

Minutes

of the

Annual General Meeting of Shareholders (the "AGM") of

X5 Retail Group N.V.
(hereinafter: the "Company")

held on

10 May 2016 at Parkstraat 20, 2514 JK The Hague, The Netherlands

1. Opening and announcements

Mr. Stephan DuCharme, chairman of the Supervisory Board of the Company and chairman of the AGM (the "Chairman") in accordance with article 34.1 of the Articles of Association (hereinafter: the "Articles of Association" or the "Articles") of the Company, opens the AGM at 11.00 a.m. CET and welcomes (the representatives of) the shareholders present, the Management Board of the Company, as well as the Company's external auditor, at the AGM.

It is recorded that the AGM was convened with due observance of all provisions set out by law and the Articles. In the convocation letter to the shareholders was stated the place, the date, the starting time and the agenda (including the explanatory notes to the agenda) of the AGM (the "Agenda").

Pursuant to the power of attorney (including the list of attendance and voting instructions) as provided by BNY Mellon (the Depository) to the Secretary (as defined below) (the "Proxy"), a total number of 67,882,422 shares were being represented at the AGM, from the total number of outstanding shares of the Company which is 67,893,218. In accordance with the Proxy, the total number of shares represented at the AGM include 17,611,229 shares (25.94%) that can be voted at the discretion of the Company.

As the AGM has been convened in accordance with the Articles, and the quorum as mentioned in Article 37.1 of the Articles is represented, valid resolutions can be passed by the general meeting of shareholders (the "General Meeting").

Mr. Frank Lhoëst is appointed secretary at this AGM (the "Secretary") and holds the Proxy to vote on behalf of the shareholders in accordance with the voting instructions received from BNY Mellon.

2. Annual report of the Management Board for the financial year 2015

The Chairman provides the General Meeting with an overview of the activities and of the performance of the Company during the financial year 2015.

3. Financial Statements for the financial year 2015

a. Remuneration Policy

In accordance with article 2:135 paragraph 5a of the Dutch Civil Code the remuneration policy is dealt with and explained as a separate agenda item. The remuneration policy, as amended for the members of the Management Board and the Executive Committee, has been approved at the Annual General Meeting of Shareholders on 7 May 2015.

It is the intention that the current policy will be continued in 2016 and beyond. As stated in the 2015 Remuneration Report, the targets set for the first stage of the long-term incentive program (LTI) were achieved as per 31 December 2015, as specific comparative performance indicators were met, and also the profitability threshold was exceeded. In order to ensure continued executive alignment and motivation, the Supervisory Board reserved a discretionary part of the first stage bonus fund for deferred, conditional payouts during the remainder of the period covered by the first stage of the LTI, in accordance with the program rules.

Furthermore, the Board proposes certain amendments to the remuneration principles for the Supervisory Board, as well as Supervisory Board remuneration in 2016, as explained in the explanatory notes to the agenda for this meeting, and reflected in items 7A and 7B of these minutes.

b. Explanation of policy on additions to reserves and payment of dividends

Article 28 of the Articles of Association states that the General Meeting, on proposal of the Supervisory Board, determines which part of the result for a financial year will be reserved and the allocation of the remainder of the result.

The Supervisory Board suggests to the General Meeting not to pay out any dividend but to use all available funds for the Company's anticipated growth and strategic acquisitions.

c. Determination of the allocation of the results for the financial year 2015

It is proposed by the Supervisory Board to transfer the Company's results for the financial year 2015 to the other reserves of the Company.

The Secretary states that 67,882,422 votes (100%) are in favour of this proposal, whereupon the Chairman confirms that this proposal is approved by the General Meeting.

d. Adoption of the Financial Statements for the financial year 2015

The Financial Statements for the financial year 2015 (the "Financial Statements"), as included in the 2015 Annual Report (the "Annual Report"), were presented to the General Meeting by the Management Board, in accordance with clause 25.2 of the Articles of the Company. It is proposed to the General Meeting to adopt the Financial Statements.

