

SAFMAR GROUP MAKES VOLUNTARY TENDER OFFER TO MINORITY SHAREHOLDERS IN M.VIDEO AT A PRICE OF USD 7 PER SHARE.

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Moscow, 28 April 2017- As part of the acquisition of a 57.7% stake in Russia's largest consumer electronics retailer by revenue, PJSC M.video (MOEX: MVID, hereinafter M.Video), from Alexander Tynkovan and his partners, SAFMAR Group has today sent a Voluntary Tender Offer to minority shareholders of M.Video for the acquisition of shares in the company.

The Voluntary Tender Offer for the purchase of shares from minority shareholders at the same price as the main transaction, along with the approval of FAS, was one of the key conditions of the contract between the seller and the buyer. Recently, SAFMAR Group received FAS approval for the purchase of 100% of M.Video. The regulatory conditions set forth by FAS with regards to the transaction will have no material impact on the business of SAFMAR Retail.

The share purchase will be made at a price of USD 7 per share, with payment in roubles at the Central Bank rate of RUB/USD 56.9364 (the exchange rate as of 29 March 2017, the date when the Voluntary Tender Offer was sent to the Bank of Russia). The deadline for its acceptance is 71 days after receipt of the Voluntary Tender Offer by PJSC M.Video (28 April 2017). In accordance with the law, the Voluntary Tender Offer is secured by a bank guarantee.

Alexander Tynkovan, Founder, President and CEO of M.Video, said: "My partners and I are happy that the deal is being implemented in accordance with our original agreement. It was particularly important for us to ensure the rights of M.Video's minority shareholders, and we are grateful to SAFMAR Group for their readiness to provide such guarantees. M.Video has set for itself ambitious targets for further development, and together with its new shareholder, the Company is well positioned to move to the next stage in its development. I believe in the future of the merged company and look forward to participating in its management together with the new shareholder, once the transaction is completed."

Today, 28 April 2017, at 17.00 Moscow time (15.00 London time) Alexander Tynkovan and the representatives of SAFMAR Group will hold a conference call for investors and analysts, including a Q&A session.

Conference Call Details

Dial-in options in Russian:

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Participant PIN-code: 95366646#

Dial-in options in English:

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About the sellers

Alexander Tynkovan, member of the Board of Directors, President and CEO of M.Video

Alexander Tynkovan was born on 14 June 1967. In 1992 he graduated from Moscow Energy Institute. He founded M.Video together with partners in 1993 and has served as the Company's President and CEO ever since. From 2008 to May 2015 he was a member of the Supervisory Board of X5 Retail Group N.V.

Pavel Breev, member of the Board of Directors, Vice-President of M.Video

Pavel Breev was born on 22 April 1967. In 1986 he graduated from Moscow Aviation Engine College. He is a co-founder of M.video Group and has held various positions in management since 1993.

About M.video

M.Video is the largest Russian consumer electronic retail chain by revenue. The

Company started its operations in 1993. In November 2007 M.Video became the first publicly traded company in the domestic consumer electronic retail sector. The Company's shares are traded on Moscow Exchange (ticker: MVID). M.Video runs 399 brand name stores in 165 Russian cities as of 31 March 2017. The selling space of M.Video stores accounts to 664,000 sq.m while the total space accounts to 897,000 sq.m.

About SAFMAR Group

The financial industrial group SAFMAR GROUP is one of the largest Russian multi-sector conglomerates, founded by Mikhail Gutseriev in 1992. The Group includes oil businesses Russneft (publicly traded on Moscow Exchange since 2016), and also NK Neftis, ForteInvest as well as other large enterprises involved in oil processing and petrochemicals. The Group also owns mineral extraction companies Russian Coal and Slavkaly. SAFMAR Group includes the BINBANK banking group with assets of more RUB 1.2 trln. It is also the leading player in the non-state pension fund market with more than RUB 252 bln of pension funds under management. Europlan, Russia's largest non-state auto leasing company (publicly traded on Moscow Exchange since 2015), is also part of SAFMAR Group. SAFMAR Group is one of the top players in the insurance market with a 49% stake in the VSK Insurance House. SAFMAR Group owns large construction and development businesses and is one of the largest developers in the Moscow Region. SAFMAR Group's commercial real estate portfolio includes 9 luxury hotels in Moscow, Minsk and Astana, as well 1.1 mln sq.m of retail and office space. SAFMAR Group is the leader in the warehousing market, with 1.8 mln sq.m of Class A warehouse space under management.