

KAZAN WELCOMES NEW-CONCEPT KARUSEL STORE

Kazan, 2 November 2018 – X5 Retail Group, a leading Russian food retailer, announces the opening of a Karusel hypermarket at 170 Orenburgskiy Trakt in Kazan, which will be operating under the format's new concept.

With a sales floor of 4,320 sq m, the hypermarket offers over 20,000 SKUs, of which nearly 2,000 are produced locally. The new Kazan Karusel created 150 jobs.

Karusel's new concept entails an updated value proposition with revised product offerings and pricing strategies, as well as a revamped corporate style and interior design for stores.

The new concept specifically focuses on shopping space layout. Its detailed navigation system and convenient product display solutions help save time while shopping. The shelves display bargain prices, as well as special product offerings such as the best new arrivals, farmer and local produce, healthy food items and much more.

There is also an in-store cafeteria offering hot beverages and snacks for a convenient shopping experience. On top of that, the new Karusel in Kazan offers 400 self-produced items, including salads, main courses, handmade desserts, freshly baked bread and flatbreads.

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 30 September 2018, X5 had 13,685 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 12,822 Pyaterochka proximity stores, 712 Perekrestok supermarkets, 92 Karusel hypermarkets and 59 convenience stores. The Company operates 40 DCs and 3,293 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). In H1 2018, revenue totalled RUB 734,077 mln (USD 12,368 mln), adjusted EBITDA reached RUB 51,697 mln (USD 871 mln), and net profit amounted to RUB 14,313 mln (USD 241 mln).

X5's Shareholder structure is as follows: CTF Holdings S.A. – 47.86%, Intertrust Trustees Ltd (Axon Trust) – 11.43%, X5 Directors – 0.07%, 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 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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