



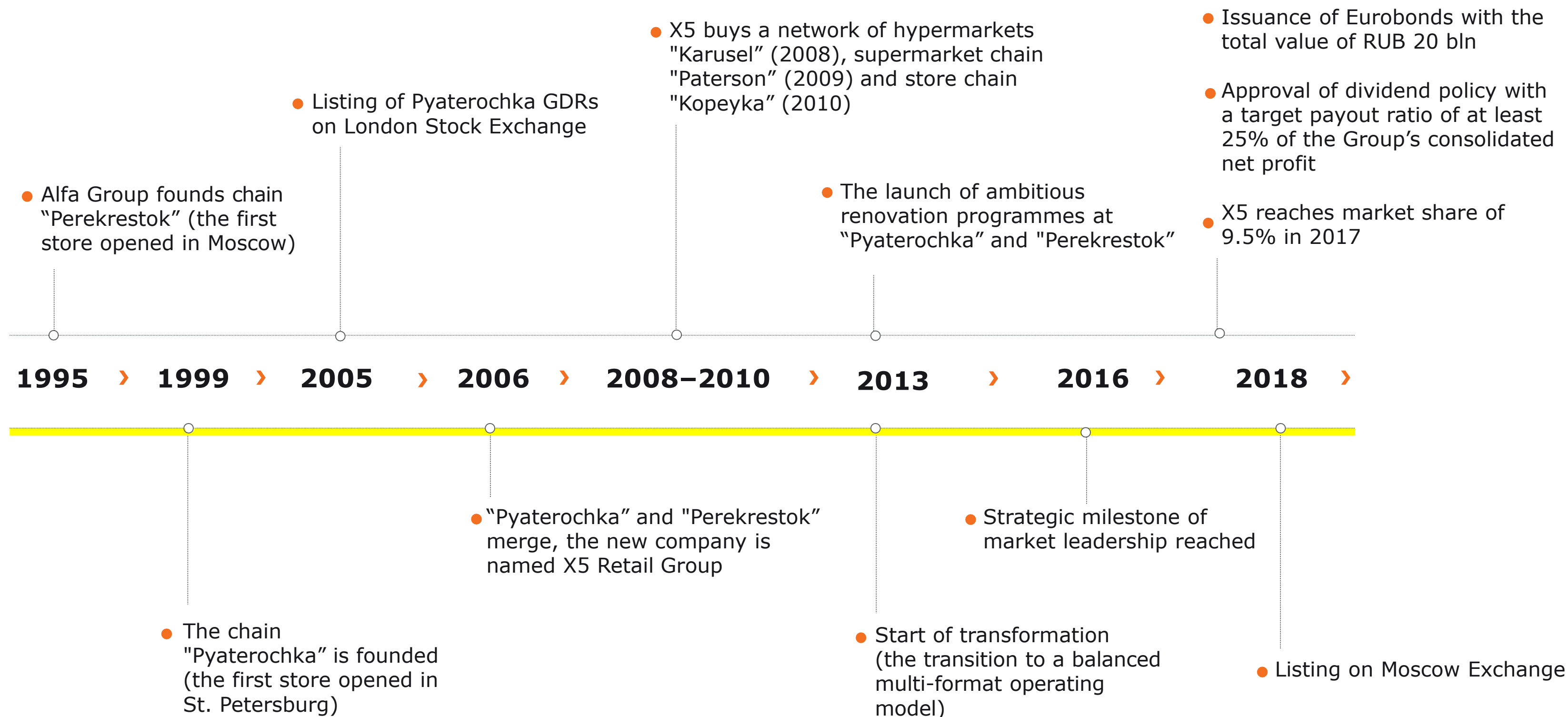
X5 Retail Group today

X5 Retail Group is a leading multi-format modern retailer that is developing and managing a portfolio of retail brands, each with a distinct value proposition

