



**Dia**  **Group**

**H1 16**

Results

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# 01

Highlights



## Highlights

- / Very strong sales performance in Q2:
  - 9.7% LFL growth (1.7% in Iberia)
  - 13.3% sales growth (ex-currency)
  - Improvement vs Q1 in every country
- / Focus on customer and improvement of commercial proposition driving sales momentum.
- / +20bps of market share gain in Spain in Q2 2016, outperforming our peers.
- / +6.8% adjusted EBITDA growth ex-currency (+0.4% in Euros).
- / Adjusted EBITDA expansion driven by Emerging Markets in H1 2016.
- / EUR246.5m of cash flow from continuous operations in H1 2016 (vs EUR52.8m in H1 2015).

# 02

## Financial review



# H1 2016 Sales

/ +12.0% gross sales under banner and +8.4% LFL growth.

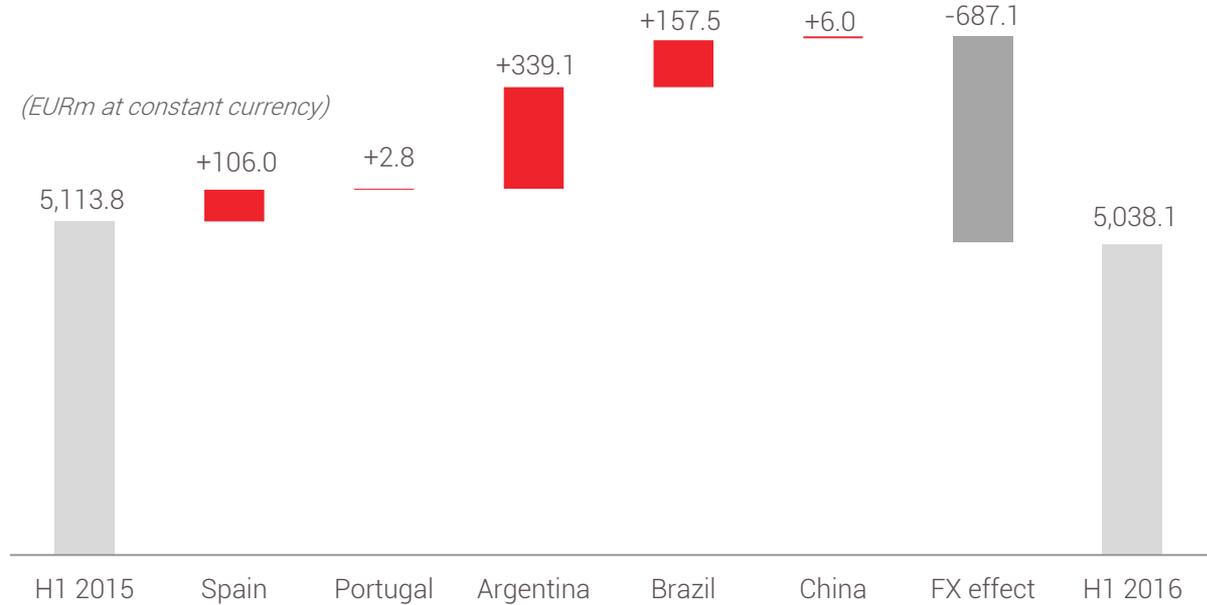
/ Improving sales trend in Q2 2016 in every country.

<i>(EURm)</i>	H1 2016	INC w/o FX	INC
Gross sales under banner	5,038.1	12.0%	-1.5%
Iberia	3,342.3	3.4%	3.4%
Emerging markets	1,695.8	26.7%	-9.8%
	Q1 2016	Q2 2016	H1 2016
Like-for-Like <sup>(1)</sup>	7.0%	9.7%	8.4%
Iberia	-0.3%	1.7%	0.7%
Emerging markets	15.6%	20.1%	17.9%

*(1) Excluding calendar effect*

# H1 2016 Sales

- / Gross sales under banner in local currency grew in every country.
- / 13.4% negative currency effect (12.5% in Q2 2016 vs 14.4% in Q1 2016).



