



FOR IMMEDIATE RELEASE

Leroy Merlin To Build Russia's Largest Consumer Distribution Center at South Gate Industrial Park

Leroy Merlin and Radius Group sign "Build to Suit" Agreement for a 100,000m² Consumer Distribution Center – the largest and most efficient facility of its kind in Russian History

MOSCOW, RUSSIA – 24 FEBRUARY 2015 - Leroy Merlin, major French DIY and gardening retailer and Radius Group, Russia's leading provider of warehouse & industrial real estate, announced today that they have signed an agreement to build a 100,000m² state-of-the-art National Distribution Center at Radius Group's 650,000 m² South Gate Industrial Park, located near Domodedovo airport in the south of Moscow.

"Leroy Merlin has more than 34 stores in 17 Russian cities providing products and home improvement solutions tailored to specific customer needs. The drive for ever more efficiency throughout the supply chain strategy today is a priority for the company" said Vincent Gentil, CEO of Leroy Merlin Russia.

"Leroy Merlin valued Radius Group's focus on customer service and our responsible approach to business based on the values of integrity and partnership, as well as our "can-do" attitude. South Gate was ideal in terms of both location and its established community of leading global companies," said Christopher Van Riet, Radius Group Managing Director "In today's challenging environment we are proud to have provided a low risk financial and management solution for the largest, most efficient BTS warehouse in Russia's history."

"Regrouping our different Moscow activities will not only improve our customers' product availability and satisfaction, but it will also optimize our logistic costs and open new possibilities to offer faster, reliable and more competitive services to our stores" said Eric Poulet, Director of Supply Chain, of Leroy Merlin Russia.

In line with the Leroy Merlin corporate policy on environmental impact and sustainable development, the building is designed to meet the latest BREEAM standards and employs the latest safety & energy saving technologies. Radius Group is working with suppliers on integrating the latest worldwide innovations into the warehouse construction. The warehouse design allows unprecedented efficiency combining high-throughput cross-dock areas, purpose designed mezzanines for small order processing and racked buffer stock zones. *"Our dedicated international and local design teams not only incorporate world-class fire safety systems and the latest efficient LED lighting and heating systems, but has done so according to the budget & timescale requirements of Leroy Merlin,"* said David Simons, Radius Group Managing Director/Development & Construction.

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About Leroy Merlin

As a major actor on the worldwide DIY market, Leroy Merlin helps residents and homeowners with their home-improvement projects. As the founding enterprise of the GROUPE ADEO, Leroy Merlin specializes in sales of products and solutions and, in doing so, makes a unique commitment: to provide home improvement solutions tailored to each customer's specific needs. Leroy Merlin has nearly 352 home improvement stores in 12 countries. In Russia, Leroy Merlin has 34 stores in 17 cities.

For more information, please, visit: <http://www.leroymerlin.com/en>

About Radius Group

Headed by managing directors Christopher Van Riet and David Simons, Radius Group provides responsible, effective solutions for warehouse real estate in Russia. Radius Group uses its engineering, finance and marketing expertise to minimize risk in product development to fully fulfill clients' needs on-time, in-budget and to a high quality standard.

In addition to Leroy Merlin, key Radius Group clients at the South Gate Industrial Park include international market leaders: John Deere (USA), General Motors (USA), Decathlon (France), Paul Hartmann (Germany), Kimberly Clark (USA), Iron Mountain (USA), Svyaznoy (Russia), Oriola (Finland), Volvo Trucks (Sweden), FM Logistic (France), Tablogix (Russia), DHL Global Forwarding (Germany), & NEXT PLC (UK).

For more information, please, visit: <http://www.radiusrussia.com>

About South Gate Industrial Park

South Gate Industrial Park is a project of new scale in the warehouse market in Russia. Today the park has both existing quality warehouse space available for lease, and building sites for the projects matching customer's specific needs (build to suit).

The total area of the industrial park is 144 hectares & is master-planned for 650,000m². The facility has a valid and reliable infrastructure package & necessary permits to minimize cost and time risks associated with the implementation of green field projects.

South Gate is located in the South of Moscow close to the Domodedovo international airport. The park is located on the intersection of highways M-4 (Don) and A-107 (Betonka). The superb location provides easy access both from Moscow and other Russian regions. At the end of 2014, 511,000 m² of warehouse space was in development and / or commissioned.

For more information, please, visit: <http://www.radiusrussia.com/projects/south-gate-industrial-park>

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