

PENSIONERS SAVED RUB 11 BILLION AT X5 STORES IN 2018

Moscow, 25 January 2019 – X5 Retail Group (“X5” or the “Company”), a leading Russian food retailer (LSE and MOEX ticker: FIVE), announces that total discounts for pensioners shopping at Pyaterochka, Perekrestok and Karusel stores in 2018 amounted to RUB 10.8 billion. Over the year, pensioners made over 447 million purchases at X5 stores. Stores in Moscow and the Moscow region, as well as those in the Northwestern, Volga-Vyatka, Urals and Central Black Earth regions, saw the most traffic.

X5 has offered pensioner discounts for several years. At Pyaterochka, senior citizens can get a 5% discount during the first half of the day and double that on Mondays. Perekrestok stores offer a 10% discount from 09:00 am to 01:00 pm on weekdays, while Karusel gives a 5% discount from its opening hour to 01:00 pm.

In 2019, X5 and the Pension Fund of the Russian Federation plan to pilot electronic social cards, which will have unique QR codes providing information on the holder’s status and the social benefits he or she is entitled to. X5 intends to implement a scanner that will use the QR code to render discounts and personalised offers to pensioners and pre-retirement customers.

X5 Retail Group also supports shoppers with children and parents-to-be, offering special discounts and additional points for purchases. As part of Family Club, a Perekrestok loyalty programme launched in August 2018, customers have already saved some RUB 14.3 million by getting 10% off all purchases in excess of RUB 3,000 on weekends. In addition, when buying personal hygiene products, toys, and baby food, members of the programme earn 3x, 5x, and 7x the points that they normally would, respectively. With privileges like that, parents can cut down on their spending when shopping at Perekrestok.

Since the end of 2017, Pyaterochka has also been running a separate loyalty programme called Kids Club, offering soon-to-be and new parents with children aged from 0 to 10 years a variety of opportunities to spend less on shopping using additional loyalty points and accessing promo campaigns run by the club’s partners. In 2018, the programme helped customers save around RUB 349 million.

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 December 2018, X5 had 14,431 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 13,522 Pyaterochka proximity stores, 760 Perekrestok supermarkets, 94 Karusel hypermarkets and 55 convenience stores. The Company operates 42 DCs and 3,830 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 9M 2018, revenue totalled RUB 1,109,582 mln (USD 18,061 mln), adjusted EBITDA reached RUB 79,484 mln (USD 1,294 mln), and net profit amounted to RUB 22,400 mln (USD 365 mln).

X5's Shareholder structure is as follows: CTF Holdings S.A. – 47.86%, Intertrust Trustees Ltd (Axon Trust) – 11.43%, X5 Directors – 0.07%, 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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