(1) Online contributing EUR8.8m (+96% versus H1 2015)

# H1 2016 P&L

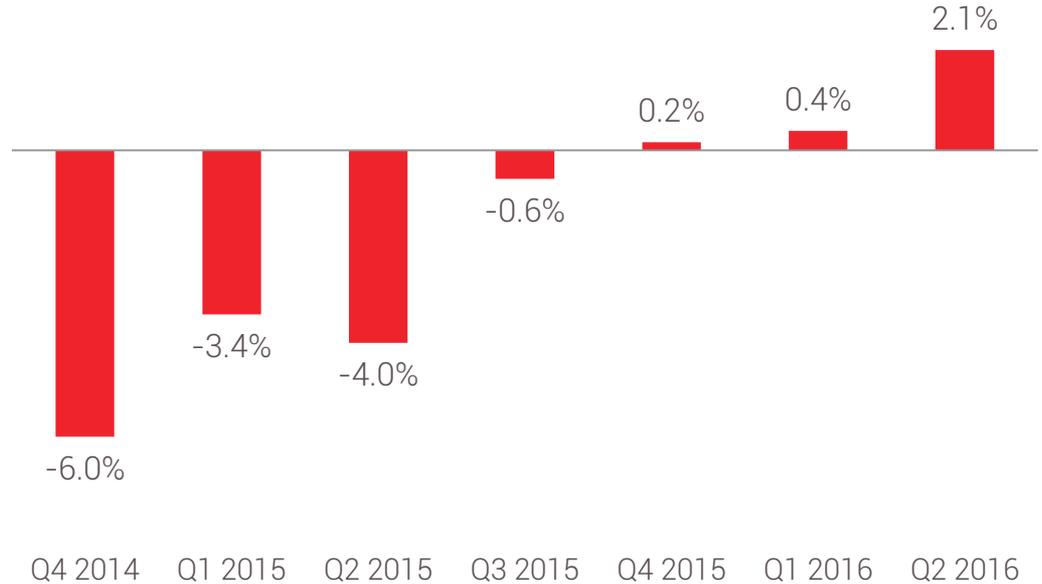
<i>(EURm)</i>	H1 2016	INC w/o FX	INC	
Net sales	4,243.1	10.7%	-2.3%	/ FX currency effect of -13.0% on net sales and -6.4% on adjusted EBITDA.
Adjusted EBITDA	267.3	6.8%	0.4%	
D&A	(114.1)	20.0%	11.8%	/ D&A growth due mainly to Eroski assets acquisition.
Adjusted EBIT	153.2	-1.5%	-6.6%	
Non-recurring items <i>of which cash items</i>	-48.8 -32.8	3.9%	-1.1%	/ Higher financial expenses in Argentina and Brazil.
EBIT	104.4	-3.8%	-9.0%	
Net attributable profit	59.8	-12.6%	-5.6%	
Underlying net profit	96.2	-7.3%	-5.0%	

# Iberia

	(EURm)	H1 2016	INC
/ Positive LFL ex-calendar in Spain and Portugal in a very challenging environment.	Gross sales under banner	3,342.3	3.4%
/ Margin dilution at adjusted EBIT level due to consolidation of Eroski stores and La Plaza remodelling capex.	Net sales	2,827.3	2.1%
	Adjusted EBITDA –	229.9	1.4%
	<i>Adjusted EBITDA margin</i>	<i>8.1%</i>	<i>-6 bps</i>
	D&A	(89.7)	15.7%
/ 231 stores upgraded to new formats.	Adjusted EBIT –	140.2	-6.0%
	<i>Adjusted EBIT margin</i>	<i>5.0%</i>	<i>-43 bps</i>

# LFL ex-calendar effect and cannibalization in Iberia

- / 1.2% positive calendar effect in Q2 2016 due to Easter seasonality.
- / Strong performance of Clarel and Portugal.
- / Format improvements across the network.
- / 0.4% estimated cannibalisation impact in Q2 2016.



