

X5 LAUNCHES OPERATIONS IN KRASNOYARSK REGION

Krasnoyarsk, 15 February 2019 – X5 Retail Group N.V. (“X5” or the “Company”), a leading Russian food retailer (LSE and MOEX ticker: FIVE), announces its expansion in the Siberian Federal District and the opening of the first Pyaterochka store in Krasnoyarsk, the capital of the Krasnoyarsk region.

The store has over 500 sq m of selling space, is located at 134 Bograd St. and offers 5,000 SKUs, some of which are sourced locally in Siberia, including Krasnoyarsk brands DiHleb, Sibirzhinka, Krasnoyarsk Food Company, etc. The store's five checkout lanes guarantee a smooth shopping experience. Another Pyaterochka in Krasnoyarsk opened on the same day at 47 Aviatorov St.

Pyaterochka also opened two stores today in Abakan, the capital of the Republic of Khakassia. The stores, which have a total selling space of over 800 sq m, are located at 29 Druzhby Narodov St. and 120 Kirov St., Bld. 1, and feature 4,500 SKUs each.

By the end of the year, Pyaterochka expects to create ca. 900 new jobs in Khakassia and the Krasnoyarsk region. Six more stores are due to be opened in these regions before the end of February (three in Krasnoyarsk, two in Divnogorsk, and one in Sayanogorsk), providing employment for ca. 140 people.

Pyaterochka started its operations in the Siberian Federal District in August 2016, when the first stores were opened in Novosibirsk. As at 31 December 2018, a total of 478 stores were operating in the Novosibirsk, Kemerovo, Omsk, Tomsk, Altai regions, and the Republic of Altai. The Novosibirsk distribution centre opened in September 2017 brought a new impetus to the Company's development in Siberia.

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 2018, X5 had 14,431 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 13,522 Pyaterochka proximity stores, 760 Perekrestok supermarkets, 94 Karusel hypermarkets and 55 convenience stores. The Company operates 42 DCs and 3,830 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 9M 2018, revenue totalled RUB 1,109,582 mln (USD 18,061 mln), adjusted EBITDA reached RUB 79,484 mln (USD 1,294 mln), and net profit amounted to RUB 22,400 mln (USD 365 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).

For further details please contact:**Natalia Zagvozdina**

Head of Corporate Finance and IR
Tel.: +7 (495) 662-88-88 ext. 27-300
e-mail: Natalia.Zagvozdina@x5.ru

Andrey Vasin

Head of Investor Relations
Tel.: +7 (495) 662-88-88 ext. 13-151
e-mail: Andrey.Vasin@x5.ru