

X5 ANNOUNCES SETTLEMENT OF DEBUT RUB 20 BILLION EUROBOND ISSUE

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Amsterdam, 19 April 2017 — X5 Finance B.V., a wholly owned subsidiary of X5 Retail Group N.V., together with X5 Retail Group N.V., a leading Russian food retailer (LSE ticker: "FIVE"), announce the closing and settlement of a debut RUB 20 billion eurobond issue due April 2020 with a coupon rate of 9.25% per annum paid semi-annually.

Igor Shekhterman, X5 CEO, said:

"I am happy to announce that X5 completed its debut eurobond issue, with significant investor interest across numerous geographies. This represents the largest rouble eurobond issue to be successfully priced since the market for this instrument re-opened in Q4 2016. We were happy to see very high-quality international investors, including large institutional funds and private banks participate in this issue. This has also enabled us to establish a strong benchmark for future issuance and to diversify the geography of our debt investor base."

The eurobonds were issued by X5 Finance B.V. with guarantees from X5 Retail Group N.V., Trade House "PEREKRIOSTOK" JSC and "Agrotorg Limited Liability Company".

X5 Retail Group N.V. intends to use the net proceeds of the issue to refinance existing indebtedness.

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Elements of this press release contain or may contain inside information of X5 Retail Group N.V. within the meaning of Article 7(1) of the Market Abuse Regulation (596/2014/EU).

Note to Editors:

X5 Retail Group N.V. (LSE: FIVE, Fitch – 'BB', Moody's – 'Ba2', 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 December 2016, X5 had 9,187 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 8,363 Pyaterochka proximity stores, 539 Perekrestok supermarkets, 91 Karusel hypermarkets and 194 convenience stores. The Company operates 35 DCs and 2,318 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).

X5's Shareholder structure is as follows: Alfa Group – 47.86%, Intertrust Trustees Ltd (Axon Trust) – 11.43%, X5 Directors – 0.06%, treasury shares – 0.01%, Shareholders with less than 3% – 40.63%.

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