

MAGNIT PJSC (MGNT)

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Press Release
Krasnodar
February 5, 2018

Magnit Announces the Results of the BOD Meeting

Krasnodar, February 5, 2018: Magnit PJSC, one of Russia's leading retailers (the "Company", "Issuer"; MOEX and LSE: MGNT), is pleased to announce the results of the BOD meeting held on February 2, 2018.

Please be informed that on February 2, 2018 the BOD meeting was held (minutes of the BOD meeting of PJSC "Magnit" are w/o No. of February 5, 2018).

The meeting agenda:

1. Consideration of the proposals for the nomination of candidates to the Board of Directors of PJSC "Magnit" to be elected at the annual General Shareholders Meeting of PJSC "Magnit".
2. Making decisions for approval of the execution of major transactions.
3. Determination of the position of the PJSC "Magnit" representative at the exercise of the voting right on the JSC "Tander" shares in the charter capital owned by the Company.
4. Consideration of the report on the organization and functioning of the internal control and risk management system of PJSC "Magnit" and its subsidiaries for 2017.

The following BOD members were present: V. Gordeychuk, S. Galitskiy, A. Shkhachemukov.

A. Aleksandrov, D. Chenikov, A. Pshenichniy and K. Pombukhchan provided their written opinions on the items of the agenda of the BOD meeting of PJSC "Magnit".

The number of the BOD members participating in the meeting, including written opinions of

A. Aleksandrov, D. Chenikov, A. Pshenichniy and K. Pombukhchan amounts to not less than half of the number of the BOD members determined by the Charter of the Company.

Quorum to hold the BOD meeting with this agenda is present.

Voting Results:

Items 1-4:

V. Gordeychuk - "for", A. Aleksandrov - "for", S. Galitskiy - "for", D. Chenikov - "for", K. Pombukhchan - "for", A. Pshenichniy - "for", A. Shkhachemukov - "for".

The decisions were made.

Content of the decisions:

Item 1.1 on the agenda:

"To include the following candidates on the list of candidates for voting at the election of the Board of Directors of PJSC "Magnit" at the annual general shareholders meeting held following the results of the 2017 reporting year:

No	Full Names of Candidates	Citizenship	Date of Birth	Passport Details
1	Vladimir Gordeychuk	Information is not disclosed according to the Federal law "On Personal Data"		
2	Alexey Pshenichniy	Information is not disclosed according to the Federal law "On Personal Data"		
3	Dmitriy Chenikov	Information is not disclosed according to the Federal law "On Personal Data"		

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Item 1.2 on the agenda:

"To include the following candidates on the list of candidates for voting at the election of the Board of Directors of PJSC "Magnit" at the annual general shareholders meeting held following the results of the 2017 reporting year:

№	Full Names of Candidates	Citizenship	Date of Birth	Passport Details
1	Khachaturov Pombukhchan	Information is not disclosed according to the Federal law "On Personal Data"		
2	Andrey Arutyunyan	Information is not disclosed according to the Federal law "On Personal Data"		
3	Sergey Galitskiy	Information is not disclosed according to the Federal law "On Personal Data"		

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Item 2 on the agenda:

"To approve the execution of the major transaction - the loan agreement (several related loan agreements), which the Company plans to execute in future with Joint-Stock Company "Tander" with the following essentials:

1. Parties of transaction (transactions): the Lender - PJSC "Magnit", the Borrower - JSC "Tander";
2. Subject of transaction (transactions): loan of monetary funds;
3. Limit price (amount) of transaction (transactions): not more than 55,000,000,000 (Fifty five billion) rubles;
4. Loan interest rate (per annum): not less than 75 (Seventy five) per cent of the key rate of the Bank of Russia (published on the official website of the Bank of Russia (www.cbr.ru) as of the loan issue date);
5. Time limit for the fulfillment of obligations under the transaction (transactions): up to 3 (Three) years from the time of its execution (the time of repayment of the loan amount and interest by the Borrower).

The price (money value) of the Company's property, which can be directly or indirectly disposed by the Company under the loan agreement (several related loan agreements), may amount to 25 and more per cent of the book value of the Company's assets, determined from the data of its accounting (financial) statements as of the last reporting date, but not more than 50 per cent of the book value of the Company's assets, determined from the data of its accounting (financial) statements as of the last reporting date.

Hereby to provide the Chief Executive Officer of PJSC "Magnit" with the right to sign the additional agreements to the loan agreement (several related loan agreements) changing the loan terms, including but not limited to the change of the interest rates, the loan amount and the term of the loan provision within the limits hereof".