## Emerging Markets

/ Acceleration of sales in every country with positive volumes in Argentina and Brazil in Q2 2016 despite very weak consumption environment.

/ 26.7% growth in gross sales under banner (37.6% in Argentina and 18.2% in Brazil).

/ 222 new stores versus last year.

/ Agreement reached with a leading FMCG local partner to develop the Dia banner in Paraguay.

<i>(EURm)</i>	H1 2016	INC w/o FX	INC
Gross sales under banner	1,695.8	26.7%	-9.8%
Net sales	1,415.9	25.8%	-10.0%
Adjusted EBITDA – <i>Adjusted EBITDA margin</i>	37.5 <i>2.6%</i>	37.5%	-5.1% <i>14 bps</i>
D&A	(24.4)	33.7%	-0.6%
Adjusted EBIT – <i>Adjusted EBIT margin</i>	13.1 <i>0.9%</i>	43.8%	-12.5% <i>-3 bps</i>

# Adjusted EBITDA margins

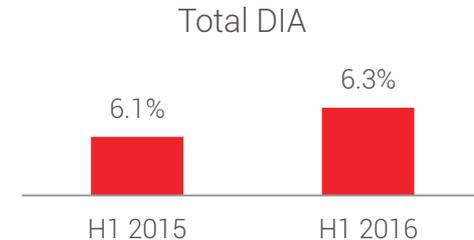
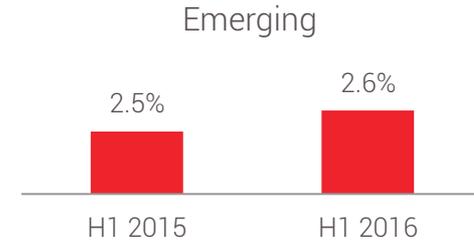
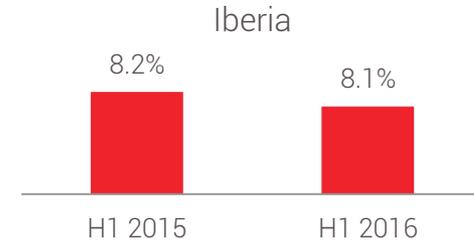
## / Stable margin in Iberia:

- Acquisitions
- Portugal
- New categories and upgraded service

- + More franchises
- + Buying conditions

## / Sustained improvement of margins in EM.

## / Improvement due to mix changes in Fx.



## Strong cash-flow generation

<i>(EURm)</i>	H1 2015	H1 2016
Adjusted EBITDA	266.2	267.3
Taxes paid	-27.5	27.2
Net change in trade working capital	-92.8	-10.7
Other payables & receivables	-93.1	-37.4
<b>Cash-flow from Continuous Operations</b>	<b>52.8</b>	<b>246.5</b>
Financial investments/divestments	-10.9	-0.9
Capital expenditure	-290.4	-180.1
<b>Cash-flow from Investing Activities</b>	<b>-301.3</b>	<b>-181.0</b>
<b>Operating free cash-flow</b>	<b>-248.5</b>	<b>65.5</b>

## Full-year 2016 outlook

- / Focus on top line to drive sales: around 10% gross sales under banner growth (at constant currency).
- / Stable adjusted EBITDA margin.
- / Strong cash-flow generation.