Mr. Sander Gerritsen, attending the AGM on behalf of the external auditor PricewaterhouseCoopers Accountants N.V. for the year 2015, is available to answer questions in relation to the auditor's report on the fairness of the Financial Statements.

The Secretary states that 67,861,317 votes (99.97%) are in favour of this proposal and 21,105 votes (0.03%) abstained. The Chairman establishes that the General Meeting does not require additional information and concludes that the Financial Statements are therefore adopted by the General Meeting.

4. Discharge from liability of the members of the Management Board

It is proposed to the General Meeting to discharge the Management Board members in office in 2015 from all liability in relation to the exercise of their duties in the financial year 2015, to the extent that such exercise is apparent from the Annual Report or has otherwise been disclosed to the General Meeting prior to the adoption of the Financial Statements.

The Secretary states that 67,823,327 votes (99.91%) are in favour of this proposal, 16,975 votes (0.03%) are against and 42,120 votes (0.06%) abstained. The Chairman confirms that the General Meeting resolves to grant discharge to the members of the Management Board from liability.

5. Discharge from liability of the members of the Supervisory Board

It is proposed to the General Meeting to discharge the Supervisory Board members in office in 2015 from all liability in relation to the exercise of their duties in the financial year 2015, to the extent that such exercise is apparent from the Annual Report or has otherwise been disclosed to the General Meeting prior to the adoption of the Financial Statements.

The Secretary states that 67,823,327 votes (99.91%) are in favour of this proposal, 16,975 votes (0.03%) are against and 42,120 votes (0.06%) abstained. The Chairman confirms that the General Meeting resolves to grant discharge to the members of the Supervisory Board from liability.

6. Appointment of Mr. Andrey Elinson as member of the Supervisory Board

The Supervisory Board proposes to appoint Mr. Andrey Elinson as member of the Supervisory Board for a term ending on the day of the annual general meeting of shareholders to be held in 2020, which is the fourth year after the year of the appointment.

Andrey Elinson (10 January 1979), a Russian national, is Director of Asset Management of CTF Holdings Limited (“CTF”). Prior to joining CTF, Mr. Elinson was Deputy CEO of Basic Element, where he worked from August 2007 being responsible for managing companies in aviation, construction, automotive, financial and other industries. From 1997 to 2007, Mr. Elinson worked at Deloitte CIS and later became a Partner in 2005. Mr. Elinson graduated with honours from the Russian State Finance Academy, Accounting & Auditing faculty. Mr. Elinson is a US Certified Public Accountant and a US Certified Fraud Examiner. He holds a Certificate in Company Direction (UK).

The Secretary states that 66,233,261 votes (97.57%) are in favour of this proposal and 1,649,161 votes (2.43%) are against. The General Meeting therefore adopts the appointment of Mr. Elinson as member of the Supervisory Board, effective per the date of this meeting for a period of four years ending on the day of the Annual General Meeting in 2020.

7. Remuneration of the Supervisory Board

7A. Amendment of the Remuneration Policy

It is proposed to adjust the remuneration principles for the Supervisory Board as such that Board members are entitled to additional compensation for time and efforts spent on specific strategic projects for X5, provided that such compensation (i) relates to work of a temporary, one-off nature, performed in extension to the statutory non-executive duties of the relevant Board member and (ii) is approved in advance by the Supervisory Board who will ensure, on a case-by-case basis, that any such engagement shall under no circumstance compromise the independence of the relevant Board member or the Board collectively.

Furthermore, starting May 2016, the Supervisory Board proposes to simplify the award mechanism for Restricted Stock Units (RSUs) under the Restricted Stock Unit Plan while safeguarding the existing terms and conditions for vesting and lock-up under the Plan, as follows:

Current award schedule:

<u>Year X</u>	<u>Year X+1</u>	<u>Year X+3</u>	<u>Year X+5</u>
Conditional grant of RSUs based on -pro rata- base remuneration in Year X	Award of RSUs conditionally granted in Year X	Vesting	End of lock-up period

Proposed award schedule:

<u>Year X</u>	<u>Year X+3</u>	<u>Year X+5</u>
Award of RSUs based on - pro rata- base remuneration in Year X	Vesting	End of lock-up period

The Chairman puts this proposal into discussion and concludes that 52,936,306 votes (77.98%) have been issued in favour of the proposal and 14,946,116 votes (22.02%) are against, so the proposal is adopted.

