



Distribuidora Internacional de Alimentación, S.A. (“**DIA**” o la “**Sociedad**”), en cumplimiento de lo previsto en el artículo 82 de la Ley 24/1988 de 28 de julio, del Mercado de Valores, hace público el siguiente:

### **HECHO RELEVANTE**

Como continuación a los hechos relevantes con números de registro 173398 y 175594 remitidos por la Sociedad con fecha 10 de septiembre y 24 de octubre de 2012 respectivamente, y relativos a la convocatoria del evento “DIA Investor’s Day”, se adjunta a continuación la documentación que se presentará durante la sesión, que se encuentra asimismo disponible en la página web de la Sociedad [www.diacorporate.com](http://www.diacorporate.com) y en la que se incluye, entre otra, la siguiente información:

	<b>Previsiones 2012 previas</b>	<b>Nuevas Previsiones 2012</b>
<b>1. Aperturas netas de tiendas</b>	425 a 475 (excluyendo Turquía, 225 a 275)	225 a 275
<b>2. Ventas brutas bajo enseña</b> (a tipos de cambio constante)	+4% a +6%	+5,5% a 6,5%
<b>3. EBITDA*</b>	Estimación del Folleto de salida a Bolsa** Eur 590m***	Eur 595-600m***
<b>EBIT*</b>	Eur 300m***	Eur 315-320m***

\* Ajustado por elementos no recurrentes

\*\* A tipos de cambio constantes y excluyendo el impacto del Plan de Incentivos a Largo Plazo (LTIP)

\*\*\* A tipos de cambio actuales

En Madrid, a 31 de octubre de 2012

**DISTRIBUIDORA INTERNACIONAL DE ALIMENTACIÓN, S.A.**

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D. Miguel Ángel Iglesias Peinado  
Vicesecretario del Consejo de Administración



**Dia**



**Investor's Day**



# Ricardo Currás

CEO DIA Group



**Investor's Day**

# Agenda

## Schedule

## Content

## Speaker

**8:30-10:10**

**1st SECTION: EFFICIENCY AND FRANCHISE; KEYS FOR SUCCESS IN «PROXIMITY» STORES**

**Welcome and introduction**

Ricardo Currás, CEO

**Being efficient in proximity**

Julián Villena, Supply Chain Director DIA Group

**Franchise: a key differentiation feature in proximity**

Antonio Coto, Executive Director LatAm & Partnership

**Q & A**

**10:10-10:30**

**Coffee break**

**10:30-12:40**

**2nd SECTION: HOW TO GROW IN PROXIMITY**

**Driving Like-for-Like sales growth**

Juan Cubillo, Commercial Director DIA Group

1) Loyalty Programme

Luis Martínez, Commercial Director DIA Spain

2) Private label

Miguel Guinea, Commercial Director DIA France

**Incremental opportunities in proximity**

Diego Cavestany, Operations Executive Director DIA Spain

**Financial overview**

Amando Sánchez, CCO

**Closing comments**

Ricardo Currás, CEO

**12:40-14:00**

**Lunch**

**14:00-16:00 approx.**

**Stores teach-in (short-version)**

DIA Fresh -> DIA Market -> Airport / Hotel

**14:00-17:00 approx.**

**Stores teach-in (long-version)**

DIA Market -> DIA Fresh -> DIA Maxi -> Airport / Hotel

## Consumers love 2P food retailers

Why do you choose a store to buy food ?



**Price  
&  
Proximity**

## Food retailers aim to be in the 2P business

### **Tesco**

"Tesco has indicated that it expects net selling space increase..... as it focuses more on formats offering convenience"

### **Walmart**

"WMT small formats offer competitive advantage and flexibility"

### **Sainsbury**

"Growth in convenience remains on-track with 49 stores opened in H1 in line with targeted 1-2 stores per week"

### **Jeronimo Martins**

"Convenience and discount continue to be the most powerful themes in Food Retail"

**IS DIA IN THE 2P BUSINESS?**

1. Great progress since listing

2. DIA strategic evolution



1. Great progress since listing

2. DIA strategic evolution

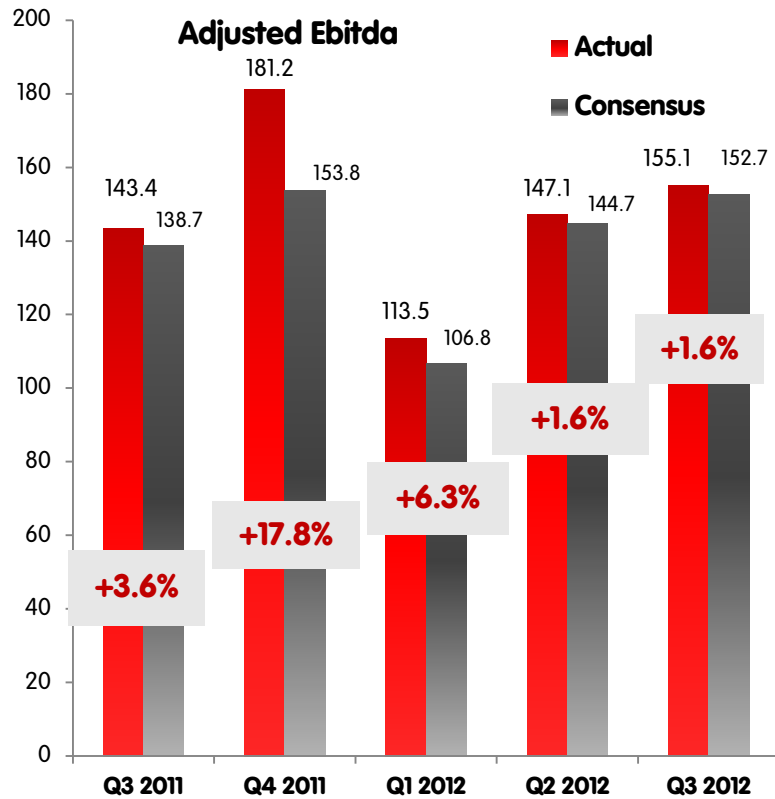
## **Great progress made since July 5th 2011**

- **Earnings growth delivery every quarter**
- **Building on our strengths: Franchise, Private Label, Cost Efficiencies, Price Image**
- **More growth in Emerging**
- **Reinforced position in our key markets**
- **Generation of new growth opportunities: Fresh & Schlecker**

**Uniquely positioned to lead the growth of proximity retail**

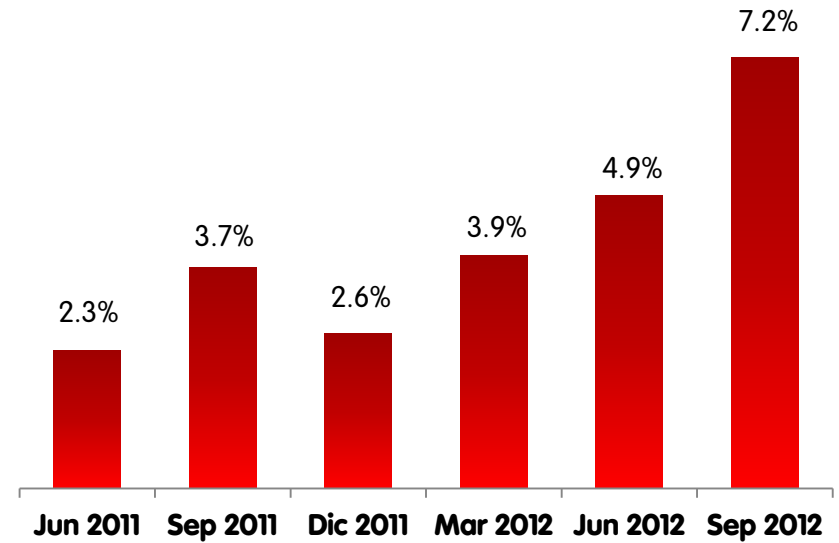
# Earnings growth every quarter

## Delivering results....



## ... and building credibility

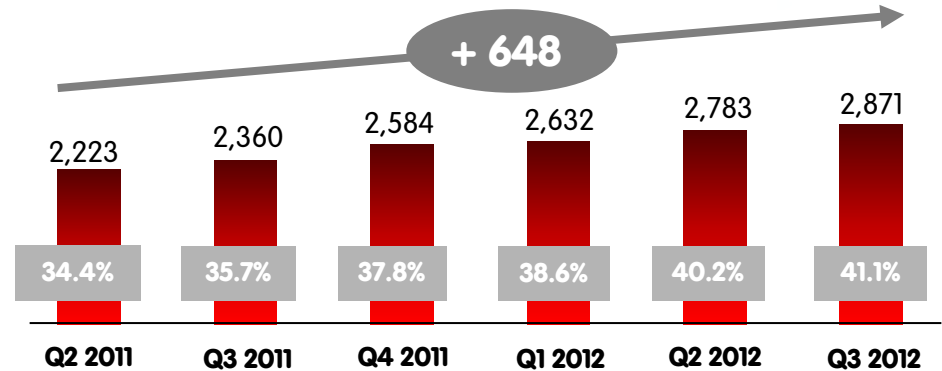
### FORECASTED 2012 ADJUSTED EBITDA GROWTH MARKET CONSENSUS



# Building on our strengths

## Franchise

Franchises / Total stores

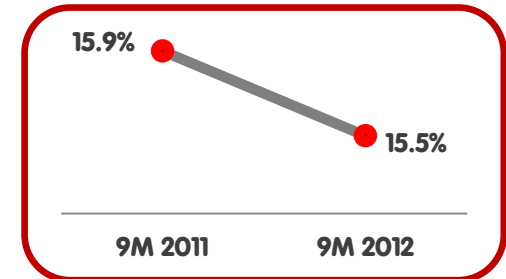
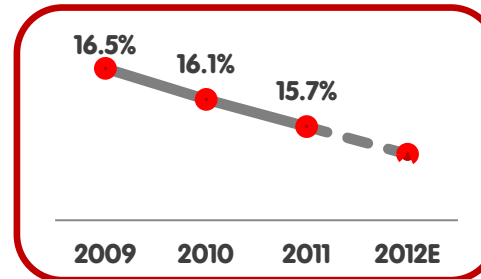


## Private Label

	Emerging	Western Europe
PL share Market	<10%	<40%
PL share DIA	>35%	>55%

## Cost Efficiencies

Op costs / sales



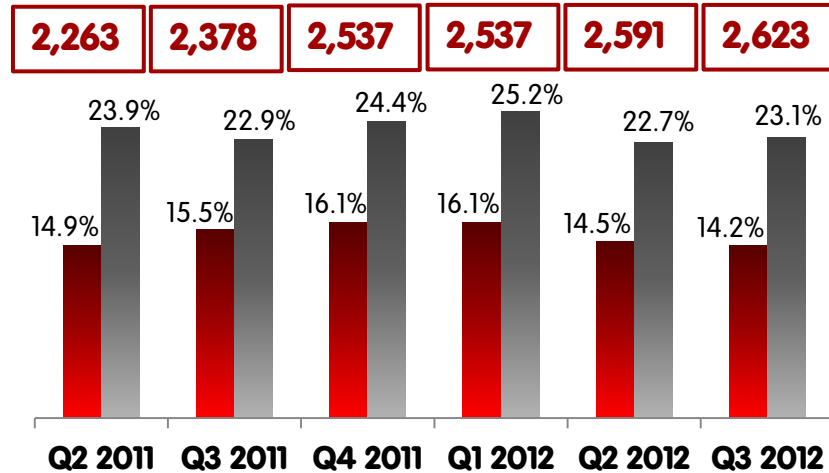
## Price Image

**N 1**

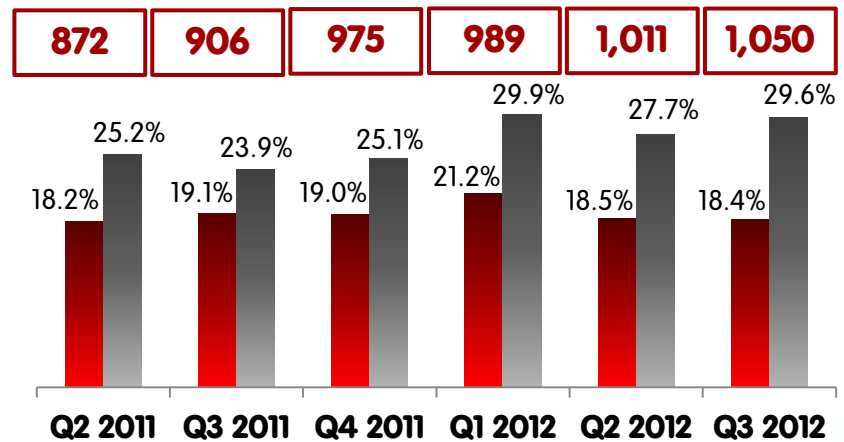


# Growth in Emerging Markets

## EMERGING (w/o FX)




## Brazil + Argentina (w/o FX)



 N stores at end of period

 LFL growth

 Total sales growth

## Reinforced position in our key markets

### Iberia

- **Leading price position**
- **LFL improvements**
- **New growth opportunities**
  - Schlecker
  - Fresh
  - Rural franchise