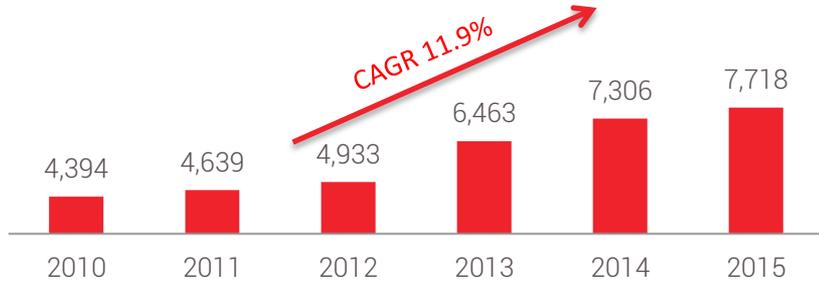
# 03

Closing  
remarks  
and Q&A

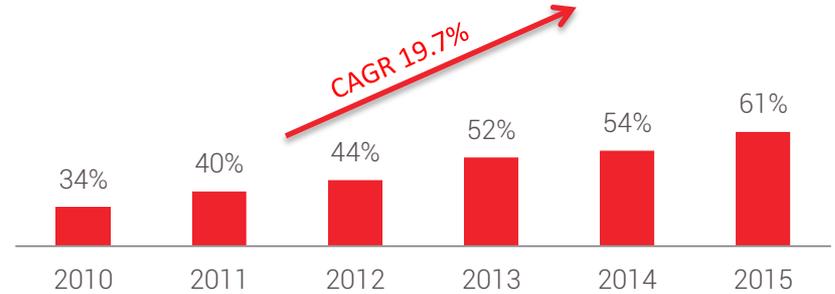


# DIA, a story of consistent growth

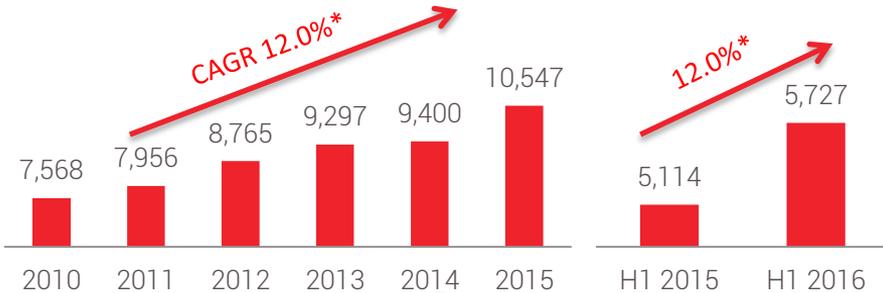
# of stores



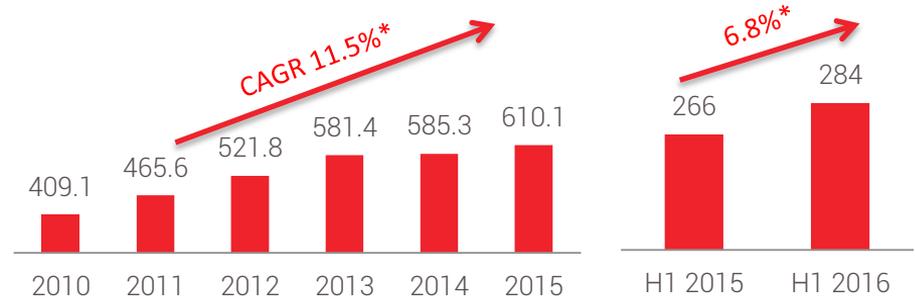
Dia banner franchised stores



Gross sales under banner



Adjusted EBTIDA



\*at constant currency, excluding France and Turkey

## Closing remarks

- / Focus on the customer.
- / Focus on top line.
- / Focus on cash-flow generation.



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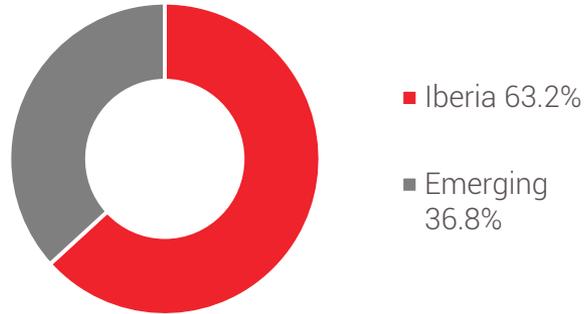
Results