7B. Remuneration 2016

Extraordinary compensation

The Supervisory Board proposes that the following Supervisory Board members each receive an additional compensation for extraordinary time and efforts on key strategic projects in 2016. In accordance with item 7A above, the Supervisory Board confirmed that each strategic project engagement shall be performed in extension to the statutory non-executive duties of the relevant Board member, without compromising the independence of the relevant Board member or the Board collectively.

Extraordinary compensation overview for members of the Supervisory Board (in USD):

	Remuneration
Christian Couvreur	150,000
Geoff King	150,000
Pawel Musial	500,000

Annual grant of Restricted Stock Units to independent members of the Supervisory Board

In accordance with the amended RSU award mechanism described under agenda item 7A hereof, it is proposed to the General Meeting that under the Restricted Stock Unit Plan, the Supervisory Directors Stephan DuCharme, Christian Couvreur, Pawel Musial, Geoff King, Peter Demchenkov and Mikhail Kuchment shall be awarded a number of RSUs with award date 19 May 2016, equal to 100% of the gross annual remuneration - excluding extraordinary compensation- of the relevant Supervisory Director in 2016, divided by the average market value of one GDR as of 19 May 2016. Under the rules of the plan, the average market value is defined as the volume weighted average price of a GDR over the thirty calendar days immediately preceding 19 May 2016. The volume weighted average price is calculated using the closing price of a GDR taken from the Official List of the London Stock Exchange.

The awarded RSUs will vest on 19 May 2019, followed by a lock-in period ending on 19 May 2021. Each award is subject to forfeiture rules depending on the relevant Supervisory Director's term of office during the period until the date of vesting.

Indemnity arrangements

Members of the Supervisory Board are insured under X5's directors and officers insurance policy. Although the insurance policy provides for a wide coverage, uninsured liabilities may be incurred. It is proposed that members of the Supervisory Board are indemnified by the Company against any claims arising out of or in connection with the general performance of their duties, provided that (i) such claim is not attributable to gross negligence, willful misconduct or intentional misrepresentation by the Supervisory Director and (ii) to the extent the liability of the Supervisory Director is not covered under X5's directors and officers insurance policy.

The Chairman puts this proposal into discussion and concludes that 52,936,306 votes (77.98%) have been issued in favour of the proposal and 14,946,116 votes (22.02%) are against, so the proposal is adopted.

8. Authorization of the Management Board to issue new shares or grant rights to acquire shares, subject to the prior approval of the Supervisory Board

It is proposed to the General Meeting to authorize the Management Board for a period of 18 months from the date of this AGM, i.e. until and including 10 November 2017, to issue shares or grant rights to acquire shares, subject to the approval of the Supervisory Board. The authority to issue shares or to grant rights to acquire shares is intended for the issue of shares or the granting of rights to acquire shares in respect of the Company's share-based compensation plan and to provide the possibility to react in a timely and flexible manner in respect of the financing of the Company. Resolutions to issue shares or grant rights to acquire shares are subject to Supervisory Board approval. This proposal is made in accordance with article 6 paragraph 1 of the Articles of Association and article 2:96 of the Dutch Civil Code. In accordance with current corporate governance practices the proposal is limited to a period of 18 months from the date of this AGM, i.e. until and including 10 November 2017, and to a maximum of 10% of the issued share capital. This authorisation also applies to the issue of new GDRs, or rights to subscribe for new GDRs. One GDR represents 0.25 share of the Company. When this authorization shall be approved, the current authorization shall no longer be utilized.

The Chairman puts the proposal into discussion and concludes that 67,145,448 votes (98.91%) have been issued in favour of the proposal and 736,974 votes (1.09%) are against, so the proposal is adopted.