### France

- **Rebranding to DIA completed**
- **Success of cost reduction programs**
- **Good progress on franchise**

## Generation of new growth opportunities based on DIA strengths

In less than 18 months, DIA has generated 2 new growth avenues

**Specialist**

**Proximity**

**Discount**

**Synergies**

**Franchise**

**Growth**



1. Great progress since listing

2. DIA strategic evolution



1. Great progress since listing

2. DIA strategic evolution

# Improved scenario for 2P business



**Emerging**

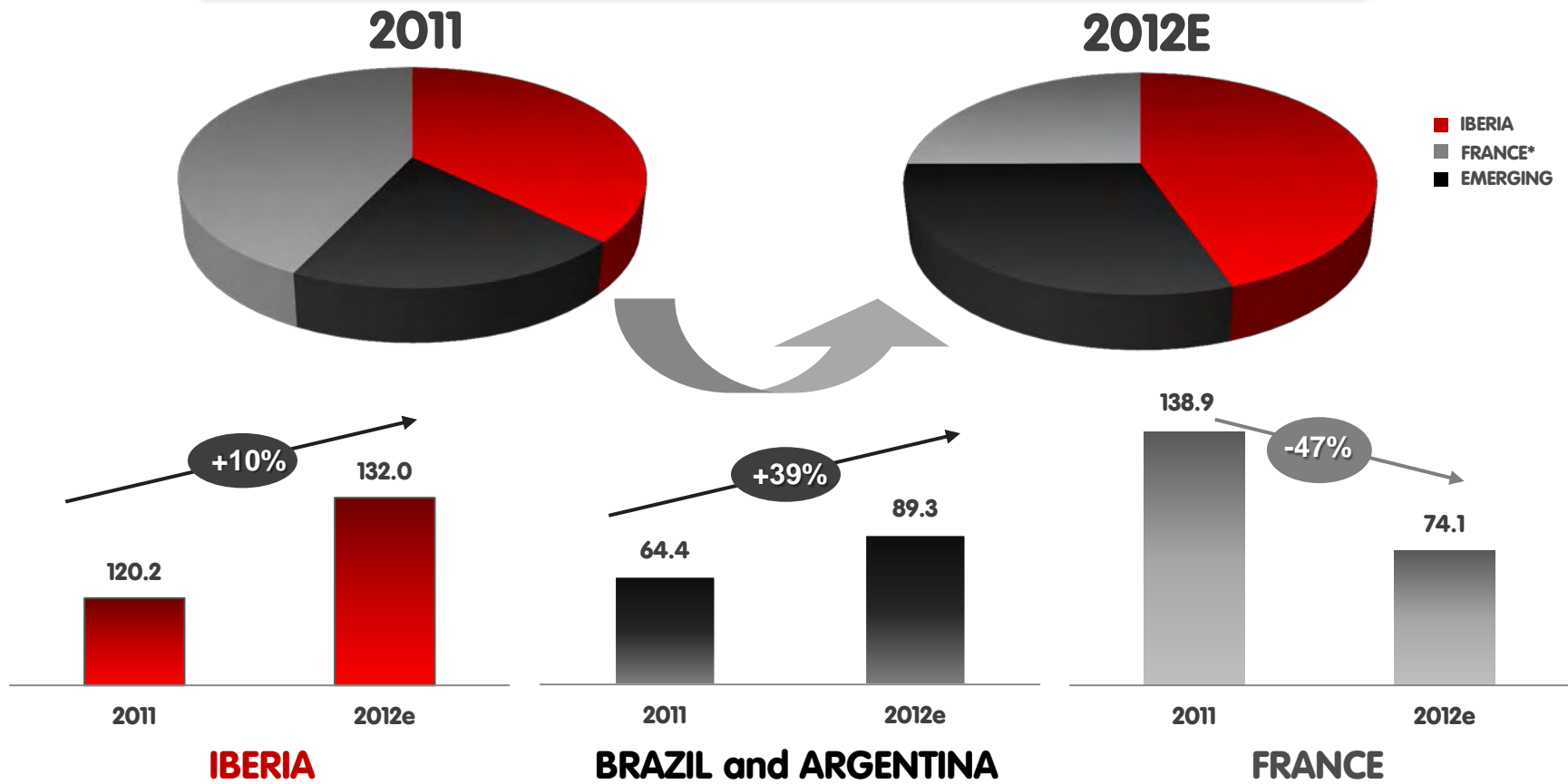
**Western Europe**

## **DIA strategic evolution**

- **More Capex to our growth regions**
- **Constant commercial format update**
- **New regions and opportunities**
- **2013, a decisive year**

# More capex to our growth regions

## CAPEX evolution



\* 12Meuro lease accounting change is not included in France CAPEX

# Constant commercial format update

## 2012 Remodeling

**CAPEX e**

**119.3 M€**

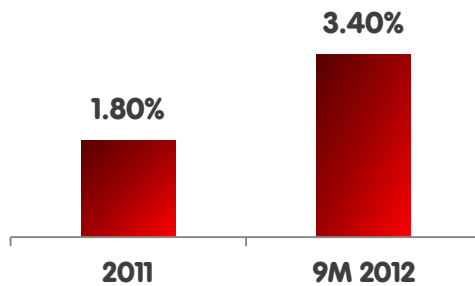
**DIA Market I and II Roll Out**



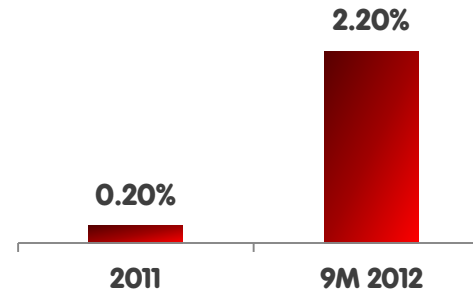
**DIA Maxi I and II Roll Out**



**DIA GROUP LFL (w/o FX)**



**IBERIA LFL**



# Faster growth in Brazil and Argentina ....

## Argentina

New master franchise  
region from October 2012

**SALTA**



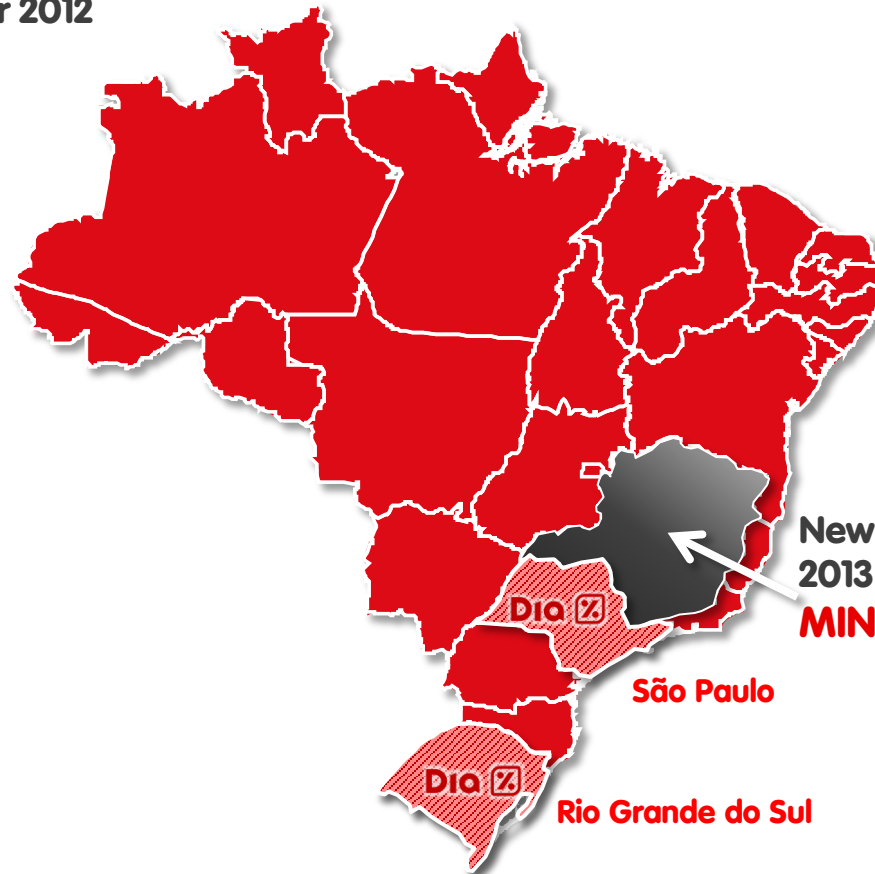
## Brazil

New region in  
2013

**MINAS GERAIS**

São Paulo

Rio Grande do Sul



## .... And more proximity in Iberia

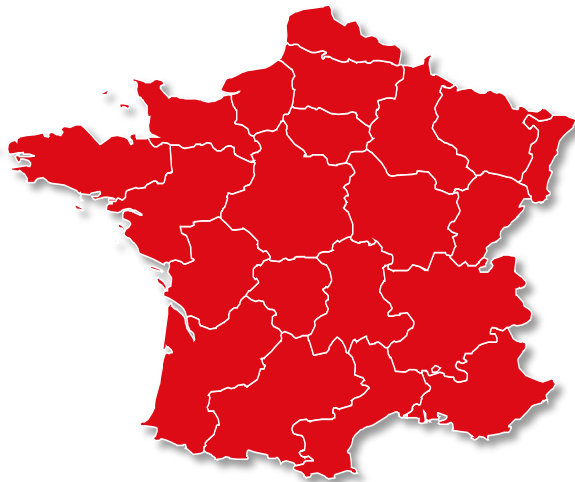


Two new growth avenues

- Investing in Fresh from Q4 2012
- Redesigning and remodeling Schlecker in 2013

# 2013, a decisive year for France, Turkey and China

**France**



## Launching DIA Maxi II

- 14th November 2012, first test
- Commercial offer, pricing and communication strong redesign
- Low investment

**China**



**SHANGHAI**  
150 million people

Faster expansion and sole focus on Shanghai

**Turkey**



Assessing our right to grow profitably



**Let us show you that...**

**...DIA is the 2P RETAILER**



**Dia**



**Investor's Day**



# Being efficient in proximity

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**Julián Villena**

Supply Chain Director



**Investor's Day**

**QUALITY AND PRICE ARE  
CLOSER THAN YOU THINK**

# An efficient and integrated supply chain



**Supplier**

**Warehouse**

**Transport**

**Store**

Proprietary management system

End-to-end scope

**Cost reduction**

**Maximize on shelf availability (OSA)**

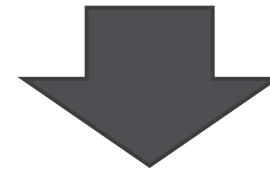
## Proprietary management system

Innovation



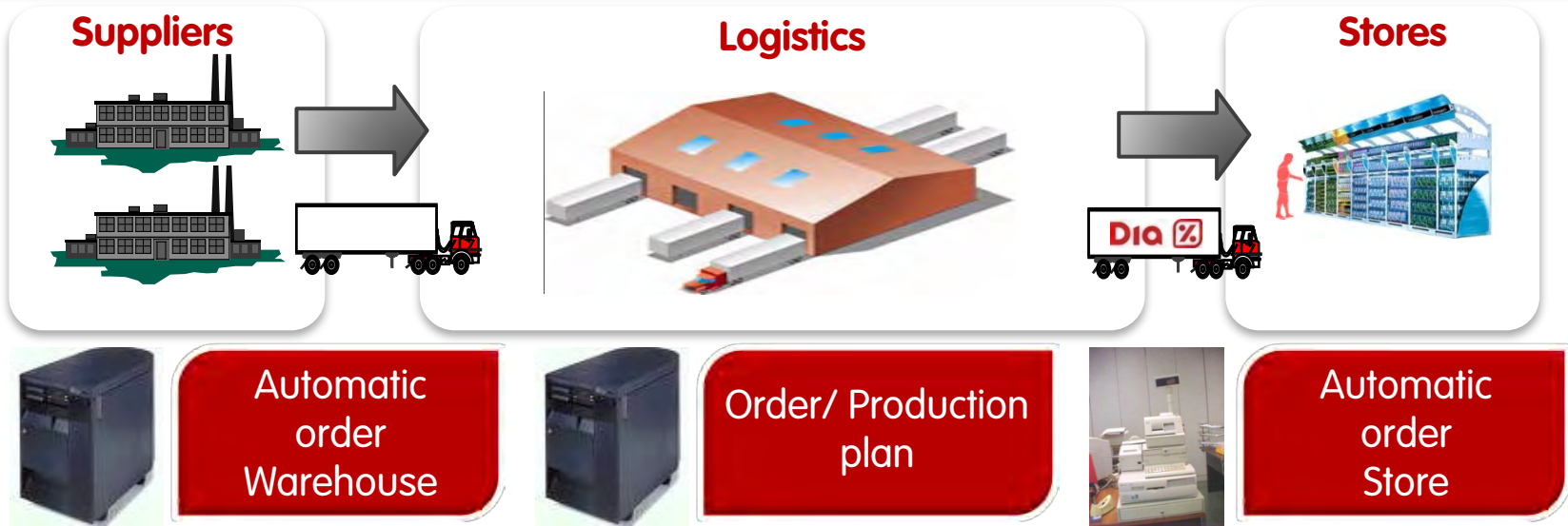
- Process optimization
- R&D - New technologies

