MAGNIT PJSC (MGNT)

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Press Release
Krasnodar
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PJSC "Magnit" Announces the Execution of the Material Transaction

Krasnodar, Russia (November 27, 2017): Magnit PJSC, one of Russia's leading retailers (the "Company", the "Issuer"; MOEX and LSE: MGNT), announces the execution of the material transaction on November 23, 2017.

Type of transaction: material transaction which is not major.

Subject of transaction:

Provision by the Issuer of the guarantee under the Credit agreement No. 01MP9L on the opening of the non-revolving credit line in Russian rubles as of September 8, 2017 (hereinafter - the "Principal agreement") executed between Joint Stock Company "ALFA-BANK" (hereinafter - the "Creditor") and LLC "TK Zelenaya Liniya" (hereinafter - the "Borrower").

Content of transaction:

In accordance with the Guarantee agreement the Guarantor shall be liable to the Creditor for the fulfillment by the Borrower of all current and future obligations under the Principal agreement executed on the following terms and conditions:

1. Monetary funds shall be provided to the Borrower in Russian rubles (hereinafter - the "Credits") in the form of the non-revolving credit line (hereinafter - the Credit line") in the maximum amount of 3,500,000,000.00 (Three billion five hundred million point zero) Russian rubles;
2. The Credits shall be provided under the additional agreements executed between the Creditor and the Borrower;
3. The availability period of the Credit line shall be set from September 8, 2017 to September 8, 2025 inclusive. The Credits can be provided within the Availability period of the Credit line.
The Credits within the Availability period of the Credit line shall be provided for the term not less than 5 (Five) years, but not more than 8 (Eight) years.
4. The Borrower shall pay the interest to the Creditor for the use of each Credit at the rate of 1.25% (One point two five percent) per annum.

In cases specified in the Principal agreement, the Creditor shall be entitled to increase the interest rate for the use of Credits, as well as for the past crediting periods, but in any case not exceeding 35% (Thirty five percent) per annum.

Other terms and conditions (including the procedure of granting and repayment of the Credits, interest and other payments) shall be determined by the Principal agreement.

The Guarantor's total liability shall not exceed 13,300,000,000.00 Russian rubles.

Deadline for fulfillment of obligations under the transaction:

The guarantee terminates in one year from the date of closing of the Credit line or upon the termination of the secured obligations.

Parties and beneficiaries under the transaction:

The Creditor - Joint Stock Company "ALFA-BANK";
The Guarantor - Public Joint Stock Company "Magnit";
The Borrower (beneficiary) - LLC "TK Zelenaya Liniya".

The amount of the transaction in the monetary value and as a % of the asset value of the issuer:

The limit of the Guarantor's total liability to the Creditor for the fulfillment of obligations by the Borrower under the Principal agreement shall not exceed 13,300,000,000.00 Russian rubles, which amounts to 11.68% of the balance sheet assets of the issuer .

Asset value of the issuer as of the closing date of the accounting period preceding the execution of the transaction:

113,890,709 thousand rubles

Date of the transaction execution: November 27, 2017

Information on the approval of the transaction:

The transaction does not require approval (obtaining consent to its execution).

For further information, please contact:

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Company description:

Public Joint Stock Company "Magnit" is one of Russia's leading retailers. Founded in 1994, the company is headquartered in the southern Russian city of Krasnodar. As of June 30, 2017, Magnit operated 35 distribution centers and 14,844 stores (11,114 convenience, 430 hypermarkets and 3,300 drogerie stores) in 2,567 cities and towns throughout 7 federal regions of the Russian Federation.

In accordance with the reviewed IFRS consolidated financial statements for 1H 2017, Magnit had revenues of RUB 555 billion and an EBITDA of RUB 49 billion. Magnit's local shares are traded on the Moscow Exchange (MOEX: MGNT) and its GDRs on the London Stock Exchange (LSE: MGNT) and it has a credit rating from Standard & Poor's of BB+. Measured by market capitalization, Magnit is one of the largest retailers in Europe.

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End of AnnouncementEQS News Service