supplying products to Pyaterochka stores in over 100 cities and towns across the republics of Tatarstan, Udmurtia, Mari El and Chuvashia, handling up to 5,000 tonnes of goods per day and servicing 1,200 stores.

The seamless operation of the centre is ensured by more than 500 employees and some 100 vehicles. Overall, Pyaterochka has generated upwards of 8,000 jobs in the Republic of Tatarstan.

At full capacity, the logistics facility will be able to handle products from about 600 suppliers, increasing the share of local Tatarstan producers from the current level of 30%. Today, X5 works with about 100 local suppliers, 19 of whom were added to the supplier list in 2018.

The opening ceremony was attended by Rustam Minnikhanov, President of the Republic of Tatarstan, Alexander Ilyin, X5 GR Director, Sergei Goncharov, General Director of Pyaterochka, and representatives of suppliers from the Volga Federal District. After the ceremony, the Kazan DC hosted the X5 Dialogue Forum, where local producers received valuable advice on working with the retail chain. They discussed quality, transportation, storage, sales and disposal requirements for food products, as set out in the Customs Union's and X5's applicable technical regulations.

Note to Editors:

X5 Retail Group N.V. (LSE and MOEX: FIVE, Fitch – ‘BB+’, Moody's – ‘Ba1’, S&P – ‘BB’, Expert RA – ‘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 and the hypermarket chain under the Karusel brand.

As of 30 September 2019, X5 had 15,752 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 14,850 Pyaterochka proximity stores, 811 Perekrestok supermarkets and 91 Karusel hypermarkets. The Company operates 43 DCs and 4,029 Company-owned trucks across the Russian Federation.

For the full year 2018, revenue totalled RUB 1,532,537 mln (USD 24,439 mln), Adjusted EBITDA reached RUB 109,871 mln (USD 1,752 mln), and net profit for the period amounted to RUB 28,642 mln (USD 457 mln). In 9M 2019, revenue totalled RUB 1,265,130 mln (USD 19,440 mln), adjusted EBITDA reached RUB 95,975 mln (USD 1,475 mln), and net profit amounted to RUB 25,043 mln (USD 385 mln).

X5's Shareholder structure is as follows: CTF Holdings S.A. – 47.86%, Intertrust Trustees Ltd (Axon Trust) – 11.43%, X5 Directors – 0.08%, treasury shares – 0.01%, Shareholders with less than 3% – 40.62%.

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 of 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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