Information  
Technology



- "In-house" developments
- Common to all countries

# An easy and integrated supply chain



**Same forecast system**  
 Promotions – Loyalty – Seasonality – Store planogram

**Multiproduct**  
 Grocery – Refrigerated – Frozen - Perishables

**Full-truck mode**

**Automatic**

# An efficient and integrated supply chain



**Supplier**

**Warehouse**

**Transport**

**Store**

- Collaborative model
- Merchandise flow
- Electronic data interchange (EDI)



[www.diaworldtrade.com](http://www.diaworldtrade.com)

[www.diasupplier.com](http://www.diasupplier.com)

**Dia**   
WORLD TRADE

**DWT**

DWT

## Collaborative program

### Data-sharing

Supplier Scorecard

Consumer demand  
follow-up

**100%** DWT supplier

### Performance review

Efficient logistics  
operations

**98%** DIA Brand transport  
through full-truck mode

### Technology

EDI messages

Orders > **80%**

Invoice **90%**

# An efficient and integrated supply chain



**Supplier**

**Warehouse**

**Transport**

**Store**

- Collaborative model
- Merchandise flow
- Electronic data interchange (EDI)

- Flow & Central Warehouses
- Voice picking
- ABC Layout

# Bring warehouses closer to stores

## Flow Warehouse

SPAIN Warehouses	18
Avg. Surface	22,000 m <sup>2</sup>
# SKUs	2,000
Days of stock	7



*Flow warehouse*



*Store network*



# Bring warehouses closer to stores

## Flow Warehouse

SPAIN Warehouses	18
Avg. Surface	22,000 m <sup>2</sup>
# SKUs	2,000
Days of stock	7



## Central Warehouse

# warehouses	2
Avg. Surface	5,000 m <sup>2</sup>
# SKUs	1,675
Days of stock	8.5



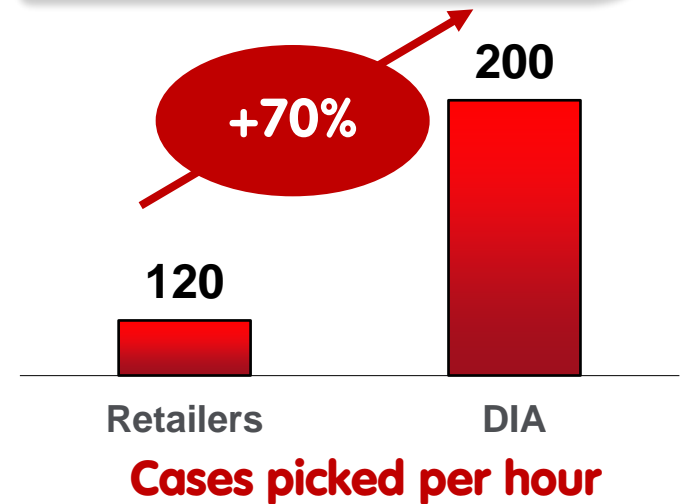
*Store network*

# Technology applied to productivity

100% DIA stores

Improved ergonomics in order picking

Fewer errors in orders picked



Source: Institute for Grocery Distribution (IGD)

# ABC Layout

## PREVIOUS CIRCUIT



# ABC Layout

## NEW CIRCUIT





# An efficient and integrated supply chain



**Supplier**

**Warehouse**

**Transport**

**Store**

- Collaborative model
- Merchandise flow
- Electronic data interchange (EDI)

- Flow & Central Warehouses
- Voice picking
- ABC Layout

- Multiproduct truck
- High capacity formats

# Transport



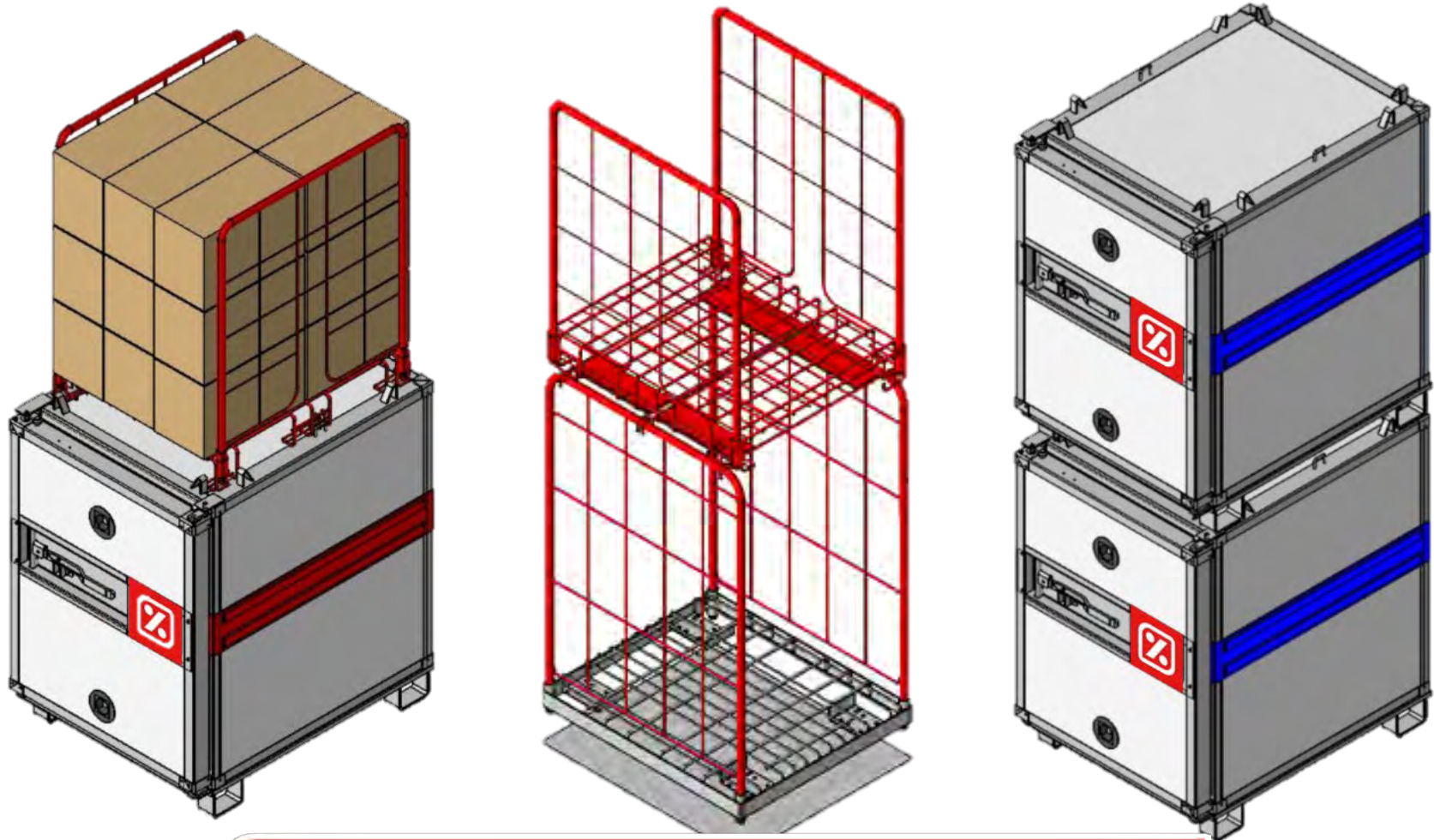
# One truck - all the products



Multi temperature

Multi store

## Increasing our load capacity



$\Delta$  15 % load capacity

# An efficient and integrated supply chain



**Supplier**

**Warehouse**

**Transport**

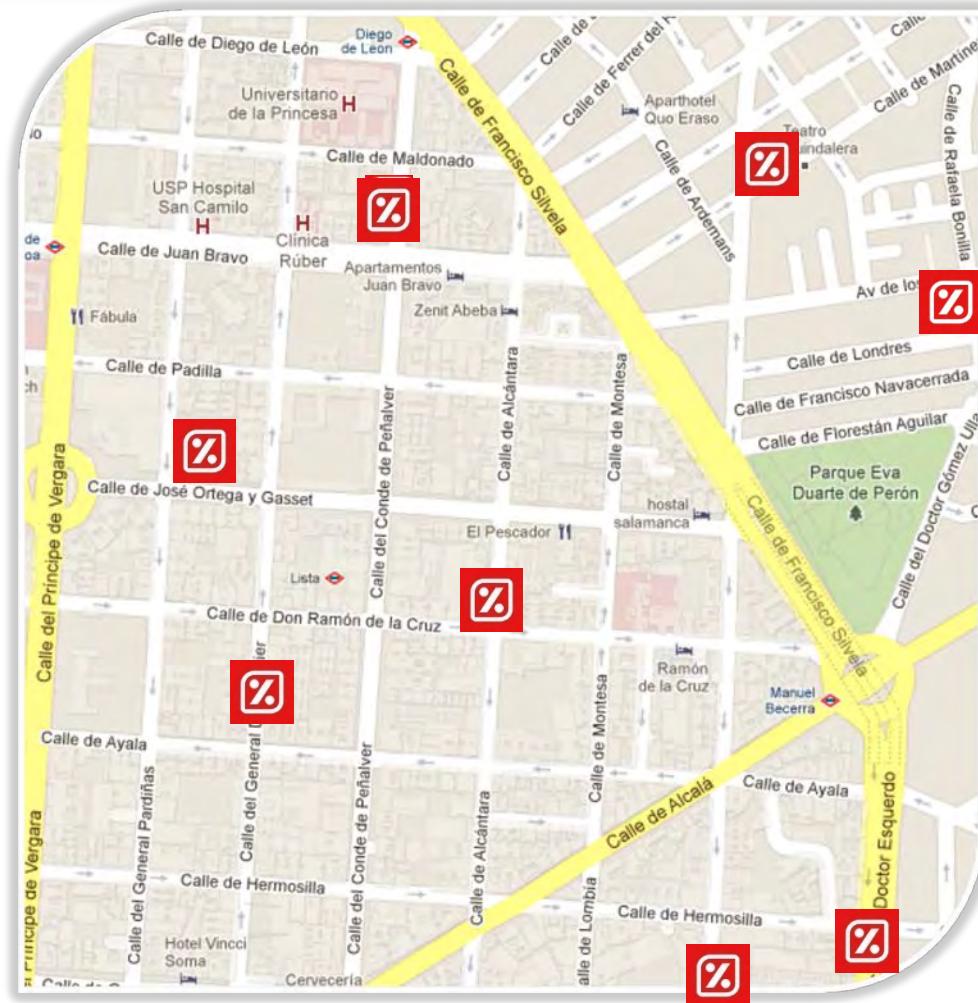
**Store**

- Collaborative model
- Merchandise flow
- Electronic data interchange (EDI)

