

X5 ANNOUNCES APPOINTMENTS TO SUPERVISORY BOARD

Amsterdam, 22 June 2018 – X5 Retail Group N.V (“X5” or the “Company”), a leading Russian food retailer (LSE and MOEX ticker: FIVE), announces the appointments of Karl-Heinz Holland and Nadia Shouraboura to its Supervisory Board. Both of the new members were nominated by the Board’s Nomination and Remuneration Committee based on their established position as leading retail industry professionals with impeccable track records of building and rolling out leading global retailers and technologies.

The nominations were approved at a regular meeting of the Supervisory Board held on 22 June 2018.

Karl-Heinz Holland served at Lidl Group for over 20 years in various leadership capacities, including six years as CEO, during which time he drove the expansion of Lidl across Europe. He has wide-ranging expertise in the international retail arena, currently serving on the Boards of Directors of Distribuidora Internacional de Alimentación, S.A. (“DIA”) and zooplus AG.

Nadia Shouraboura has extensive experience in development of innovative concepts for modern retail, as well as technology and data-driven solutions for consumers. In 2004-2012, Nadia served as Technology Vice President for Amazon’s global supply chain and fulfilment platforms. Subsequently, she launched her own technology consultancy for the retail industry globally, aimed at combining the best of the online and offline worlds.

Stephan DuCharme, Chairman of the X5 Retail Group Supervisory Board, commented on the appointments:

"We are happy to welcome Karl-Heinz Holland and Nadia Shouraboura as new Supervisory Board members. I am confident that Karl-Heinz’s professional experience will help X5 to continue improving its industry-leading formats in food retail, particularly on the proximity front."

"Nadia has a background of deep technology and supply chain expertise and a track record of bringing technology to the store, which we will leverage as our industry goes digital."

"These valuable additions to the Board are fully in line with our strategic priorities. Both individuals bring with them an obsession with serving customer needs."

"I would also like to say a heart-felt thank you to Christian Couvreur and Pawel Musial, who are both leaving the board after many years of service. Both Christian and Pawel played instrumental roles in driving the Company's success during a pivotal time of transformation of our business, when we regained market leadership by making customers, stores and growth our key priorities. Their dedication and support to X5 Retail Group will be felt for many years to come."

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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