

X5 AND RUS FOOD FOUNDATION TO HOST FIRST BASKET OF KINDNESS ONLINE FOOD MARATHON

Moscow, 15 August 2018 – X5 Retail Group ("X5" or the "Company"), a leading Russian food retailer, and Rus Food Foundation are going to host the first online Basket of Kindness, a charity project to collect food for people in need. The marathon will run on the official Basket of Kindness website at корзинадоброты.рф from 15 August to 15 October.

Anyone interested in making a food donation can take part in the online marathon by choosing from baskets of products that range in price from RUB 150 to RUB 2,000. Payments for the baskets can be made online at корзинадоброты.рф. The sets include staple foods such as cereals, pasta, sunflower oil, canned goods, tea and sweets.

X5 Retail Group will add 30% to all online donations. After the two-month marathon, volunteers will sort the food sets and deliver them to those in need. The Baskets of Kindness will go to elderly people living alone in the rural areas of Borsky, Bogorodsky, Balakhninsky, Kstovsky and Dzerzhinsky districts of the Nizhny Novgorod Region.

X5 and Rus Food Foundation launched the online charity store корзинадоброты.рф in late 2017, and over 41,000 people have visited it since November 2017. In the first two weeks after launch, every fifth visitor to the website made a donation. The online platform has helped collect 716 food baskets since its opening, which will also be delivered to pensioners living alone in the Nizhny Novgorod Region.

The Basket of Kindness project was launched in 2015. Initially, Basket of Kindness collected food donations from only a few stores in each city, which limited the pool of participants to the visitors of these stores. Throughout the course of the project, 77,610 people donated 155 tonnes of food, which was distributed to 15,663 families.

In 2018, X5 Retail Group and Rus Food Foundation, Russia's first food bank, switched to a new format of collecting food aid through city-wide food marathons. The first marathon took place on 3 March in 220 stores run by X5 in Kazan, where shoppers bought and donated more than 13 tonnes of food for low-income elderly residents of Tatarstan. On 21 April, Yekaterinburg followed suit, with 160 stores of the local X5 chains collecting 11 tonnes of food for 1,800 elderly people living alone in the Sverdlovsk Region. Next in line to host food marathons are Moscow and Samara.

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%.

Rus Food Foundation is a nationwide charity organisation and the first "Food bank" that provides food and non-food aid to socially vulnerable population groups across Russia. The Foundation was founded in 2012. During its past 5 years of work, Foundation has provided over 20,000 tons of free food.

Rus Food Foundation accepts goods (food and essential products) donated by Russian FMCG producers, cafes, restaurants and stores, grocery sets donated as part of food marathons and Food for the villages events, as well as cash contributions from individuals to purchase food as part of People's Lunch, an all-Russian charity campaign. The aid is distributed through social services, Russian Orthodox Church parishes and private non-profit organisations across Russia.

In 2016, the Foundation started participating in the Products for the Aid to Mother federal programme supported by the Presidential Commissioner for Children's Rights in Russia. Every month, the Foundation helps more than 150,000 low-income people from various Russian regions.

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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