

X5 APPOINTS SERGEI GONCHAROV TO LEAD PYATEROCHKA

Amsterdam, 22 June 2018 – X5 Retail Group N.V (“X5” or the “Company”), a leading Russian food retailer (LSE and MOEX ticker: FIVE), announces that Sergei Goncharov has been appointed as the General Director of Pyaterochka.

X5 Retail Group CEO Igor Shekhterman said:

"Sergei Goncharov has an excellent track record in both strategy and brand management, as well as operational management and retail business development. Over the last several months, Sergei led the review of the Company's strategy, helping him gain an in-depth understanding of X5 Retail Group and its development priorities. I am confident that Sergei's strong professional skills and high levels of motivation will enable him to introduce new approaches to ensure the right balance between Pyaterochka's growth, efficiency and returns."

Sergei Goncharov joined X5 on 1 March 2018. From 2013 until the end of 2017, Sergei worked at Magnit as the Head of Magnit Cosmetic. In 2005–2013, Sergei worked at Sony Corporation as Director for Strategy and Business Development and prior to that at investment companies in Spain and the USA. Sergei holds an MBA from the Wharton School at the University of Pennsylvania.

In addition, Vadim Kapustin, previously Strategic Marketing and Planning Director at X5 Retail Group, has been appointed as the new Director of Strategy.

Igor Shekhterman commented:

"Vadim Kapustin will be responsible for the ongoing process of updating our strategy, searching for new growth opportunities as well as for innovation management, which is an increasingly significant element of the Company's strategic development. Vadim has all the necessary competencies and expertise in these areas."

Prior to joining X5 in 2016, Vadim Kapustin worked for the international division of Walmart where he was responsible for strategy development and management, as well as for development and implementation of omnichannel strategies and supply chains for Walmart and Sam's Club in the US market. Vadim also has over 15 years of experience in management consulting with A.T. Kearney and KPMG in various countries and sectors, including FMCG. He holds an MBA from Darden School of Business, University of Virginia.

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 March 2018, X5 had 12,701 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 11,797 Pyaterochka proximity stores, 674 Perekrestok supermarkets, 92 Karusel hypermarkets and 138 convenience stores. The Company operates 39 DCs and 3,038 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 Q1 2018, revenue totalled RUB 351,518 mln (USD 6,180 mln), adjusted EBITDA reached RUB 22,234 mln (USD 391 mln), and net profit amounted to RUB 5,628 mln (USD 99 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).

For further details please contact:**Maxim Novikov**

Head of Investor Relations

Tel.: +7 (495) 502-97-83

e-mail: Maxim.Novikov@x5.ru**Andrey Vasin**

Investor Relations Officer

Tel.: +7 (495) 662-88-88, ext. 13-151

e-mail: Andrey.Vasin@x5.ru