 **X5** RETAIL GROUP

 Moscow
2018

History



03/

➤ X5 RETAIL GROUP TODAY

Key highlights

13,685

stores
as of 30 September 2018

6,155 ths.
sq. m

total selling space
as of 30 September 2018

372.9 RUB
bn

5.7 USD
bn

net retail sales in Q3 2018

over

20 years

on the food retail
market in Russia

1.18 bn

customer visits in Q3 2018

1,286.9 RUB
bn

22.1 USD
bn

net retail sales in 2017



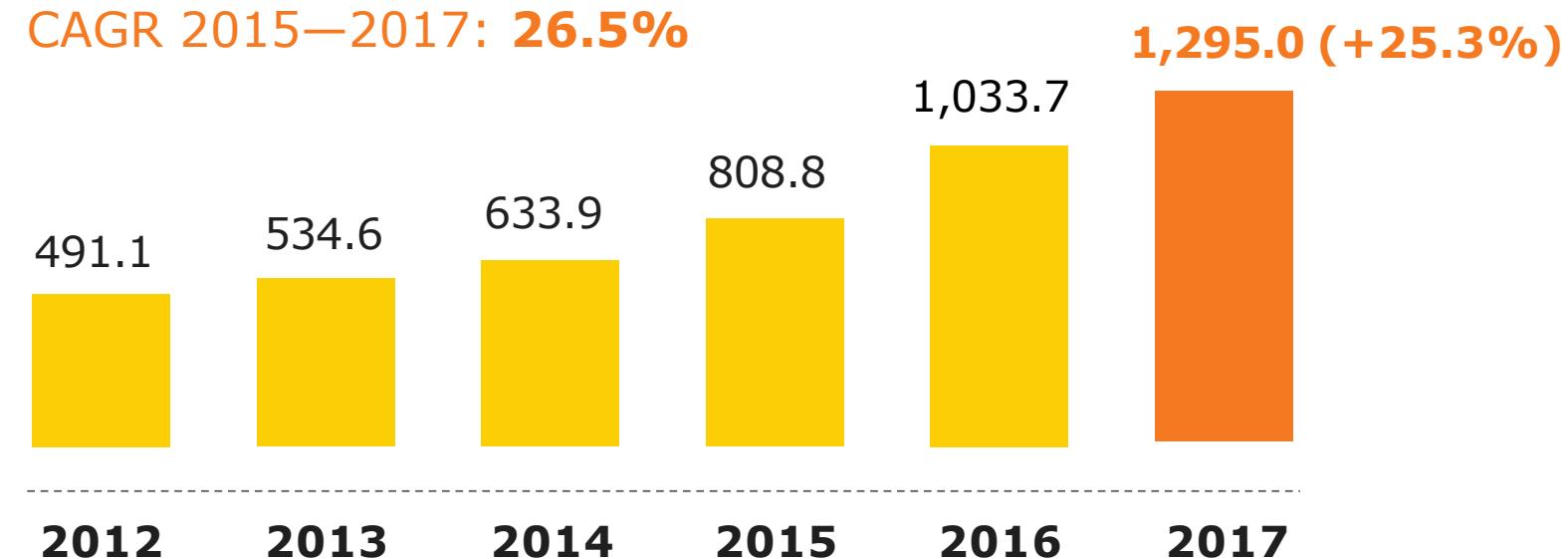
Average dollar in 2017 : 1USD = 58.3529 RUB
Average dollar in Q3 2018: 1USD = 65.5323 RUB

