

X5 ANNOUNCES NOMINATION TO SUPERVISORY BOARD AND STRENGTHENS FOCUS ON COMMERCIAL AND TECHNICAL INNOVATION

Amsterdam, 29 January 2019 – X5 Retail Group (“X5” or the “Company”), a leading Russian food retailer (LSE and MOEX ticker: FIVE), announces the nomination of Alexander Torbakhov to the Supervisory Board (“Board”), the establishment of the Innovation and Technology Committee of the Supervisory Board, and the creation of the Business Support department in the X5 Corporate Centre.

The nomination of Mr Torbakhov was supported by the Board on 25 January 2019 and is subject to approval by shareholders at the Company’s Annual General Meeting of Shareholders (“AGM”) to be held on 10 May 2019. Subject to his appointment by the AGM, Mr Torbakhov has also been nominated as Chairman of a newly-created Innovation and Technology Committee of the Supervisory Board, established for the primary purpose of reviewing and making recommendations to the Board on issues relating to the Company’s digital strategy, innovation and technology, which are among X5’s key strategic priorities.

Mr Torbakhov has extensive experience in digital transformation processes, most recently as Deputy Chairman of the Executive Board of Sberbank, where he headed the Retail Business Unit. Prior to Sberbank, he held General Director positions in Vimpel Communications and Rosgosstrakh-Life Insurance Company. Mr Torbakhov holds an engineer degree from the Moscow Aviation Institute, an economist degree from Moscow State Institute of International Relations and an MBA from the University of Chicago (USA).

Meanwhile, operational efficiency and streamlining support to the retail formats remain key priorities: a new Business Support department at X5’s Corporate Centre was established on 25 January 2019 to better support the retail formats in the areas of transport, direct import and real estate. The Business Support department will be headed by Svetlana Volikova, who currently holds the position of the General Director of Perekrestok Express.

Ms Volikova joined X5 in 2007. She has held various positions within X5’s Corporate Centre and retail formats, including the General Director of Karusel. From 1996 to 2007, she held positions at Auchan and Danone. Ms Volikova graduated from the Higher Institute of Management in Paris, France. She qualified as an ACCA accountant in 2009.

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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