

X5'S 15,000TH STORE IS PYATEROCHKA WITH NEW DESIGN

Moscow, 17 May 2019 – X5 Retail Group N.V. (“X5” or the “Company”), a leading Russian food retailer (LSE and MOEX ticker: “FIVE”), announces the opening of its 15,000th store. Located in Zelenograd, building 1541, the milestone Pyaterochka features elements of the new store design that the Company plans to roll out.

The store boasts Pyaterochka’s updated brand colours, with navigation intended to improve the customer experience and reduce shopping time. The fruits and vegetables area has undergone significant changes in the new store, with modern spot lighting used to emphasise the freshness of goods. The store is also testing a new in-house bakery format offering an extended range of bread and pastries. Baked right in the store, the bread and confectionery products are displayed on shelves with glass partitions that are significantly better at keeping products fresh.

Revamping the design is the first step in upgrading the retail chain as part of an external and internal transformation aimed at improving the customer experience, enhancing service, and placing a greater emphasis on freshness.

Pyaterochka General Director Sergei Goncharov commented:

“Pyaterochka has delivered exceptional performance in Russia’s food retail market, topping the convenience store segment with over 12 million customers shopping at our stores daily and over 70 million unique customers each quarter. As Pyaterochka continues to evolve and develop, we strive to increase the number of loyal guests, whom we put at the centre of everything we do. Our aim is to make qualitative improvements to the shopping experience and earn our customers’ trust, making Pyaterochka a more caring, practical, and convenient store that is recognised for its fresh assortment.”

With a sales area of over 600 sq m, the newly-opened Pyaterochka features some 6,500 SKUs, including locally-sourced products. The store has seven checkout lanes providing for a smooth shopping experience. The opening of the store helped create 22 new jobs. Pyaterochka employs more than 13,500 people in over 950 stores in Moscow.

Note to Editors:

X5 Retail Group N.V. (LSE and MOEX: FIVE, Fitch – ‘BB+’, Moody's – ‘Ba1’, 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 and the hypermarket chain under the Karusel brand.

As of 31 March 2019, X5 had 14,779 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 13,917 Pyaterochka proximity stores, 771 Perekrestok supermarkets and 91 Karusel hypermarkets. The Company operates 41 DCs and 3,837 Company-owned trucks across the Russian Federation.

For the full year 2018, revenue totalled RUB 1,532,537 mln (USD 24,439 mln), Adjusted EBITDA reached RUB 109,871 mln (USD 1,752 mln), and net profit for the period amounted to RUB 28,642 mln (USD 457 mln). In Q1 2019, revenue totalled RUB 405,864 mln (USD 6,138 mln), adjusted EBITDA reached RUB 29,473 mln (USD 446 mln), and net profit amounted to RUB 9,297 mln (USD 141 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 – 0.02%, Shareholders with less than 3% – 40.62%.

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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