Financial highlights

Revenue dynamics, RUB bn

CAGR 2012—2017: **21.4%**

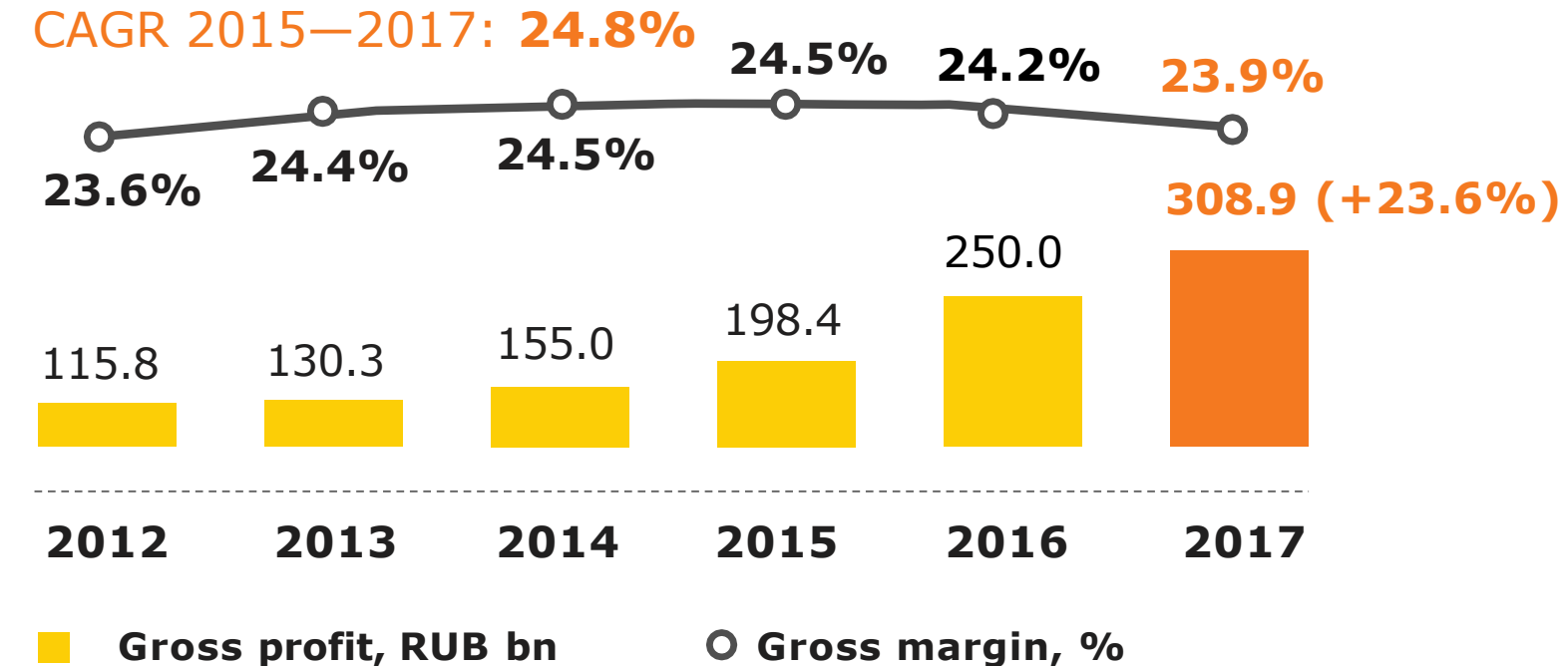
CAGR 2015—2017: **26.5%**



Gross profit & gross margin

CAGR 2012—2017: **21.7%**

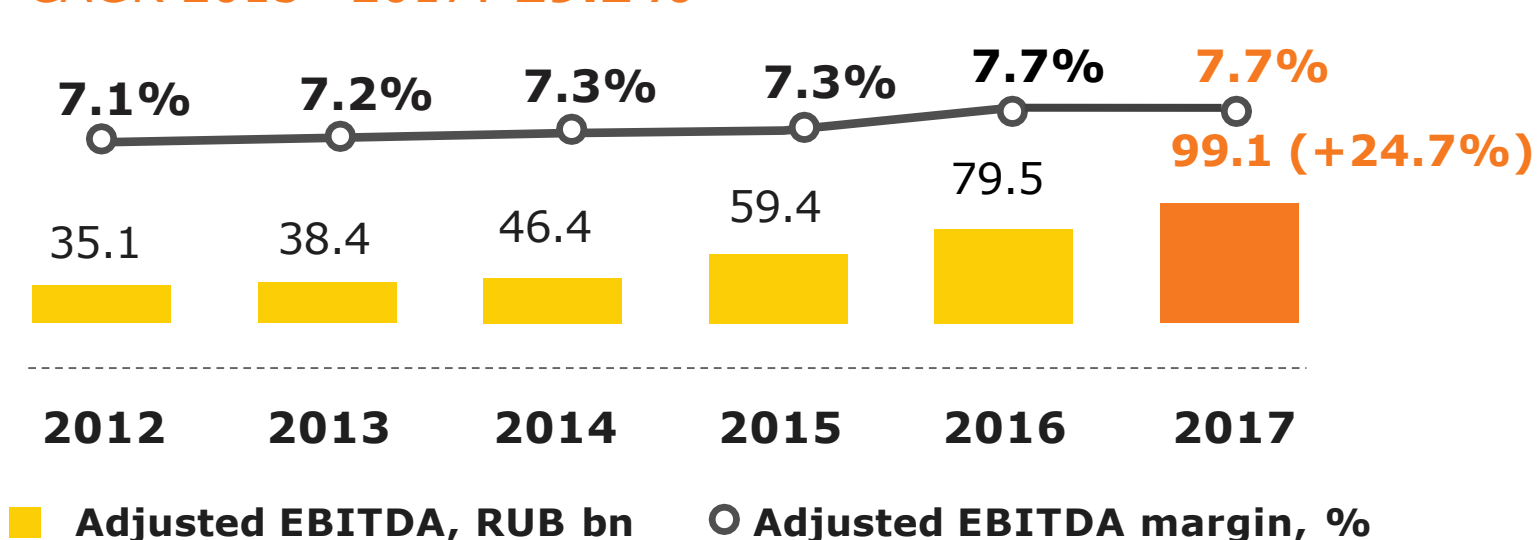
CAGR 2015—2017: **24.8%**



Adjusted EBITDA & adjusted EBITDA margin*

CAGR 2012—2017: **23.1%**

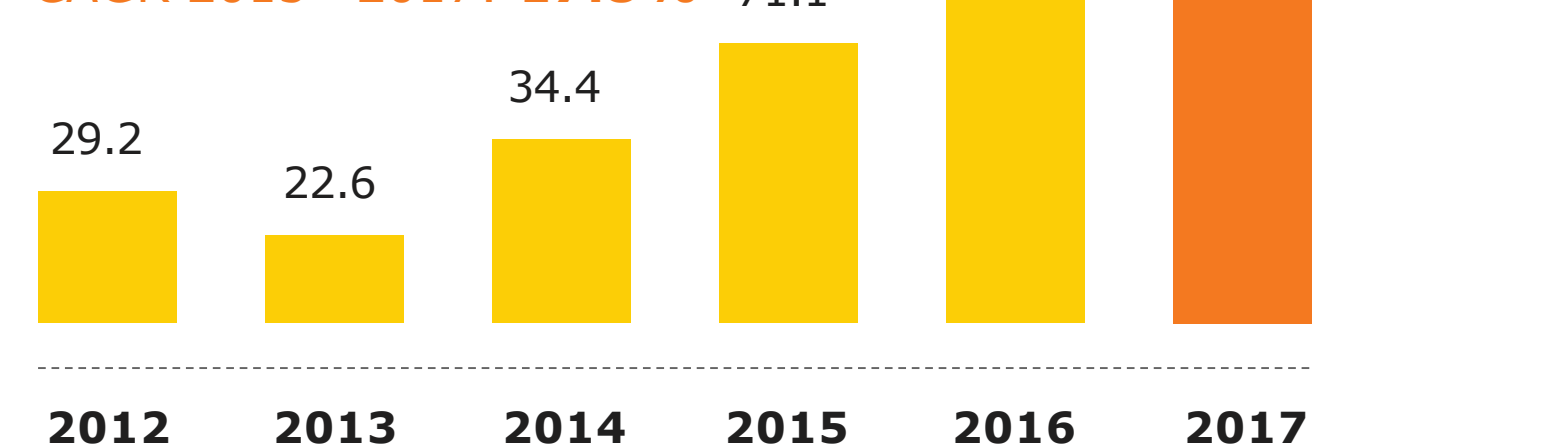
CAGR 2015—2017: **29.2%**



Capital expenditure, RUB bn

CAGR 2012—2017: **27.6%**

CAGR 2015—2017: **17.8%**



