



**PetSmart Announces Agreement to Acquire Chewy, A Leading Online Pet Retailer  
Combined Company Provides Most Convenient Customer Experience Across Brick and Mortar  
and Online Channels**

PHOENIX- April 18, 2017 - PetSmart, Inc. (“PetSmart”) today announced it has entered into a definitive agreement to acquire Chewy, Inc. (“Chewy”), the online pet retailer. The acquisition accelerates the execution of PetSmart’s strategy and is a critical milestone in its transformational journey to be the most convenient, best-in-class pet retailer. The combination of PetSmart and Chewy will enhance both companies’ capabilities and reach, offering the widest selection of pet products and services available both in-store and online in North America. The acquisition, which is subject to customary regulatory approvals, is expected to close by the end of PetSmart’s second fiscal quarter of 2017.

“PetSmart strives to be the trusted partner to pet parents and pets in every moment of their lives,” said Michael Massey, president and chief executive officer of PetSmart. “We are focused on improving our customers’ experience in-store and online as we continue to execute against our long-term strategic initiatives. Chewy’s high-touch customer e-commerce service model and culture centered around a love of pets is the ideal complement to PetSmart’s store footprint and diverse offerings. Together, PetSmart and Chewy will provide the most convenient customer experience to a wider base of pet parents across every channel.”

Chewy is one of the leading online retailers of pet products and has seen extraordinary growth since it was founded by Ryan Cohen and Michael Day in 2011. Chewy’s position in the growing, underpenetrated online pet retail segment complements PetSmart’s strong footprint in brick and mortar, with over 1,500 stores and 55,000 dedicated associates across North America. In addition to providing a “wow” customer experience, Chewy’s extensive product selection and subscription model have attracted and retained a significant customer base that has contributed to the growth of customer purchasing through online channels.

“Since we started Chewy, we have been dedicated to understanding and satisfying the evolving needs of our customers to deliver the highest quality pet products and customer service,” said Ryan Cohen, co-founder and CEO of Chewy. “Combining our strong e-commerce expertise with PetSmart’s best-in-class infrastructure, footprint and breadth of offerings including services will help us ‘wow’ our customers even more.”

Upon closing, Chewy will continue to be led by CEO Ryan Cohen and operate largely as an independent subsidiary of PetSmart, focusing on its current business strategy, while PetSmart will continue to execute its strategic initiatives across the combined company. Both companies will use their shared innovative capabilities and offerings in order to deliver the most value and convenience to customers.



Both companies share a common goal to improve the lives of pets and people, dedicating significant time and resources to nonprofit animal welfare organizations. PetSmart Charities is the leader in pet adoptions, having facilitated more than 7 million adoptions since 1994, and the largest funder of animal welfare in North America. This organization is complementary to Chewy's philanthropic efforts, including the Chewy.com Rescue and Shelter Network.

Financial advisors to PetSmart on this transaction were Citi and Barclays, with Simpson Thacher & Bartlett LLP acting as its legal advisor. Citigroup Global Markets Inc. and Barclays also provided committed financing for the acquisition. Equity financing is being provided by PetSmart's existing shareholders. Financial advisor to Chewy on this transaction was Allen & Company, with Weil, Gotshal & Manges LLP acting as its legal advisor.

### **About PetSmart**

PetSmart, Inc. is one of the largest pet retailers of services and solutions for the lifetime needs of pets. At PetSmart, we love pets and we believe pets make us better people. Every day with every connection, PetSmart's passionate associates help bring pet parents closer to their pets so that together, they can live more fulfilled lives. This vision impacts everything we do for our customers, the way we support our associates and how we give back to our communities. We employ approximately 55,000 associates, operate more than 1,500 pet stores in the United States, Canada and Puerto Rico, as well as more than 200 in-store PetSmart® PetsHotel® dog and cat boarding facilities. PetSmart provides a broad range of competitively priced pet food and products, as well as pet-focused services such as dog training, pet grooming, pet boarding, PetSmart® Doggie Day Camp® and pet adoption. PetSmart, together with non-profits PetSmart Charities® and PetSmart Charities™ of Canada, invite more than 3,000 animal welfare organizations to bring adoptable pets into stores so they have the best chance possible of finding a forever home. Through this in-store adoption program and other signature events, PetSmart has facilitated more than 7.3 million adoptions – more than any other brick-and-mortar organization. PetSmart also operates AllPaws, an online pet adoption platform that helps potential pet parents find the perfect pet to adopt based on their home, family and lifestyle. PetSmart offers the most comprehensive pet care information in the U.S. In celebration of its 30th anniversary, PetSmart launched its Buy a Bag, Give a Meal™ program in March 2017. For every bag of cat or dog food purchased March 1 – Dec. 31, 2017, PetSmart will donate a meal to pets in need and expects to donate more than 60 million meals in 2017.

### **About Chewy**

Chewy is a leading online retailer of pet food and products in the United States. Founded in 2011 by entrepreneurs, Ryan Cohen and Michael Day, Chewy set out to offer pet parents the expertise and service of a local pet store with the convenience of online shopping. Chewy delivers on that promise with its dedication to 24/7 customer service, creation of cutting-edge software and technology to enhance the user experience, and commitment to sourcing high



quality products. Headquartered in Dania Beach, Florida, Chewy currently employs more than 5,000 pet lovers both in their home office, Boston office and fulfillment centers in Pennsylvania, Indiana, Texas and Nevada. For more information, visit [www.chewy.com](http://www.chewy.com).