- Flow & Central Warehouses
- Voice picking
- ABC Layout

- Multiproduct truck
- High capacity formats

- Proximity net of stores
- Cash productivity
- Replenishment productivity



← 325m. →

# Cash productivity

## Hardware



**Bioptic scanner**



**Multicode EAN**



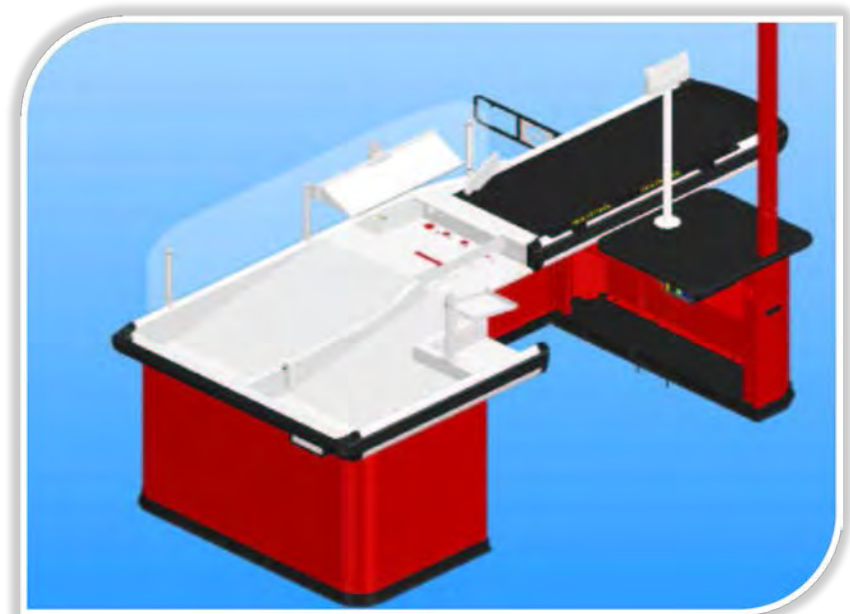
**Customized keyboard**

## Software

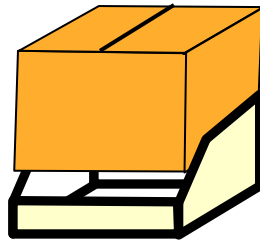
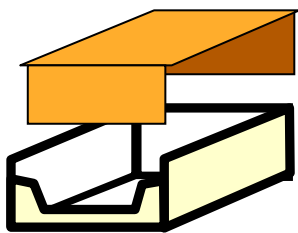
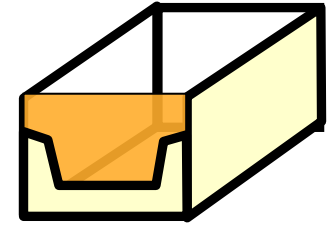
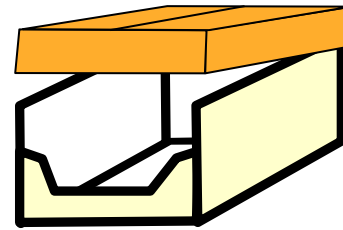
- Parallel printing in multi-tasking
- Fewer keys for the same function

## Checkout

- 90° cashier position
- Adapted to the average proximity basket



# Sell-Ready Packaging





## Lighting evolving to LED technology

...the **ideal**  
project

- >50% drop in consumption
- Long useful life

**2012**

- Investment 10,000,000€
- Annual saving: 5,280,000 €



DIA is the first company to develop  
a large-scale LED project in Spain, Turkey and Portugal

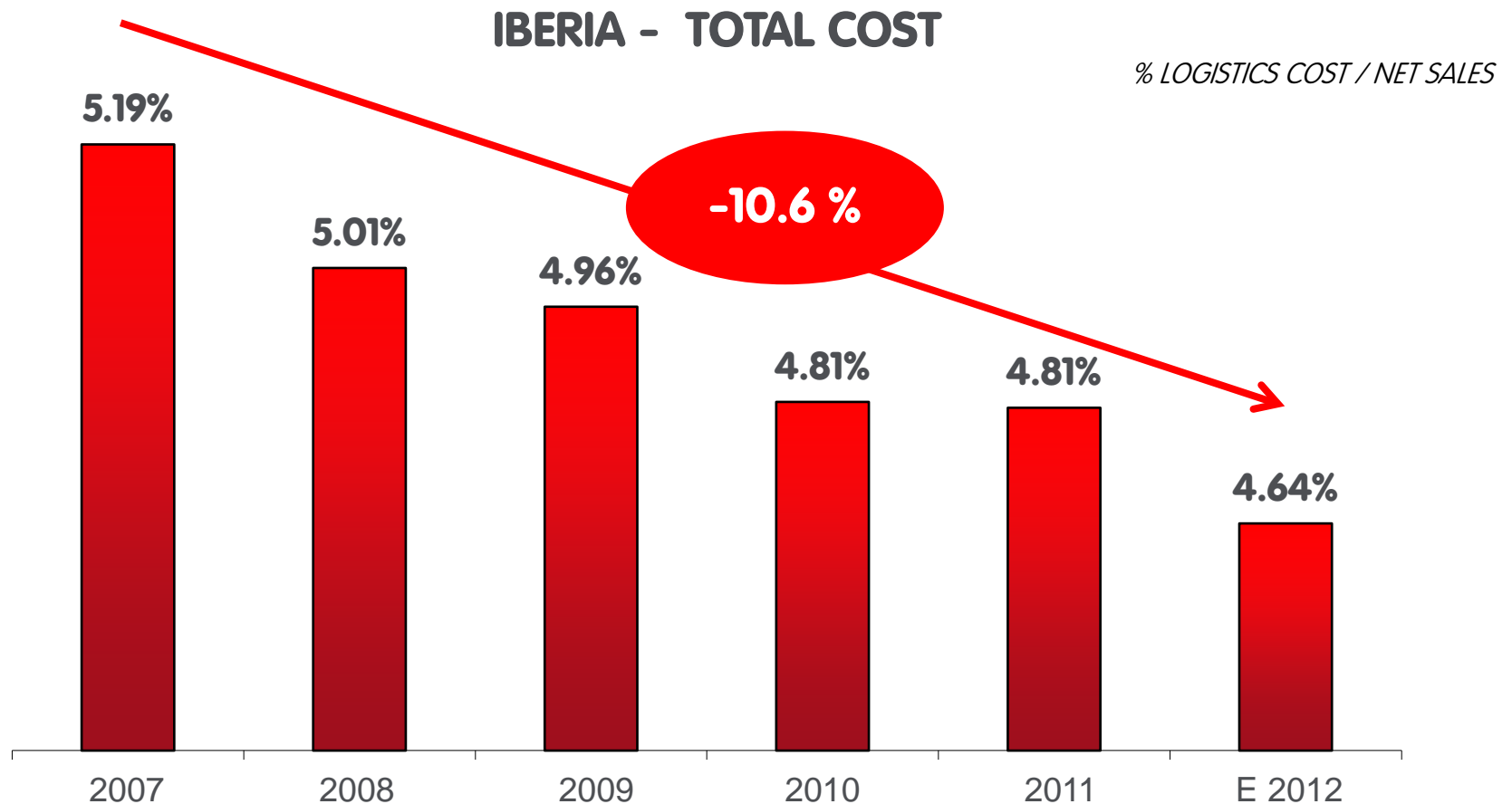
## In summary

Network of flow warehouses

Store network and multifunctional personnel

Proprietary operating model

# Logistics cost performance 2007-2012



We can reduce logistic cost in the middle of a very difficult scenario



**Dia**



**Investor's Day**

**Día** 

# **Antonio Coto Gutiérrez**

Executive Director LatAm & Partnership



**Investor's Day**

# FRANCHISING

...is the best way to run **proximity stores**

...must undertake a **long journey** before succeeding

...is one of our main **competitive advantages**

# From wholesaling to franchising



## From wholesaling to franchising

### Learning from a traditional supermarket

- Family operated
- Longer operating hours & no holidays
- Customized treatment of their clients
- Cash-based business
- Another way to look into the P&L



*French franchisees*



# The start of a long and bumpy journey

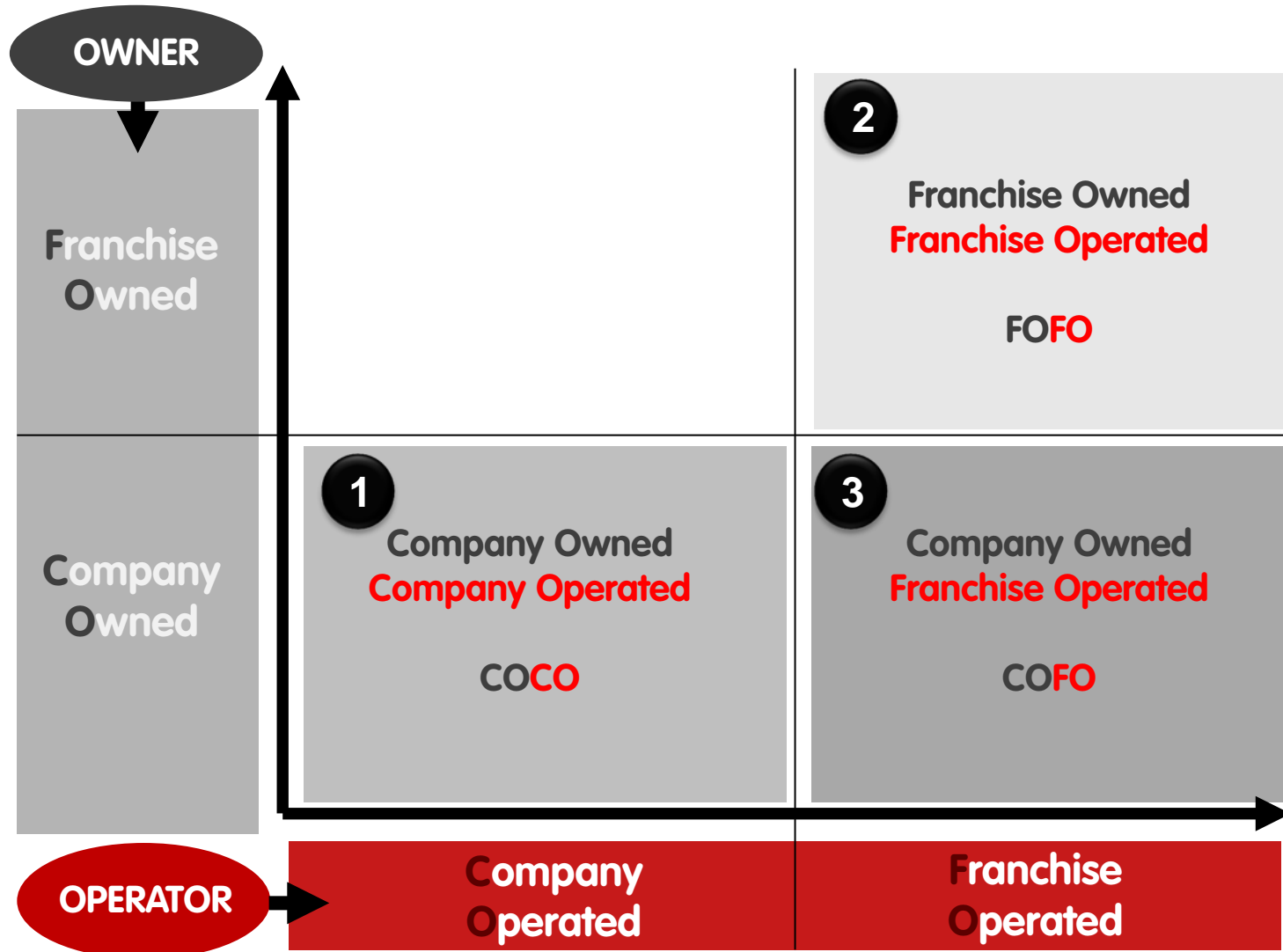


Tarancón town



DIA's 1<sup>st</sup> franchised store

# Operating models



## The winning formula

### DIA's Input

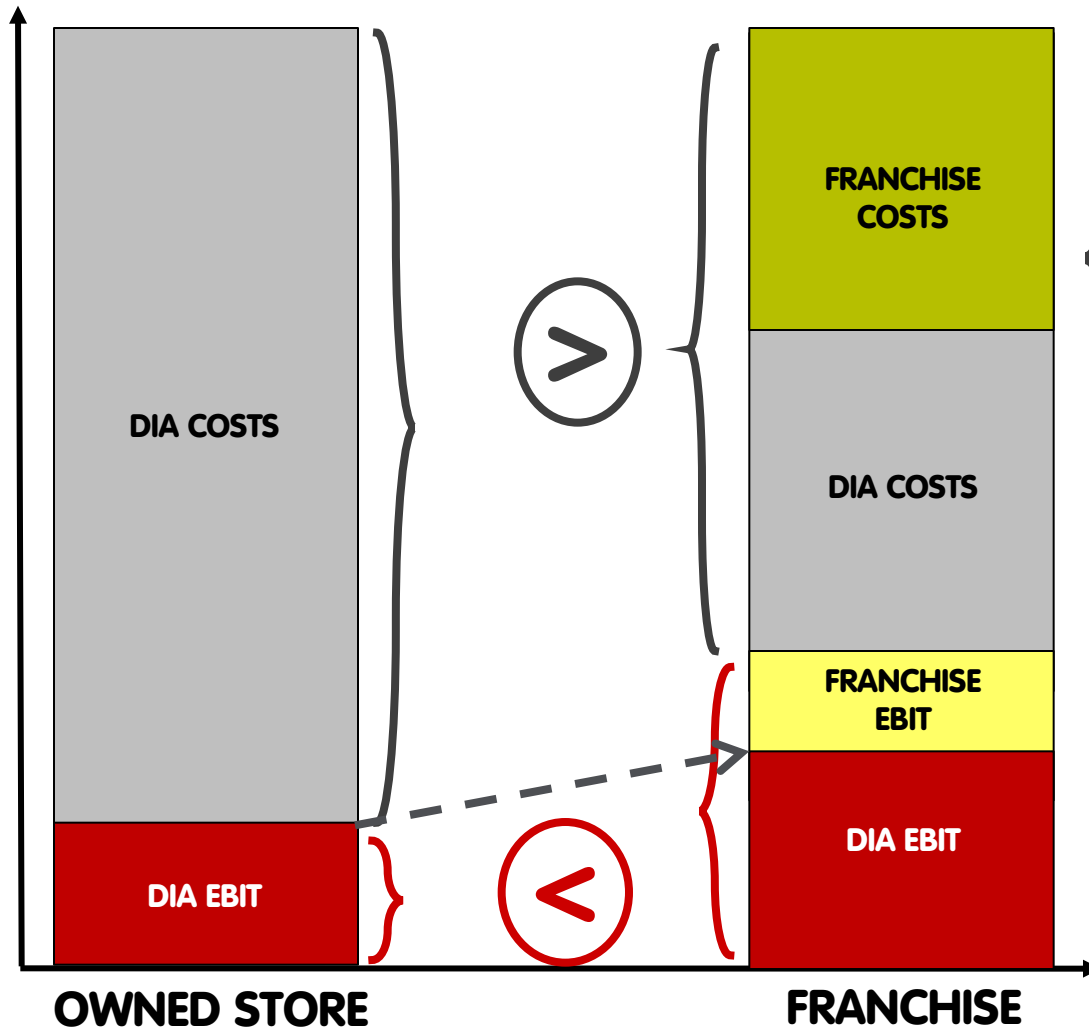
- Definition of a profitable business model.
- Strong brand strategy.
- Winning commercial proposition.
- Economies of scale in purchasing.
- Efficient operating standards.
- Innovation in store model.

