

X5 RETAIL GROUP NAMES NEW CHIEF FINANCIAL OFFICER

Moscow, 23 June 2017 — X5 Retail Group N.V. ("X5" or "the Company"), a leading Russian food retailer (LSE ticker: "FIVE"), announces that Svetlana Demyashkevich has been appointed as Chief Financial Officer effective from 29 June 2017. Dmitry Gimmelberg has decided to leave the Company, but will temporarily stay on as Advisor to the CEO in order to facilitate a smooth transition.

X5 Retail Group CEO Igor Shekhterman said:

"I would like to thank Dmitry Gimmelberg for his meaningful contribution to the further development of the Company's financial management function, including improvements to controls and budgeting, as well as streamlining of the investment process."

Svetlana has multifaceted experience in financial management in the banking and corporate sectors. She has worked on setting up and improving the efficiency of business planning, reporting and financial control systems, while also developing successful cooperation with major international financial institutions. With her qualifications and personal qualities, Svetlana will be able to quickly find her place in the X5 team and contribute effectively to the achievement of our strategic goals."

Svetlana Demyashkevich graduated with honours from the Financial University of the Government of the Russian Federation and is an ACCA qualified accountant. She audited financial institutions at PricewaterhouseCoopers, and was the Financial Controller at UNICEF Russia. Since 2005, Svetlana has held several senior positions at Alfa-Bank, including head of audit and IFRS reporting. She also created and led the financial control service, investor and rating agency relations, the business intelligence centre, and the centralised purchasing service. In her most recent post as Deputy CFO, Svetlana also chaired the tender committee and the credit committee for small- and medium-sized corporate clients, and was involved in the activities of the Boards of Directors of several of the bank's subsidiaries.

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 March 2017, X5 had 9,817 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 9,002 Pyaterochka proximity stores, 544 Perekrestok supermarkets, 90 Karusel hypermarkets and 181 convenience stores. The Company operates 36 DCs and 2,293 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). In Q1 2017, revenue totalled RUB 293,078 mln (USD 4,981 mln), EBITDA reached RUB 22,167 mln (USD 377 mln), and net profit amounted to RUB 8,355 mln (USD 142 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% – 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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