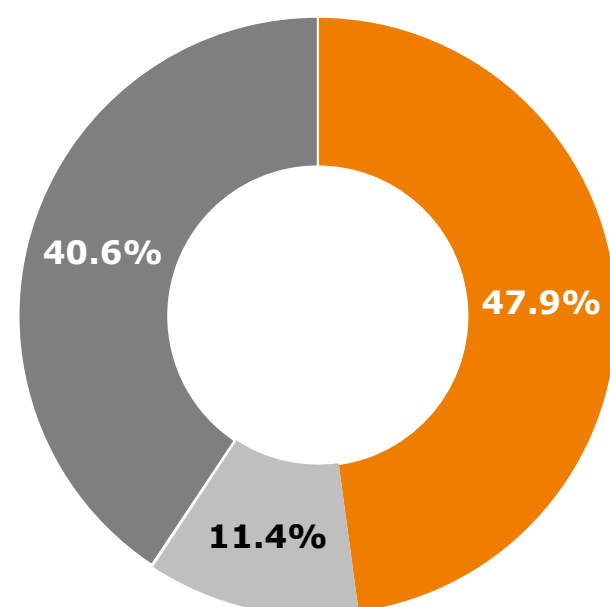
* Adjusted for accrued LTI payment

Source: X5 data



Shareholders' highlights

Ownership structure

**48%**

CTF Holdings S.A.

11%

Intertrust Trustees

41%

Free Float

0.1%X5's Directors and
Treasury shares

Market capitalisation

**LSE**
and
MOEXdual listing of
GDRs**67.9** mln
shares

equivalent to

271.6 mln
GDRs

share capital



06

> X5 RETAIL GROUP TODAY

Federal scale of operation



64

regions
of presence



40

DCs



3,293

company-owned
trucks



255.6^{*}
ths.