### Franchisee's Input

- Extremely focused on results.
- High-performance team.
- Customers unique shopping experience.
- Enthusiastic DIA brand ambassadors.
- Flexibility to be a lower-cost operator.

**The franchise model perfectly suits  
proximity stores**

# Cost & EBIT optimization



Franchisee reduces operational costs:

- Personnel expenses
- Controlling shrinkage
- Operating costs



## Balance between owned and franchised stores

**Owned stores are necessary to guarantee a healthy franchise with long-term success**

- Generate credibility as franchisor.
- Incentivize investment to increase know-how.
- Use as a lab when testing new ideas.
- Obtain a permanent source of franchisees.

### DIA's Current Mix

- 41.1% Franchises
- 58.9% Owned Stores

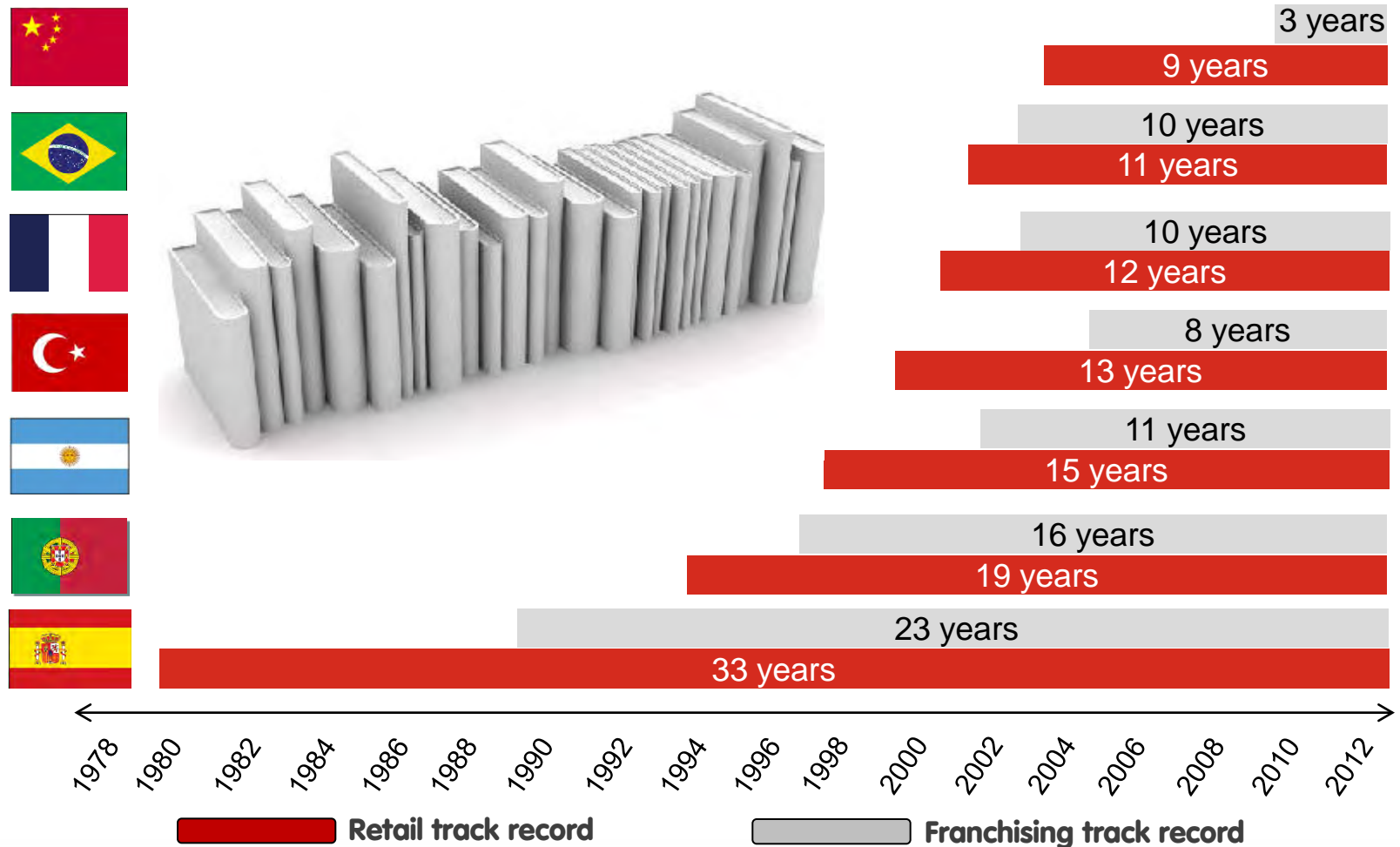
### Optimum Mix



We are looking for the ideal mix while we continue on this journey

# DIA has been on the “franchising journey” for a long time

81 collective years of experience in food retail franchising among the countries in which we operate.



# Difficulties of newcomers

Potential  
new  
entrants

## Wholesaler / Cash & Carry

- No credibility as franchisors.
- Lack of know-how in marketing and store operation.
- Weak bonds with clients.

## Integrated Retailer

- Strong internal resistance.
- Dramatic cultural shift needed.
- No fast-track.



*Chinese franchise*



*Perishables sector in a Chinese franchise*



*Turkish franchise*

# DIA as a leader - Ranking

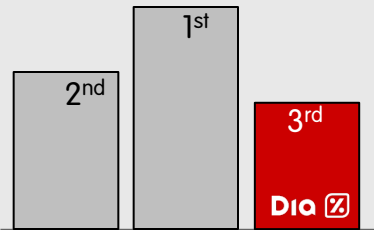


**EUROPE**

**3<sup>rd</sup>**

Source: Franchise Europe (Food Retail)

**by store number**

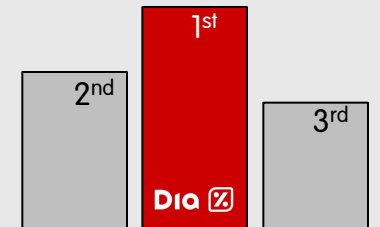


**SPAIN**

**1<sup>st</sup>**

Source: Franchise Europe (Food Retail)

**by revenues**

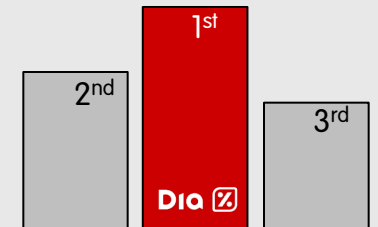


**PORTUGAL**

**1<sup>st</sup>**

Source: Franchise Europe (Food Retail)

**by store number**

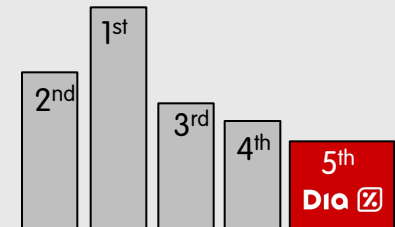


**FRANCE**

**5<sup>th</sup>**

Source: Franchise Europe (Food Retail)

**by store number**

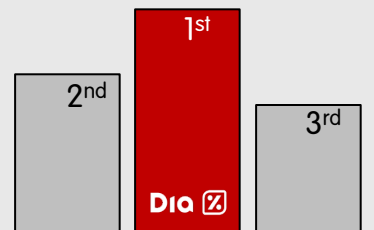


**BRAZIL**

**1<sup>st</sup>**

Source: Valor Econômico (Food Retail)

**by store number**

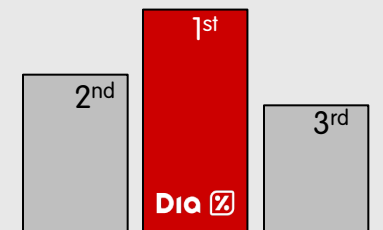


**ARGENTINA**

**1<sup>st</sup>**

Source: Catálogo Argentino Marcas & Franquicias (Food Retail)

**by store number**

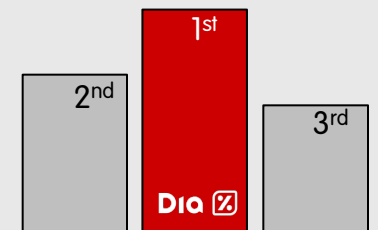


**TURKEY**

**1<sup>st</sup>**

(Food Retail)

**by store number**

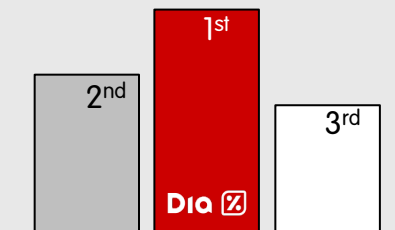


**CHINA**

**1<sup>st</sup>**

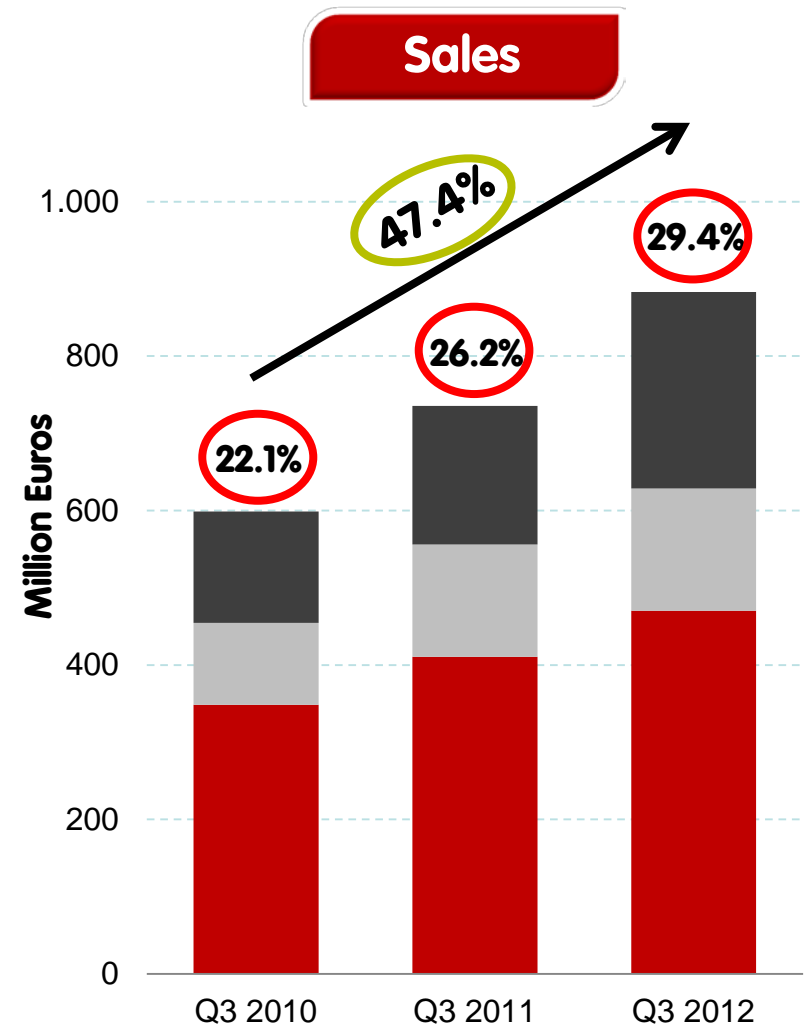
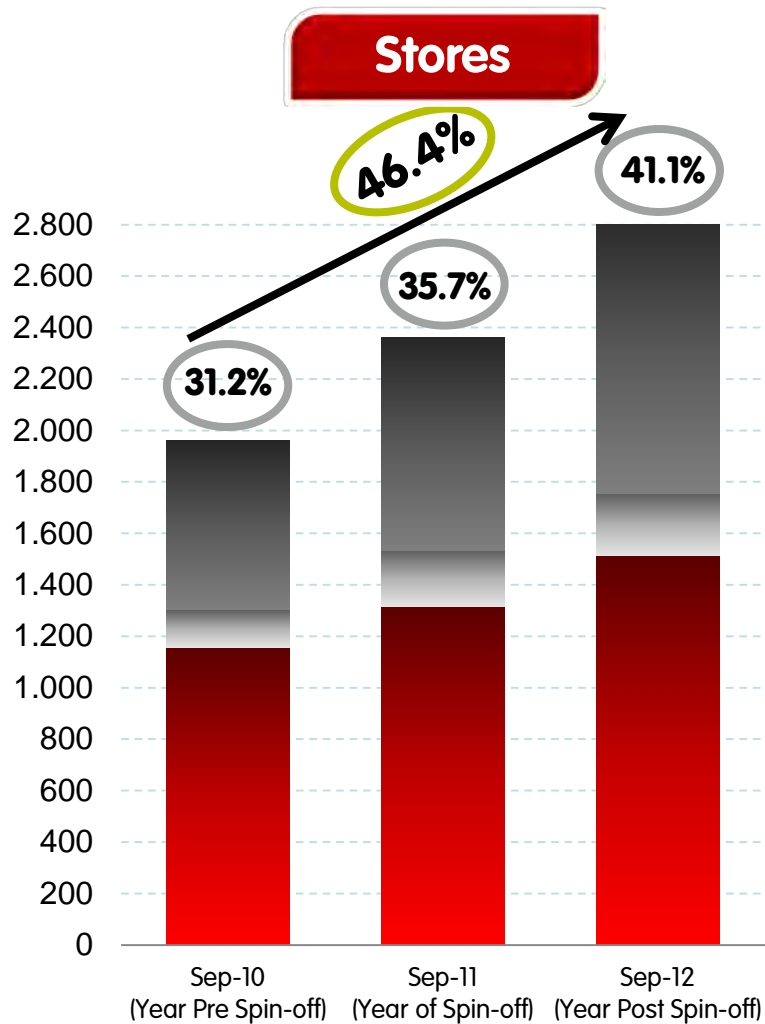
(Food Retail)