Item 3.1 on the agenda:

"To recommend the sole executive body of PJSC "Magnit", which is the sole shareholder of JSC Tander, to make the following decision at the exercise of the voting right on shares in the charter capital of JSC "Tander" owned by the Company:

"According to the article 14.2 of the Charter of JSC "Tander" to approve execution by JSC "Tander" (hereinafter - the Borrower) of the revolving/non-revolving credit facility agreement (hereinafter - the "Revolving Framework Credit Agreement (Agreements) and/or Revolving Framework General Credit Agreement (Agreements) with differentiated interest rates (hereinafter - "Agreements")) which the Borrower plans to execute in future with Public Joint-Stock Company "Sberbank of Russia" (hereinafter - the "Creditor") related to acquisition, disposal and possible direct or indirect company's disposal of the property, the cost of which amounts to 5 and more percent of the balance sheet value of assets of the Company, its subsidiaries, the principal Company (in relation to which the Company is a subsidiary), as well as other subsidiaries of the principal Company (the "Group"), determined on the basis of the latest available consolidated statements of the Group, prepared in compliance with the International Financial Reporting Standards with the following essentials:

1. Under the Agreements the Creditor and the Borrower shall execute individual credit transactions (hereinafter - "the Credit transactions") by signing the notes of confirmation containing essentials of the Credit transaction;
2. The total amount of the credit limit under any of the Agreements, Credit agreements and Credit transactions shall not exceed 40,000,000,000 (Forty billion) rubles;
3. The credit limit term under each Agreement shall not exceed 4 (Four) years;
4. The credit term under any Credit transaction and/or Credit agreement shall not exceed 12 (Twelve) months;
5. The interest rate for the credit use under any of the Agreements, Credit agreements and Credit transactions shall not exceed 30 (Thirty) percent per annum;
6. The terms, procedure of granting and redemption of the credit amounts, interests and other payments shall be determined by relevant Agreements, Credit agreements and Credit transactions.
7. Credit objective: to finance current operations.

Hereby to provide the Chief Executive Officer of JSC "Tander" with the right to sign Agreements, Credit Agreements and Credit Transactions as well as additional agreements which change the terms and conditions of the Agreements, Credit agreements and Credit transactions, including but not limited to the change of the interest rates, the loan amount and the term of the loan provision within the limits hereof".

Item 3.2 on the agenda:

"To recommend the sole executive body of PJSC "Magnit", which is the sole shareholder of JSC "Tander", to make the following decision at the exercise of the voting right on shares in the charter capital of JSC "Tander" owned by the Company:

"According to the article 14.2. of the Charter of JSC "Tander" to approve the execution by JSC "Tander" (hereinafter - the Borrower) of the loan agreement (several related loan agreements), which the Borrower plans to execute in future with Public Joint-Stock Company "Magnit" (hereinafter - the Lender), related to acquisition, disposal and possible direct or indirect company's disposal of the property, the cost of which amounts to 5 and more percent of the balance sheet value of assets of the company, its subsidiaries, the principal company (in relation to which the company is a subsidiary), as well as other subsidiaries of the principal company (the "Group"), determined on the basis of the latest available consolidated statements of the Group, prepared in compliance with the International Financial Reporting Standards with the following essentials:

1. Parties of transaction (transactions): the Lender - PJSC "Magnit", the Borrower - JSC "Tander";
2. Subject of transaction (transactions): loan of monetary funds;
3. Limit price (amount) of transaction (transactions): not more than 55,000,000,000 (Fifty five billion) rubles;
4. Loan interest rate (per annum): not more than 125 (One hundred and twenty five) per cent of the key rate of the Bank of Russia (published on the official website of the Bank of Russia (www.cbr.ru) as of the loan issue date);
5. Time limit for the fulfillment of obligations under the transaction (transactions): up to 3 (Three) years from the time of its execution (the time of repayment of the loan amount and interest by the Borrower).

Hereby to provide the Chief Executive Officer of JSC "Tander" with the right to sign additional agreements to the loan agreement (several related loan agreements) changing the loan terms, including but not limited to the change of the interest rates, the loan amount and the term of the loan provision within the limits hereof".

Item 4 on the agenda:

"Take under the report on the organization and functioning of the internal control and risk management system of PJSC "Magnit" and its subsidiaries for 2017 in consideration".

Items of the agenda of PJSC "Magnit" Board of Directors are related to the exercise of rights on ordinary registered uncertified shares, state registration number 1-01-60525-P of 04.03.2004, International Stock Identification Number (ISIN) RU000A0JKQU8.

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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 December 31, 2017, Magnit operated 37 distribution centers and 16,350 stores (12,125 convenience, 243 hypermarkets, 208 Magnit Family stores and 3,774 drogerie stores) in 2,709 cities and towns throughout 7 federal regions of the Russian Federation.

In accordance with the unaudited IFRS management accounts for 2017, Magnit had revenues of RUB 1,143 billion and an EBITDA of RUB 92 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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OAM Categories: 3.1. Additional regulated information required to be disclosed under the laws of a Member State

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