Back-up

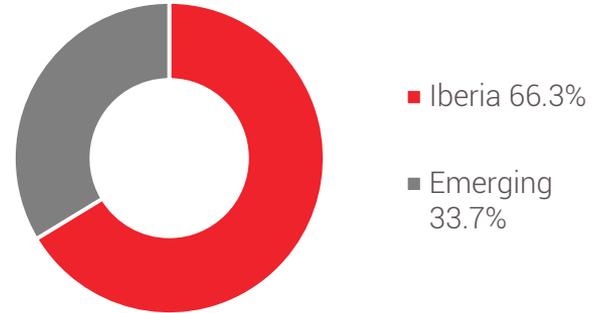


# Gross sales & Adjusted EBITDA by segment

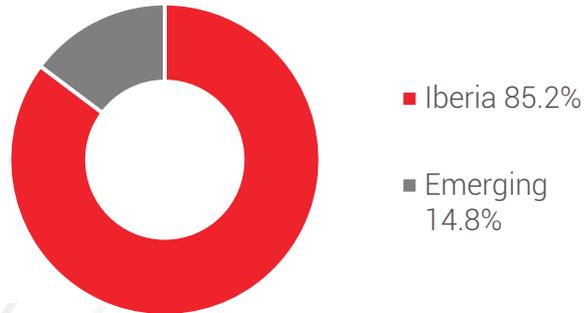
H1 2015 Gross sales under banner



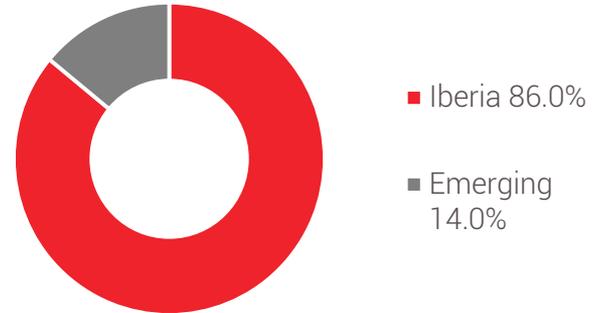
H1 2016 Gross sales under banner



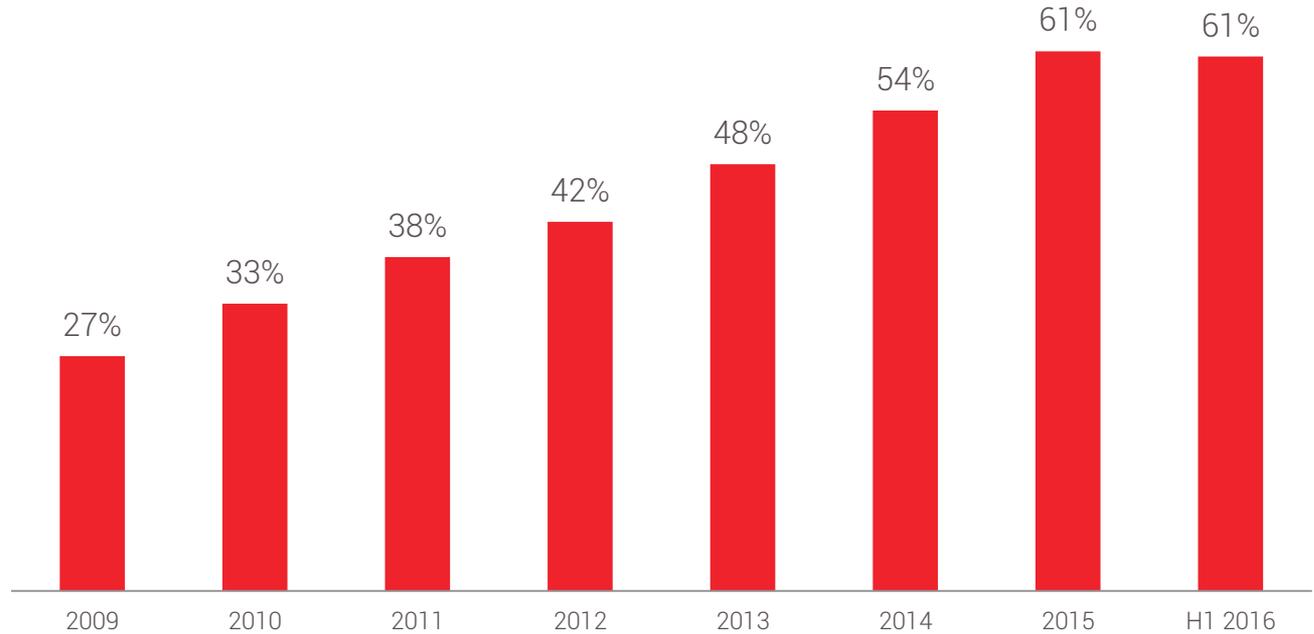
H1 2015 Adjusted EBITDA