**by store number**





# Significant evolution in franchising



Note: Sales under banner at constant exchange rates 2011

Growth rate

% of total stores

% of total sales

Iberian countries

France

Emerging countries

## In summary

### Franchising ...

... is the best way to run proximity stores.

... at DIA is a terrific competitive advantage, as we are well ahead of our competitors.



### NEXT STEPS



DIA must continue on its “Franchising Journey”, focusing on:

- steadily opening **new franchised stores**.
- developing **new regions**.

**Dia** 

**Thank You!**



**Investor's Day**

# Are you interested in being a...

## Franchisee?



A 1ª e única franquia de supermercados do Brasil.

Home Rede DIA Franquia Serviços Investimento Depoimentos Marketing SAIBA MAIS

**Bem-vindo(a) à Rede DIA:**  
a 1ª e única franquia de supermercados do Brasil e a 3ª maior em faturamento\*.

O DIA é sinônimo de compra inteligente não apenas para os seus clientes, como também para os seus franqueados. Faça parte.

\*Segundo a ABF (Associação Brasileira de Franquias)

Em 2011, bateu o recorde de aberturas de pontos no varejo alimentar.  
(Fonte: Jornal Valor Econômico/Jan 2012)

1 2 3

DIA Corporate

Franchising website of DIA Brazil  
([www.franquiadia.com.br](http://www.franquiadia.com.br))

## Franchisor?



Madrid's Stock Exchange building



**Dia**



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**Q & A**



**Investor's Day**



**Dia**



**Investor's Day**

**Dia** 

**Coffee Break**



**Investor's Day**





**Dia**



**Investor's Day**



**Dia**



**Investor's Day**



# Juan Cubillo Jordán de Urríes

Commercial Director DIA Group



**Investor's Day**

## DRIVING FOR LIKE FOR LIKE

1. Evolution of commercial model

2. Evolution of assortment

3. Price positioning / price image

## DRIVING FOR LIKE FOR LIKE

1. Evolution of commercial model

2. Evolution of assortment

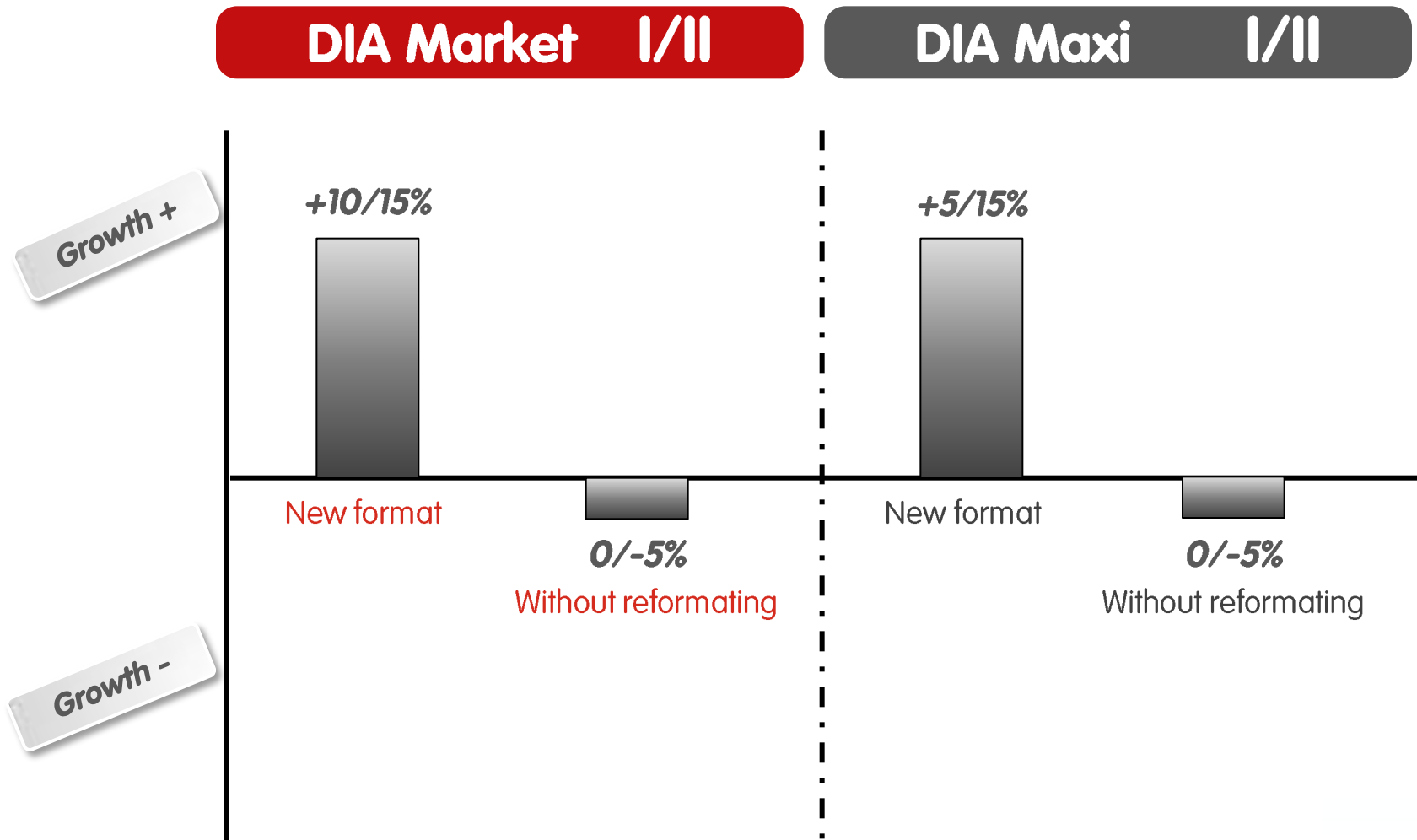
3. Price positioning / price image

# DIA Market and DIA Maxi: Comparative Analysis

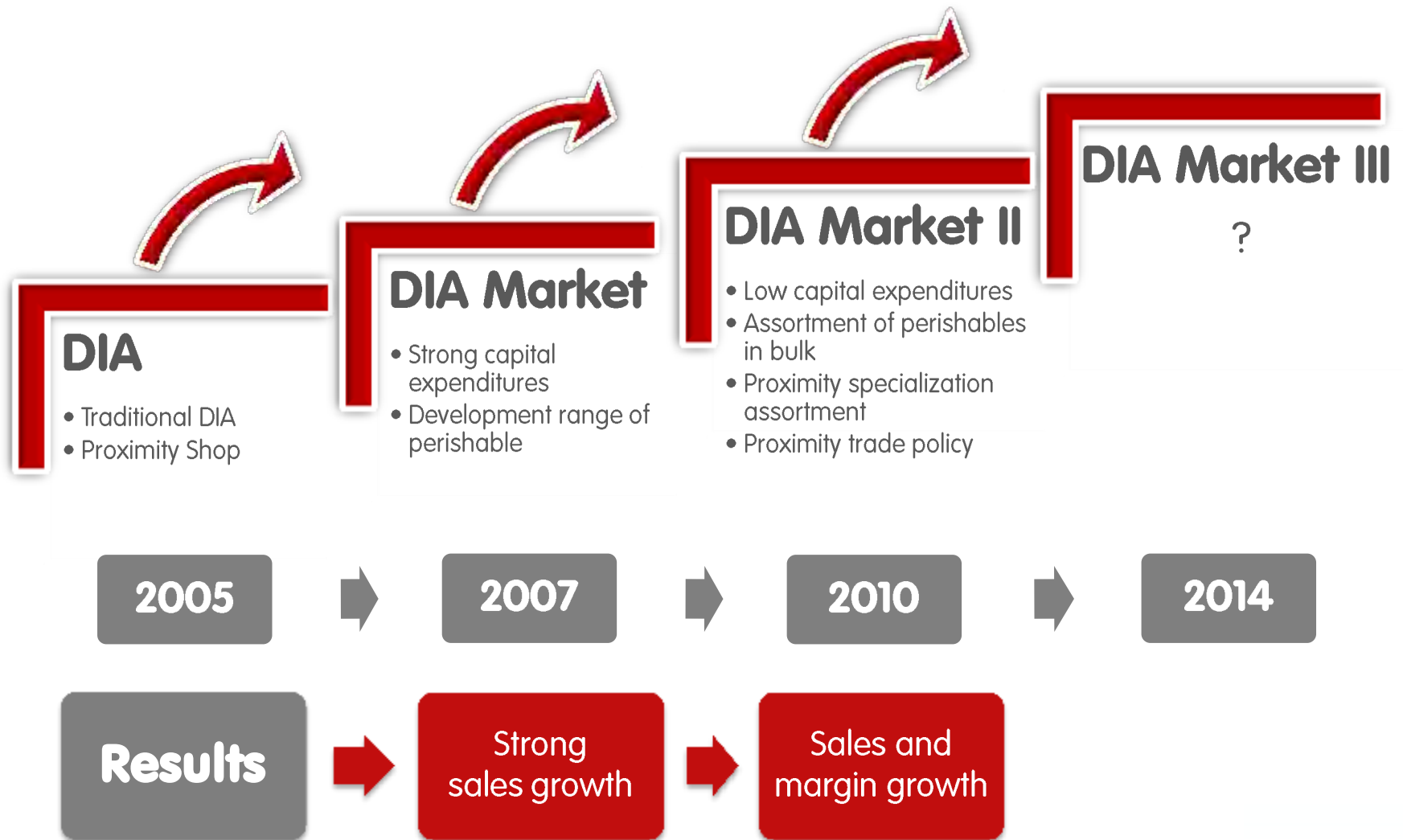
	DIA Market	DIA Maxi
Key Features	<ul style="list-style-type: none"> <li>• Surface: 400-700 sq.m</li> <li>• Located in urban areas</li> <li>• No parking lot</li> </ul>	<ul style="list-style-type: none"> <li>• Surface: 700-1,000 sq.m</li> <li>• Located on the outskirts of urban centers</li> <li>• With a parking lot</li> </ul>
Objectives	<ul style="list-style-type: none"> <li>• Offer best prices in the catchment area</li> <li>• Capture new customers</li> <li>• Increase customer visit frequency</li> </ul>	<ul style="list-style-type: none"> <li>• Offer best prices in the market</li> <li>• Maximize customer baskets</li> <li>• Offer complete food assortment</li> </ul>
Product Range	<ul style="list-style-type: none"> <li>• 2,800 SKUs</li> <li>• Focus on expanding the offer of perishables</li> <li>• Strong adaptability to the local catchment area</li> </ul>	<ul style="list-style-type: none"> <li>• 3,500 SKUs</li> <li>• Focus on expansion of mass market products</li> <li>• Strong adaptability to the domestic markets</li> </ul>

