

## **X5 AND SOVCOMBANK TO DEVELOP PARCEL LOCKER NETWORK**

**Moscow, 4 September 2018** – X5 Retail Group N.V. (“X5” or the “Company”), a leading Russian food retailer (LSE and MOEX ticker: FIVE) and Sovcombank, one of the largest privately owned banks in Russia, are assessing the establishment of a joint venture (JV) for delivering packages ordered from online stores to a network of parcel lockers. X5 has filed a request with the Federal Antimonopoly Service to approve the acquisition of a 50% stake in TsTB (“Digital Technologies of the Future”), a company currently fully owned by Sovcombank.

Today, TsTB has 450 parcel lockers operating under the Halva brand, and it plans to expand the network to more than 1,500 lockers. The proposed JV would install parcel lockers at X5 stores over the next five years.

The JV with Sovcombank would enable X5 to speed up the roll-out of a locker network across its stores and to start pilot-testing of a collaborative logistics model. X5 will also benefit from an additional flow of parcels and packages after launching an in-house fulfilment centre.

### **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 30 June 2018, X5 had 13,178 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 12,314 Pyaterochka proximity stores, 691 Perekrestok supermarkets, 93 Karusel hypermarkets and 80 convenience stores. The Company operates 40 DCs and 2,983 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 H1 2018, revenue totalled RUB 734,077 mln (USD 12,368 mln), adjusted EBITDA reached RUB 51,697 mln (USD 871 mln), and net profit amounted to RUB 14,313 mln (USD 241 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% – 40.64%.

**Sovkombank PJSC** is one of the TOP-20 Russian banks with total assets of RUB 888 bn under IFRS. The bank employs 15.1 thousand people, with 2.5 thousand offices located in 1,039 towns across Russia. Sovcombank has credit ratings from five credit rating agencies (two international and three national). Its international ratings are BB-/Stable (Standard & Poor’s), Ba3/Stable (Moody’s) and BB/Positive (Fitch). The national ratings are A/Stable (ACRA) and ruA/Stable (RAEX).

**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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