

X5 RETAIL GROUP LAUNCHES SEARCH FOR NEW CFO

Moscow, 8 June 2016 – X5 Retail Group N.V. ('X5' or the 'Company'), a leading Russian food retailer (LSE ticker: "FIVE"), announces that it has begun a search for a new Chief Financial Officer, after the current CFO Elena Milinova informed the Company of her intention to leave her job in order to pursue new ventures. Elena will stay with the Company until the appointment of a new CFO, and will facilitate a smooth transition to her successor.

X5 Retail Group CEO Igor Shekhterman said: "Elena has made an important contribution to the Company's transformation over the last two years. During her time here, X5 has significantly improved the investment decision-making process, which is key to supporting strong organic growth rates; new budgeting and electronic document systems were launched; a new project to improve the commercial controlling function was initiated; and our borrowing rates and credit ratings have improved. I am confident that our combined efforts will ensure an orderly transition process for X5's financial management function."

X5 Retail Group's outgoing CFO Elena Milinova said: "After more than 15 years working as a finance director, including on X5's ambitious and successful strategic turnaround, I now want to pursue new ventures and focus on overseeing new business projects."

Note to Editors:

X5 Retail Group N.V. (LSE: FIVE, Fitch – 'BB', Moody's – 'Ba3', 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 2016, X5 had 7,397 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 6,636 Pyaterochka proximity stores, 486 Perekrestok supermarkets, 91 Karusel hypermarkets and 184 convenience stores. The Company operates 35 DCs and 1,462 Company-owned trucks across the Russian Federation.

For the full year 2015, revenue totalled RUB 808,818 mln (USD 13,268 mln), Adjusted EBITDA reached RUB 59,413 mln (USD 975 mln), and net profit for the period amounted to RUB 14,174 mln (USD 233 mln). In Q1 2016, revenue totalled RUB 231,611 mln (USD 3,104 mln), EBITDA reached RUB 16,493 mln (USD 221 mln), and net profit amounted to RUB 5,054 mln (USD 68 mln).

X5's Shareholder structure is as follows: Alfa Group – 47.86%, founders of Pyaterochka – 14.43%, X5 Directors – 0.06%, treasury shares – 0.02%, free float – 37.64%.

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 at 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.

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