• **Modern stores offering a pleasant shopping experience**  
 • **Better adapted to customer needs**

# Why Market / Maxi project?



# Evolution of Commercial Model: DIA Market

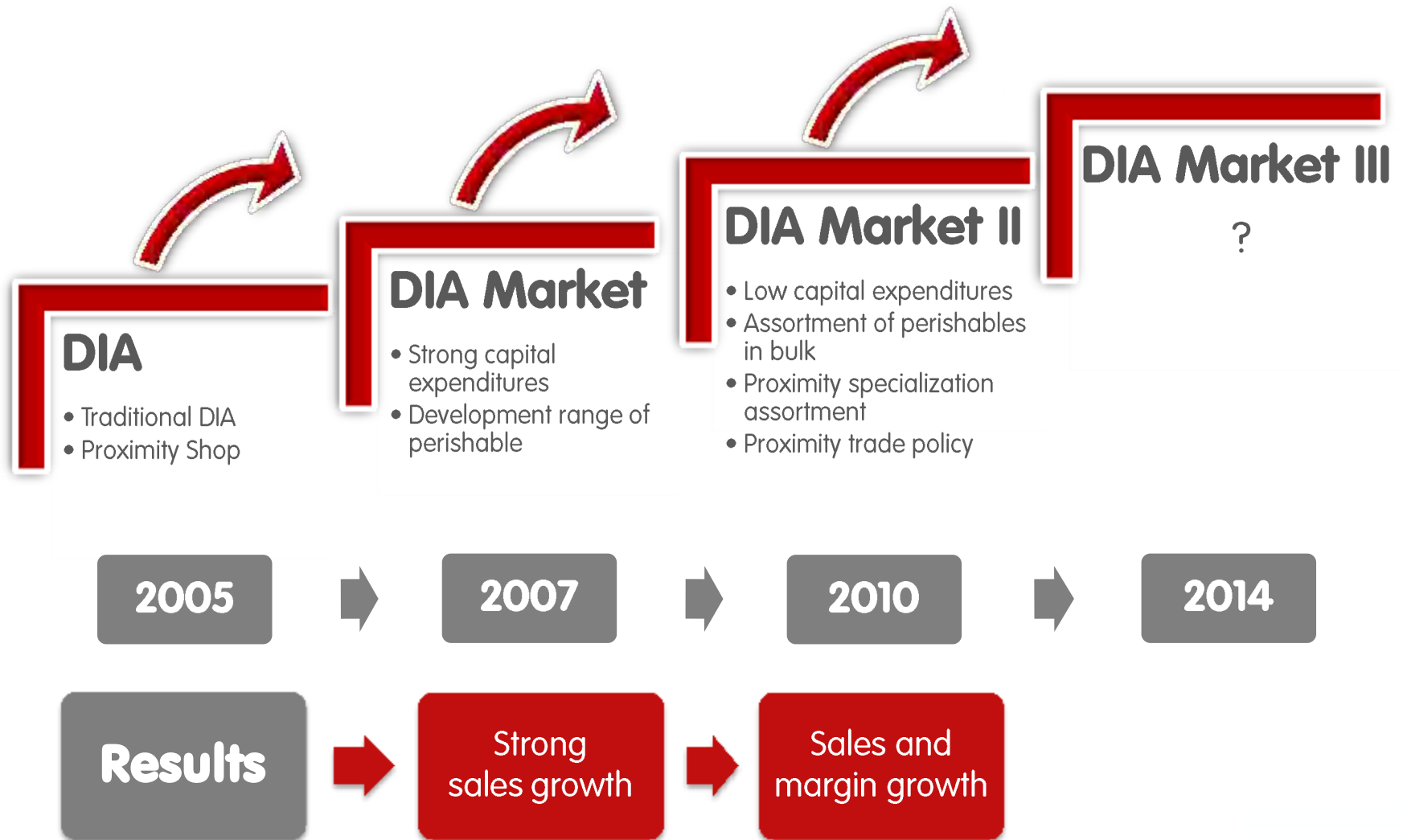




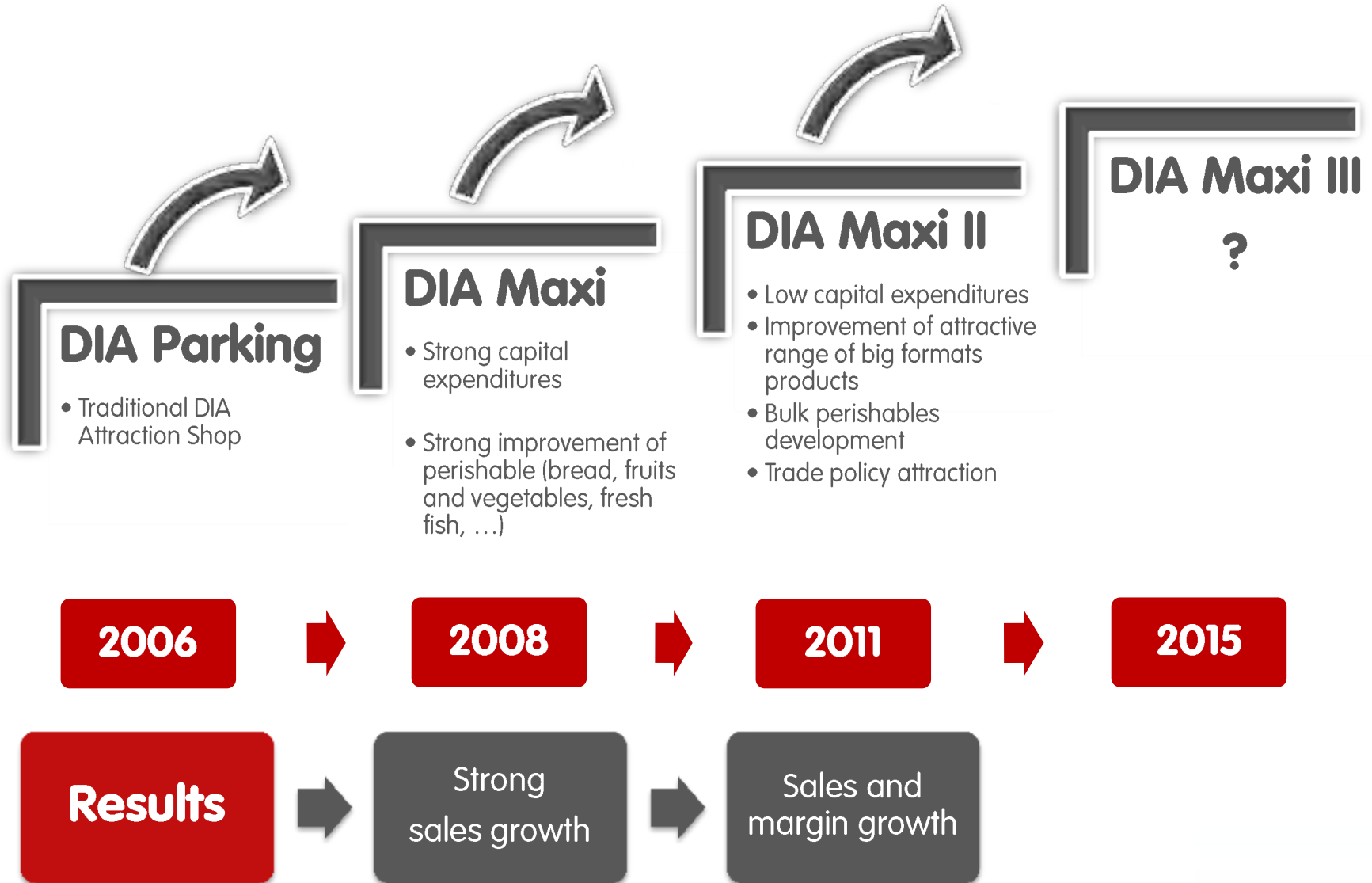
# DIA Market



# Evolution of Commercial Model: DIA Market



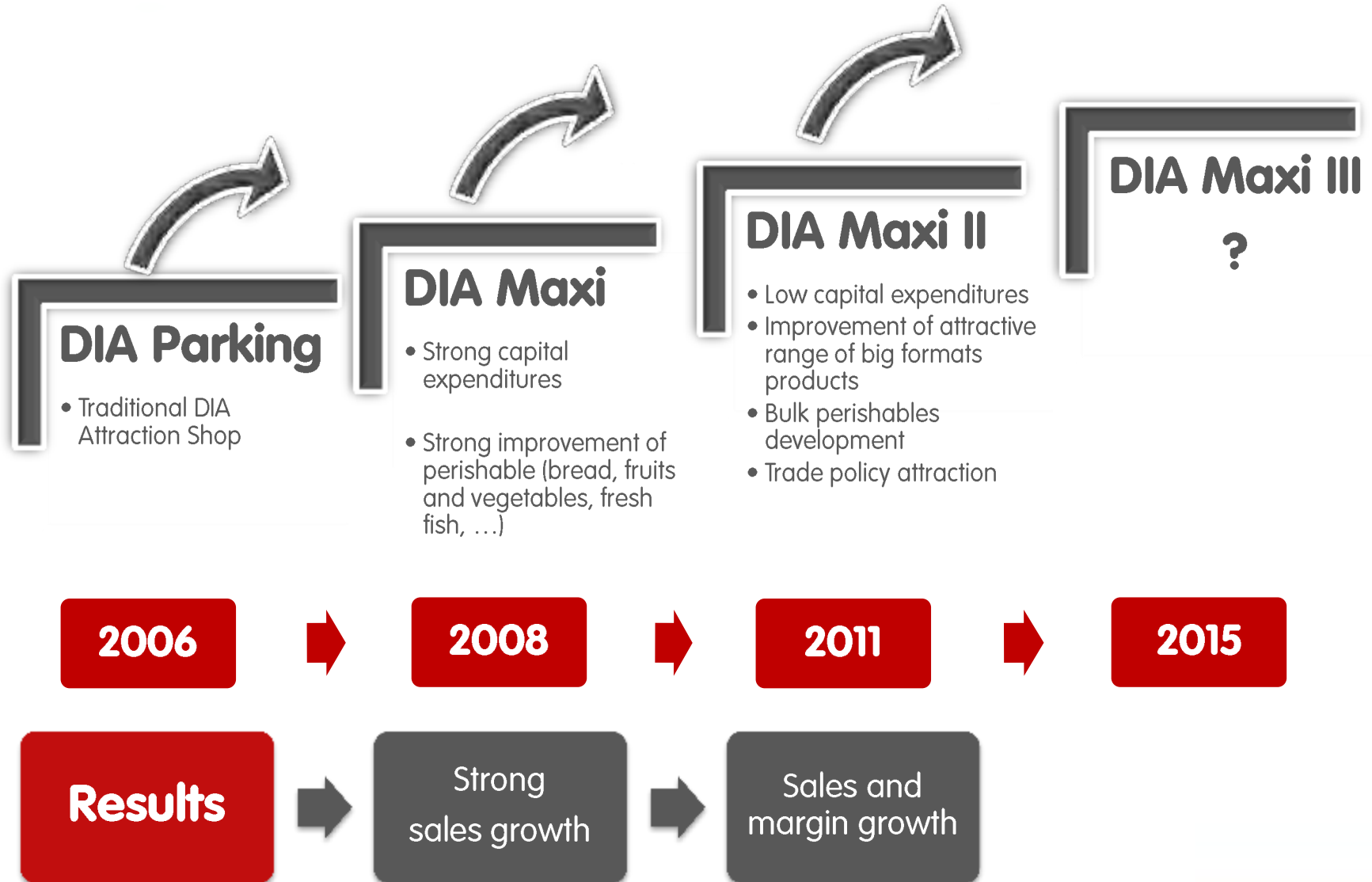
# Evolution of Commercial Model: DIA Maxi

















# DIA Maxi



# Evolution of Commercial Model: DIA Maxi



# Project MARKET and MAXI Group Level

		I	II	III
Spain	 Mkt/Maxi			
France	 Mkt/Maxi			
Portugal	 Mkt/Maxi			
Argentina	 Mkt/Maxi			
Brazil	 Mkt/Maxi			
Turquely	 Mkt			
China	 Mkt			