employees



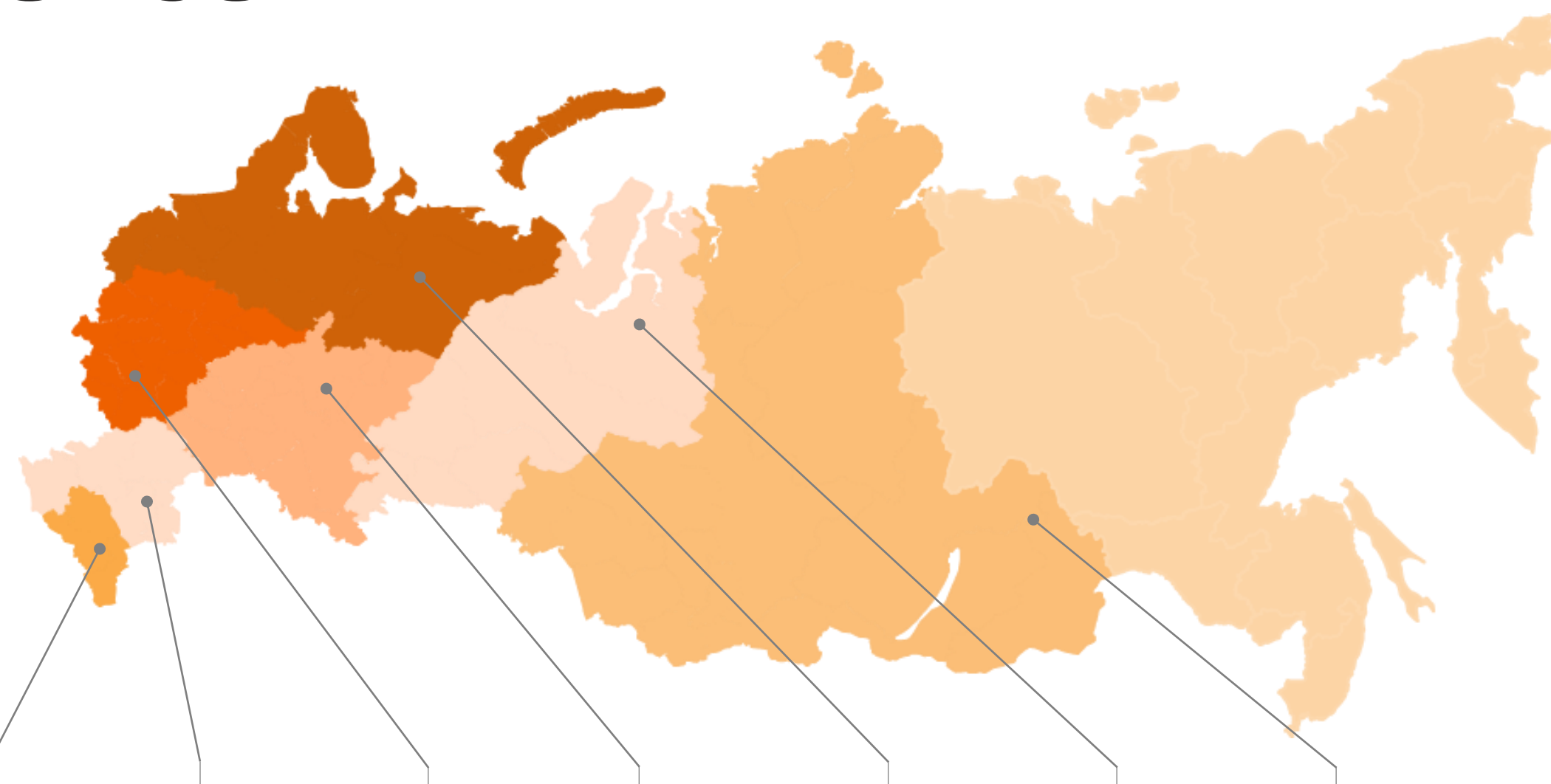
* Including outstaffing



* As of 30 September 2018

Regional presence

- Multi-format presence in seven Federal Districts
- Total stores – 13,685, including:
 - 12,822 Pyaterochka
 - 712 Perekrestok
 - 92 Karusel
 - 59 Express stores



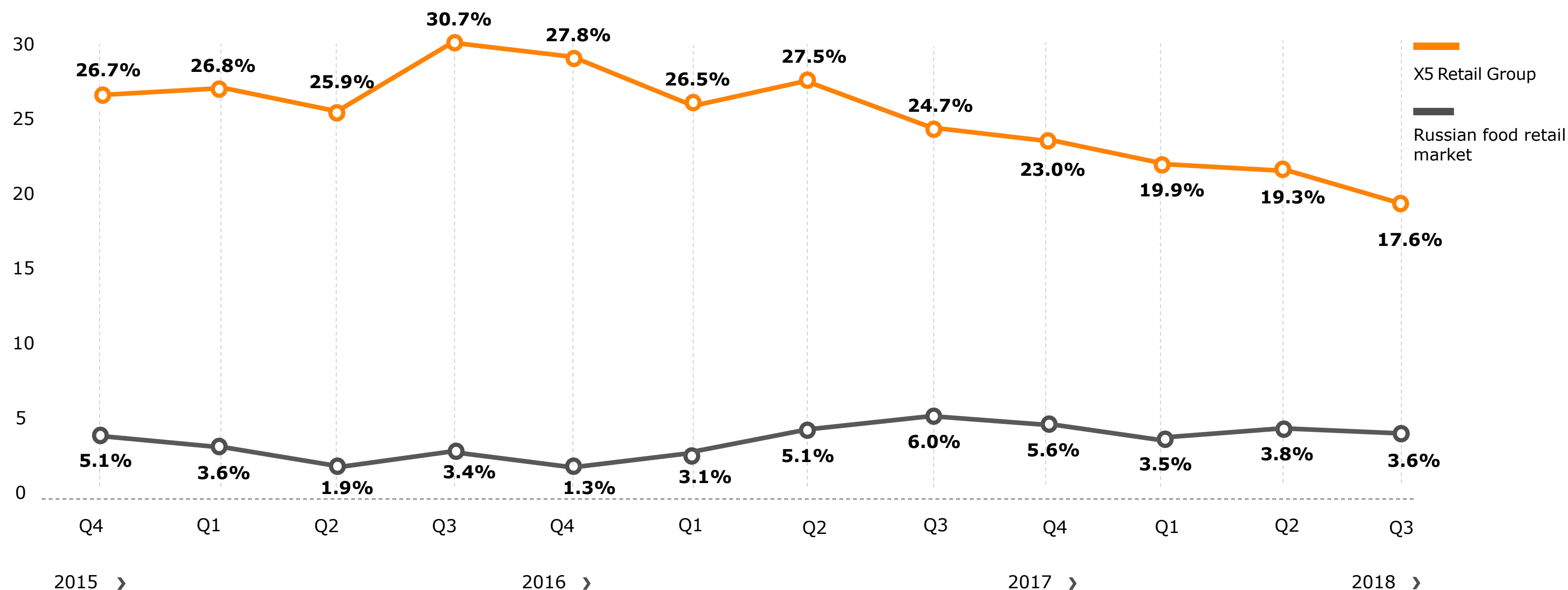
Format	Unit	North Caucasus	Southern	Central	Volga	North Western	Ural	Siberian	Total
 Пятёрочка		208	1,047	5,085	3,506	1,477	1,075	424	12,822
 Перекресток	Number of stores, #	9	37	418	117	89	42	0	712
 КАРУСЕЛЬ		1	5	37	24	18	7	0	92
Distribution centres	Number of centres, #	0	3	16	9	5	6	1	40
 X5 RETAIL GROUP	Net retail sales (9M 2018), %	0.9%	5.3%	53.2%	18.7%	14.4%	6.2%	1.2%	100.0%

