

5POST TO OFFER FASTER PARTNER INTEGRATION

Moscow, 30 January 2020 – X5 Retail Group ("X5" or the "Company"), a leading Russian food retailer (LSE and MOEX ticker: "FIVE"), announces a partnership between the IT integrator ApiShip and X5 subsidiary 5Post, which is developing a parcel delivery service. The partnership aims to reduce the time required for integration of new partners of the 5Post delivery platform from several weeks to one day.

ApiShip is an integration platform for e-commerce and will serve as a business process intermediary between the delivery service and online stores. Its common data transfer standard for connecting online stores to delivery services is expected to improve the efficiency and speed of operations, as well as contribute to an increase in delivery volumes of at least 10%. This technology was developed in-house by ApiShip and is offered to online stores free of charge.

In order to join the 5Post network, online stores connected to ApiShip need to enter into a standard agreement and obtain an access key. The rest is a speedy process requiring minimal configuration, meaning that the stores do not need to build an integration from scratch. Some online stores are already using the new system.

"We aim to offer an efficient service for linking online stores to logistics companies with a one-stop-shop solution encompassing all existing methods and standards. The 5Post integration is now available to all users of our platform. We save our clients and partners time by facilitating data exchange and reducing their integration, development and support-related expenses," said ApiShip CEO Dmitry Khomyakov.

"Our last mile service will only succeed if we keep up with the fast pace of development of e-commerce. ApiShip's common data transfer standard, together with 5Post's flexible and scalable IT framework enables us to connect new partners as quickly as possible while also offering our clients more opportunities to purchase goods at a greater number of their favourite online stores," said 5Post Managing Director Vitaly Dyrdasov.

The ApiShip platform is used by more than 11,700 online stores, as well as key international delivery aggregators.

5Post is a partner to a growing number of leading e-commerce outlets such as OZON, Beru.ru, and AliExpress. Its network includes over 6,000 pick-up locations. Online stores that already have or plan to have an integration with ApiShip's platform can join 5Post's network by sending a free-form request to fivepost@x5.ru

Note to Editors:

X5 Retail Group N.V. (LSE and MOEX: FIVE, Fitch – ‘BB+’, Moody's – ‘Ba1’, S&P – ‘BB’, RAEX – ‘руАА+’) 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 December 2019, X5 had 16,297 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 15,354 Pyaterochka proximity stores, 852 Perekrestok supermarkets and 91 Karusel hypermarkets. The Company operates 42 DCs and 4,124 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 9M 2019, revenue totalled RUB 1,265,130 mln (USD 19,440 mln), adjusted EBITDA reached RUB 95,975 mln (USD 1,475 mln), and net profit amounted to RUB 25,043 mln (USD 385 mln).

X5's Shareholder structure is as follows: CTF Holdings S.A. – 47.86%, Intertrust Trustees Ltd (Axon Trust) – 11.43%, X5 Directors – 0.08%, treasury shares – 0.01%, 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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