

X5 ANNOUNCES START OF LISTING OF ITS GLOBAL DEPOSITARY RECEIPTS ON MOSCOW EXCHANGE

Moscow, 1 February 2018 - X5 Retail Group N.V. ("X5" or the "Company"), a leading Russian food retailer (MOEX and LSE ticker: "FIVE"), announces the start of trading of its global depository receipts ("GDRs") on Moscow Exchange today.

The Chairman of the Supervisory Board of the Alfa Group and member of the X5 Supervisory Board Mikhail Fridman, the Chairman of the Management Board of Moscow Exchange Alexander Afanasiev, the Chief Executive Officer of X5 Igor Shekhterman and the Chief Financial Officer of X5 Svetlana Demyashkevich participated in an official ceremony to mark the start of trading.

Mikhail Fridman said: *"The listing of X5 Retail Group on Moscow Exchange is a significant event for the entire financial system in Russia. We are convinced that the Company will become a real blue chip on Moscow Exchange and will continue to grow sustainably in the interests of its shareholders, customers and partners. X5 is a strategic investment of the Alfa Group, and we support management efforts to increase the Company's shareholder value."*

Alexander Afanasiev said: *"Moscow Exchange has significantly reformed the stock market infrastructure in recent years, making it comfortable for both Russian and international investors, as well as for issuers. Companies with international listings coming to the Moscow Exchange has become a trend, as they seek to expand their investor base and increase share liquidity, which helps to increase value. Our platform is open and convenient for large global investment funds, while also being an accessible domestic market for a growing class of private Russian investors and funds. I wish Russia's retail leader, X5 Retail Group, a successful experience on our domestic stock market."*

Igor Shekhterman added: *"The Moscow Exchange listing will allow X5 to expand the investor base, providing full access to trading for all those who wish to purchase the Company's shares. This event will improve share liquidity and should have a positive effect on the Company's market capitalisation. We hope that X5 Retail Group's shares will be attractive for investors: we have achieved the fastest pace of revenue growth among public food retailers in Russia for two years in a row, and X5 is a leader in terms of retail space and like-for-like sales growth."*

Earlier, the Company announced that Moscow Exchange had approved the listing of the Company's Global Depositary Receipts (ISIN US98387E2054). The Company's GDRs have been included in the Level 1 List.

Note to Editors:

X5 Retail Group N.V. (LSE: 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 2017, X5 had 12,121 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 11,225 Pyaterochka proximity stores, 638 Perekrestok supermarkets, 93 Karusel hypermarkets and 165 convenience stores. The Company operates 39 DCs and 3,144 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 9M 2017, revenue totalled RUB 933,303 mln (USD 15,999 mln), EBITDA reached RUB 72,392 mln (USD 1,241 mln), and net profit amounted to RUB 25,975 mln (USD 445 mln).

X5's Shareholder structure is as follows: CTF Holdings S.A. – 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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