9. Authorisation of the Management Board to restrict or exclude the pre-emptive rights upon issue of new shares or granting of rights to acquire shares, subject to the prior approval of the Supervisory Board

It is proposed to the General Meeting to authorize the Management Board for a period of 18 months from the date of this AGM, i.e. until and including 10 November 2017, to restrict or exclude, subject to the approval of the Supervisory Board, pre-emptive rights in relation to the issue of shares or the granting of rights to acquire shares. This proposal is made in accordance with article 7 paragraph 3 of the Articles of Association and article 2:96a of the Dutch Civil Code. In accordance with the proposal under agenda item 10, this proposal is limited to a period of 18 months from the date of this AGM and until and including 10 November 2017. Pursuant to the Articles of Association, if less than 50% of the issued and outstanding capital is represented, this proposal can only be adopted by a majority of at least two-thirds of the votes cast. If 50% or more of the issued and outstanding capital is represented, a simple majority is sufficient to adopt this proposal. When this authorization shall be approved, the current authorization shall no longer be utilized.

The Chairman puts the proposal into discussion and concludes that 67,132,657 votes (98.90%) have been issued in favour of the proposal and 749,765 votes (1.10%) are against, so the proposal is adopted.

10. Authorisation of the Management Board to resolve that the Company may acquire its own shares or GDRs

The General Meeting is requested, in accordance with article 9 paragraph 3 of the Articles of Association, to authorise the Management Board for a period of 18 months as of the date of the AGM, until 10 November 2017, to cause the Company to purchase, for general corporate purposes, shares or GDRs in the Company's own capital, representing up to 10% of the issued share capital of the Company as at the date of the AGM (for the avoidance of doubt, the 'issued share capital of the Company' includes issued shares and/or GDRs yet owned by the Company (directly or indirectly) in its own capital), at or below the market price of the GDRs (as being traded at London Stock Exchange) when such purchase is being executed.

The Supervisory Board has resolved, in accordance with article 17 paragraph 3 of the Articles of Association and subject to the above authorisation by the General Meeting to the Management Board, that in case the

amount of Company's own issued share capital or GDRs being purchased reaches a level of more than 5% of the Company's own issued share capital as at the date of the AGM (for the avoidance of doubt, the 'issued share capital of the Company' includes issued shares and/or GDRs yet owned by the Company (directly or indirectly) in its own capital), the Management Board shall obtain Supervisory Board approval before proceeding with such purchase.

The Company may only acquire its own fully paid up shares or GDRs, provided that the part of the Company's net assets which exceeds the aggregate of the issued share capital and the reserves which must be maintained by virtue of the law, is at least equal to the purchase price for the Company's own shares.

The Secretary states that 67,882,422 votes (100%) are in favour of this proposal. The Chairman subsequently confirms that the General Meeting resolves to authorize the Management Board to have the Company acquire shares or GDRs in its own capital in accordance with and subject to the above proposal.

11. Appointment of the external auditor for the financial year 2016

The Chairman confirms that, in accordance with mandatory auditor rotation rules, and pursuant to a selection and tender process carried out in 2015, the General Meeting of Shareholders appointed EY as the Company's external auditor for the financial year 2016 at its Extraordinary General Meeting held on 12 November 2015.

On behalf of the General Meeting, the Chairman expresses his gratitude to PricewaterhouseCoopers for the longstanding relationship as external auditor of X5 up and until 2015, their expert services, intense cooperation and independence.

12. Any other business and conclusion

No other items were brought to the attention of the General Meeting.

As the Agenda contained no further issues to be deliberated, the AGM was closed.

Signed:

Stephan DuCharme
Chairman of the AGM

Frank Lhoëst
Secretary of the AGM

In accordance with provision IV.3.10 of the Dutch Corporate Governance Code, shareholders and depositary receipt holders have the right to provide their comment to these minutes within three months after their release, i.e. until 10 August 2016. Following this, the minutes shall be adopted and signed by the Chairman and the Secretary.