* As of 30 September 2018



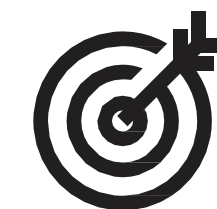
Impressive growth rates

Revenue growth y-o-y, %



Strategic goal

X5 seeks to maintain its market leadership in the Russian food retail market in terms of revenue and to achieve sector-leading valuation metrics



› Strategic priorities:

- New level of customer-centricity based on a deeper knowledge of the client, using big data and a new level of service
- Cost optimisation and process efficiency
- Balanced organic growth
- Implementation of modern technologies and innovations
- Development of self-regulation practices among participants of the Russian consumer market



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➤ X5 RETAIL GROUP TODAY

Fair partnership

over **5,000**

suppliers

From Russia, CIS, Europe,
Asia, Africa, Latin America

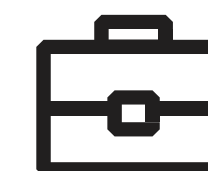
1,050

new suppliers

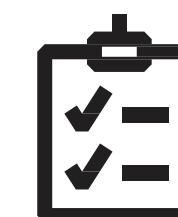
in 2017

Support of Russian manufacturers

through the placement
of private label orders



The company seeks to
build long-term and
trust-based relations
with all of its
business partners



Relying on the Code of
Interaction with Business
Partners, which sets forth
the market's best fair play
practices and principles
of ethical cooperation



Focus on Customer loyalty



Number of customers

2,881 mln
in 9M 2018

365 mln
in 9M 2018

97 mln
in 9M 2018

Loyalty program

- Over 56 mln cards issued
- Over 24 mln active users
- 42% traffic penetration
- 57% retail sales penetration

- Over 18 mln cards issued
- Over 4 mln active users
- 45% traffic penetration
- 60% retail sales penetration

- Over 7 mln cards issued
- Over 2 mln active users
- 72% traffic penetration
- 89% retail sales penetration

NPS

- Understanding of motivations, buying behaviors and purchase histories creates an ability to provide a more satisfying customer experience
 - Personalized promo
 - Optimization of assortment

LFL traffic

- Increasing foot traffic though improved offers and promotions
- Increasing number of repeat visitors by maintaining loyalty memberships and consistently creating value for customers

LFL ticket

- Building transaction size by deeper engagement and increasing share of wallet
 - Engaging customers across multiple channels, including email, SMS messages, mobile applications and social media



