

PYATEROCHKA OPENS 1,500TH STORE IN MOSCOW REGION, PASSING YET ANOTHER DEVELOPMENT MILESTONE

Moscow, 29 June 2018 – X5 Retail Group N.V (“X5” or the “Company”), a leading Russian food retailer (LSE and MOEX ticker: FIVE), announces that Pyaterochka has opened its 1,500th store in the Moscow region. The landmark event took place in Lenino, Istra city district.

With a more-than 500 sq m sales floor, the new store offers over 3,500 SKUs, and has a special emphasis on fruit, vegetables and fresh category goods (meat, dairy, fish, etc.). Collectively, these account for more than one third of the store’s product offering. Domestically-produced goods account for 90% of the assortment, with roughly 20% sourced from local manufacturers, including the Ruzsky Bread Factory and the Klinsky Bread-Baking Complex. Last year, X5 worked with over 250 suppliers located in the Moscow region.

This latest opening brought the number of Pyaterochka stores in the Istrinsky district to 28. The new store is operated by 13 people. The retail format has already created 476 jobs in Istra alone, and over 26,000 jobs in the Moscow region overall.

By the end of 2018, Pyaterochka plans to open 11 more stores in the Istra district and over 150 stores in the Moscow region.

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).

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