

## **X5 EXPANDS PEREKRESTOK ONLINE SUPERMARKET TO ONE MILLION MOSCOW HOUSEHOLDS**

**Moscow, 4 April 2017** — X5 Retail Group N.V. ("X5" or "the Company"), a leading Russian food retailer, is expanding the pilot scheme of its Perekrestok online service, with delivery available to around a million households in south-west Moscow and some neighbouring towns in the Moscow Region from April 4. Other districts of Moscow and towns near Moscow will be able to use the service by the end of 2017.

During the five weeks before the project's launch in Moscow, around 2,000 employees of X5's head office placed online orders to test the service. The successful test period allowed options and services available to customers to be tweaked, and errors eliminated.

X5's online supermarket offers the same prices and product mix as retail stores, including over 13,000 PLUs (other than ready-made foods with very short sell-by dates, spirits and tobacco products). The minimum order for delivery is RUB 2,000. During the pilot stage, all Perekrestok stores in south-west Moscow will offer RUB 300 discount coupons for online orders.

Residents of Moscow's south-west neighborhoods will be able to get their goods delivered at a convenient time on the next day after ordering. Delivery fees depend on delivery distance and time and the volume of the order, with free delivery for orders over RUB 7,000 or if no preferred delivery time is specified. In future, customers will also be able to collect their orders from the nearest supermarket. Pilot testing of the click-and-collect service is scheduled for Q2 2017.

The order picking and delivery service leverages a specially built hybrid store that combines features of a regular supermarket and a "dark store". Most popular goods will be supplied from the dark store, which gets direct deliveries from the Company's distribution centres. More unusual products (such as caviar) will be added from the supermarket's assortment, so that the delivery warehouse does not have to store Perekrestok's entire product range.

This arrangement makes Perekrestok's entire product range available to consumers, and makes for highly efficient and high-quality order completion. Completed orders are packed into specialised transportation containers, with compatible products stored alongside each other.

Orders are delivered by Perekrestok's special courier service using insulated vans with climate control to ensure Fresh and Ultra Fresh products reach customers safely. The vans are driven by operators with training in goods storage and transportation and excellent customer communication skills. Once the order is delivered, customers will be able to update it, if needed, and pay in cash or by bank card.

**Note to Editors:**

X5 Retail Group N.V. (LSE: FIVE, Fitch – ‘BB’, Moody's – ‘Ba2’, 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 December 2016, X5 had 9,187 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 8,363 Pyaterochka proximity stores, 539 Perekrestok supermarkets, 91 Karusel hypermarkets and 194 convenience stores. The Company operates 35 DCs and 2,318 Company-owned trucks across the Russian Federation.

For the full year 2016, revenue totalled RUB 1,033,667 mln (USD 15,420 mln), Adjusted EBITDA reached RUB 79,519 mln (USD 1,186 mln), and net profit for the period amounted to RUB 22,291 mln (USD 333 mln).

X5's Shareholder structure is as follows: Alfa Group – 47.86%, Intertrust Trustees Ltd (Axon Trust) – 11.43%, X5 Directors – 0.06%, treasury shares – 0.01%, shareholders with less than 3 per cent – 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.*

---

**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) 662-88-88 ext. 21-456

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