**Our retail
formats**



13/

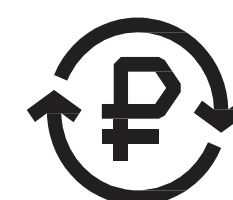
➤ X5 RETAIL GROUP TODAY

Our retail formats: "Pyaterochka"

12,822
proximity
stores



Proximity store
with convenient
location for
daily shopping



Unique loyalty
programme with
personalised offers,
attractive weekly
promotions and
reasonable prices



Constant adaptation
of CVP to local
demand



~79.9%

Share of X5's
Q3 2018 net
retail sales



Attractive promotions
to encourage
customers to save
more



* as of 30 September 2018

14/

➤ X5 RETAIL GROUP TODAY

"Pyaterochka" today: key highlights



12,822

stores

as of 30 September 2018
22.3% increase y-o-y

5,035 ths.
sq. m

selling space

as of 30 September 2018
21.5% increase y-o-y

393 sq. m

avg. selling space

Formats: 250–330 sq. m,
330–430 sq. m, 430–620
sq.m, over 620 sq. m

297.9 RUB
bn

4.5 USD
bn

net retail sales in Q3 2018

18.4% increase y-o-y

333.2 RUB

5.1 USD

average check in Q3 2018

0.9% decrease y-o-y

Q3 2018 LFL Results

- Sales: 0.1%
- Traffic: 0.5%
- Basket: (0.4) %



Average dollar in Q3 2018: 1USD = 65.5323 RUB

Our retail
formats



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➤ X5 RETAIL GROUP TODAY

Our retail formats: "Perekrestok"



Russia's leading high-quality fresh products supermarket



Prime central locations in big cities, expansion into smaller cities

Successful launch and roll out of Perekrestok Online in Moscow



Adaptation of CVP to the needs of regional customers outside of core regions

~14.3%

Share of X5's Q3 2018 net retail sales



Excellent customer service and loyalty programme

* as of 30 September 2018

17/

➤ X5 RETAIL GROUP TODAY

"Perekrestok" today: key highlights



712

stores

as of 30 September 2018
21.9% increase y-o-y

728.5 ths.
sq. m

selling space

as of 30 September 2018
24.4% increase y-o-y

1,021 sq. m

avg. selling space

Formats: up to 800 sq. m,
800 - 1,200 sq. m, over
1,600 sq. m

53.2 RUB
bn

0.8 USD
bn

net retail sales in Q3 2018

25.5% increase y-o-y

481.2 RUB

7.3 USD

average check in Q3 2018

1.9% decrease y-o-y

Q3 2018 LFL Results

- Sales: 4.7%
- Traffic: 6.7%
- Basket: (1.8)%



Average dollar in Q3 2018: 1USD = 65.5323 RUB

Our retail
formats

 **ГИПЕРМАРКЕТ
КАРУСЕЛЬ**

 **X5**



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➤ X5 RETAIL GROUP TODAY

Our retail formats: “Karusel”



Focus of compact
hypermarkets with
convenient location



Modern and
convenient shopping
experience with a
wide choice of food
products and a smart
selection of non-food



New CVP
and branding



~5.5%

Share of X5's
Q3 2018 net
retail sales



Convenient
shopping in one
place at fair prices
in convenient city
locations



* as of 30 September 2018

20/

➤ X5 RETAIL GROUP TODAY

"Karusel" today: key highlights



92

stores

as of 30 September 2018
1.1% increase y-o-y

382.1 ths.
sq. m

selling space

as of 30 September 2018
0.4% increase y-o-y

4,153 sq. m

avg. selling space

20.6 RUB
bn

0.3 USD
bn

net retail sales in Q3 2018

0.3% decrease y-o-y

745.6 RUB

11.4 USD

average check in Q3 2018

2.7% increase y-o-y

Q3 2018 LFL Results

- Sales: (2.5)%
- Traffic: (4.8)%
- Basket: 2.4%



Average dollar in Q3 2018: 1USD = 65.5323 RUB