

X5's SERVICES CENTRE RECOGNISED THE BEST AUTOMATED SHARED SERVICES CENTRE WITH THE MOST EFFICIENT EDI

Moscow, 27 April 2018 – X5 Retail Group (“X5” or the “Company”), a leading Russian food retailer (LSE and MOEX ticker: “FIVE”), won the Best Shared Services Centre (SSC) 2018 award in the Robotic Automation category. X5’s business is growing ahead of the market, and robotic process automation is enabling the Company to overcome potential “human limitations”.

The robotic automation project in the X5 Services Centre was launched in November 2017. Since then, the Company has automated seven business processes, including counterparty reconciliations, document downloading from digital archives, document routing, document display control in SAP, and others. With these processes in place, nearly 5 million documents a year will be managed automatically.

As at 31 December 2017, X5's Services Centre in Nizhny Novgorod was servicing over 250,000 company employees and over 5,000 suppliers from 63 regions of the country. Its annual document flow (including EDI) comprises about 100 million documents.

Previously, X5 won the Best SSC 2017 award in the EDI category, surpassing Raiffeisenbank, Severstal, Rostelecom and Apatit by the share of electronic documents in the overall document flow. X5 achieved over 95% across many document types.

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 net profit for the period amounted to RUB 31,394 mln (USD 538 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 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.

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) 502-9783

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

Investor Relations Officer

Tel.: +7 (495) 662-88-88 ext. 21-456

e-mail: Andrey.Vasin@x5.ru