H1 2016 Adjusted EBITDA

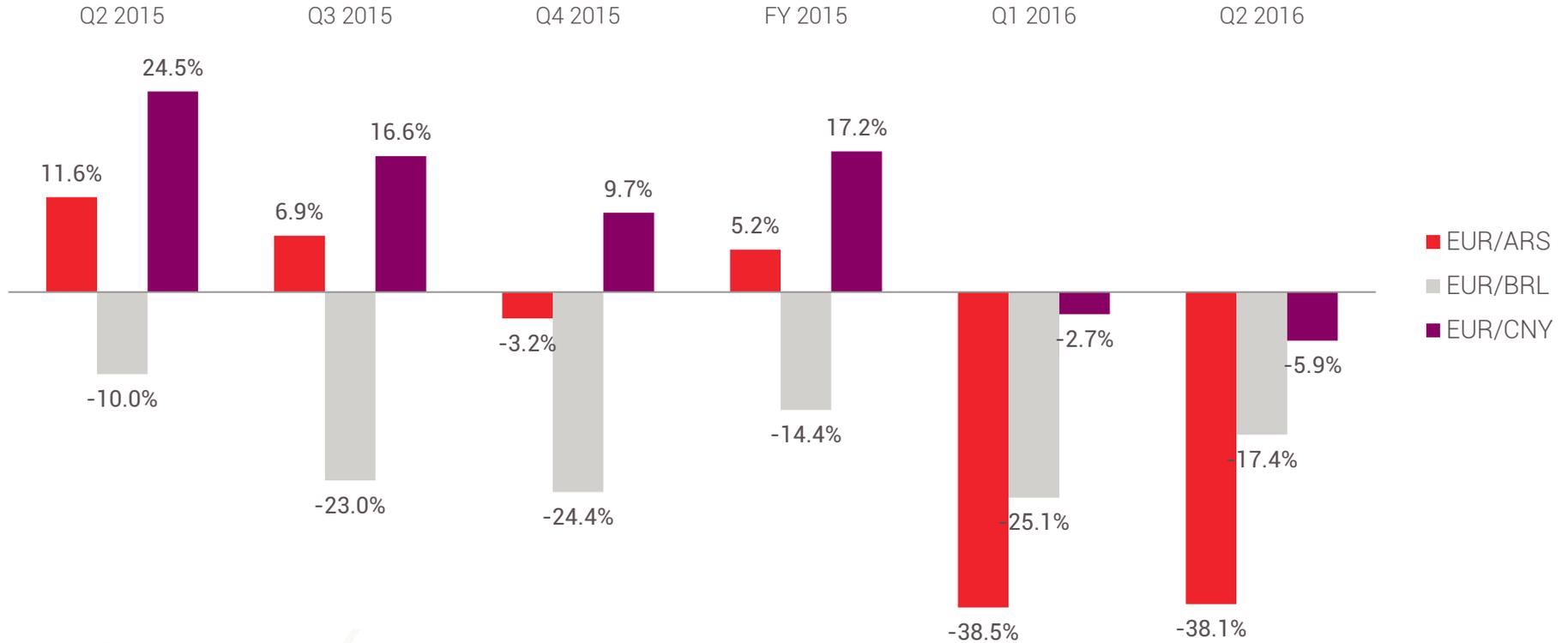


## Growing contribution of DIA banner franchised stores



*Reported data*

# Currency performance



Bloomberg average currency rates (a negative change in exchange rates implies a depreciation versus the Euro)



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