Source: DIA December estimate 2012

## DRIVING FOR LIKE FOR LIKE

1. Evolution of commercial model

2. Evolution of assortment

3. Price positioning / price image

## DRIVING FOR LIKE FOR LIKE

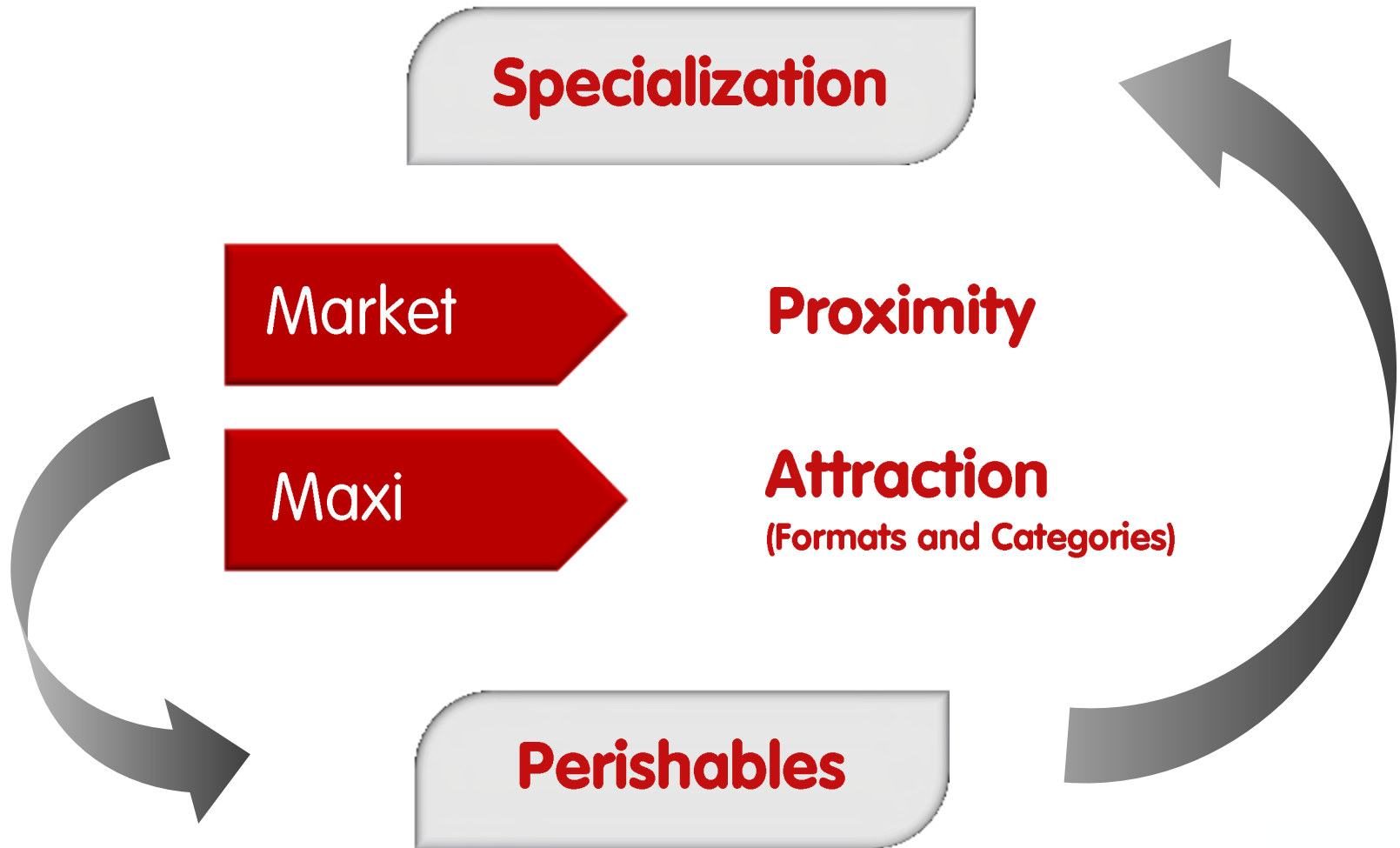
1. Evolution of commercial model

2. Evolution of assortment

3. Price positioning / price image



# Evolution of Assortment



# Perishables DIA Spain

**Why ?**





Proximity



Is 40% of the food market

## Future evolution

	2007	2012	2015
<b>Sales</b>	360 M€	650 M€	
<b>% Participation</b>	9.7%	15.1%	

**# 2**

Spanish market

**How ?**



Optimized formulation under industrial vision


# FMCG: DIA Spain

**Why ?**



Historical legitimacy for DIA Spain

Future evolution

	2007	2012	2015
Sales	3,200	3,580	
% Participation	87%	83%	

**# 2**

Market Share

**How ?**



Development of categories with strong potential Pet Food, Baby Food, wines/spirits, frozen products

## Strategic Business Projects

### Transverse to all DIA countries

#### Private Label \*

- Price image
- Excellent in customer loyalty

#### Loyalty Program \*

- Excellent proximity results
- Improving competitiveness

*\* Later Developed*

## DRIVING FOR LIKE FOR LIKE

1. Evolution of commercial model

2. Evolution of assortment

3. Price positioning / price image

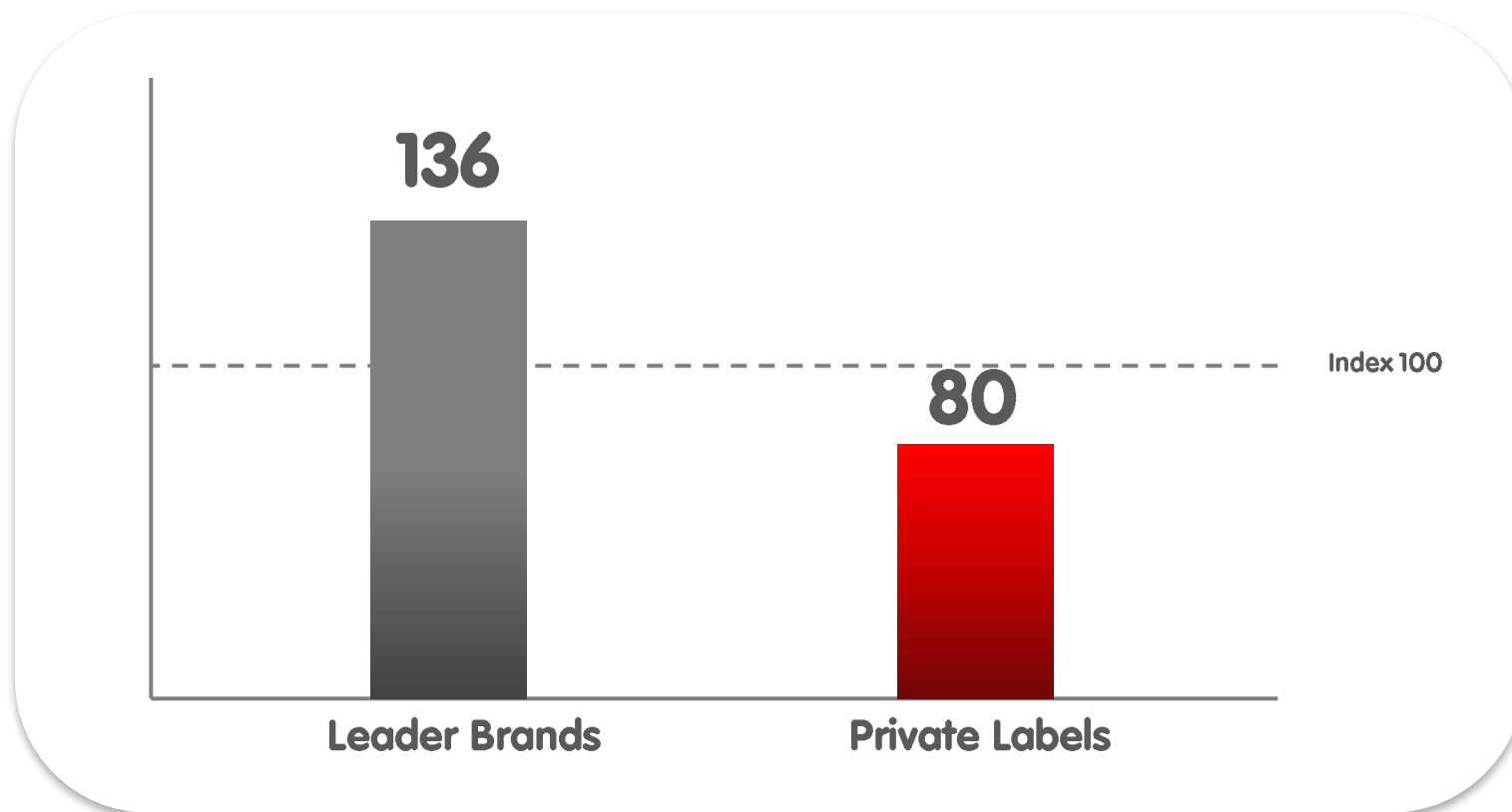
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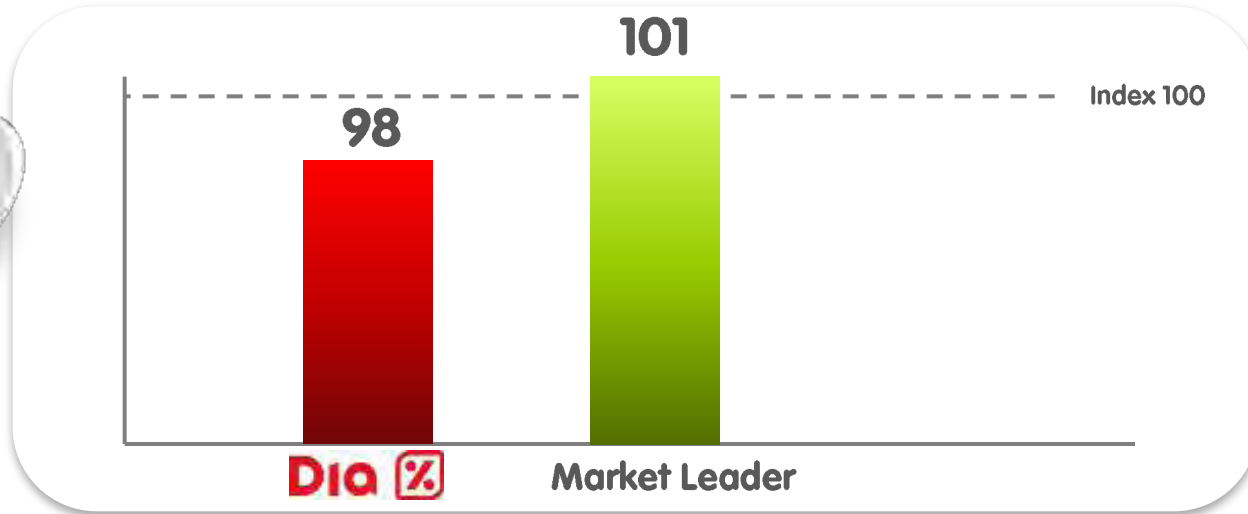
## Price Index (Spanish Market)



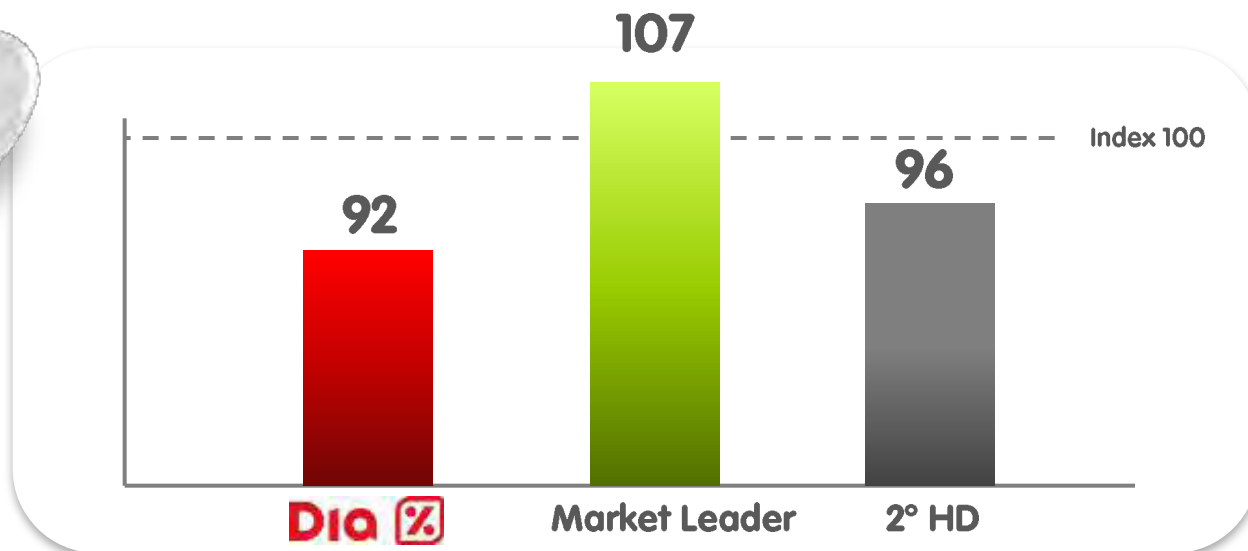
Source: Kantar 2012

# Positioning Prices DIA Spain

Leader Brands



Private Labels



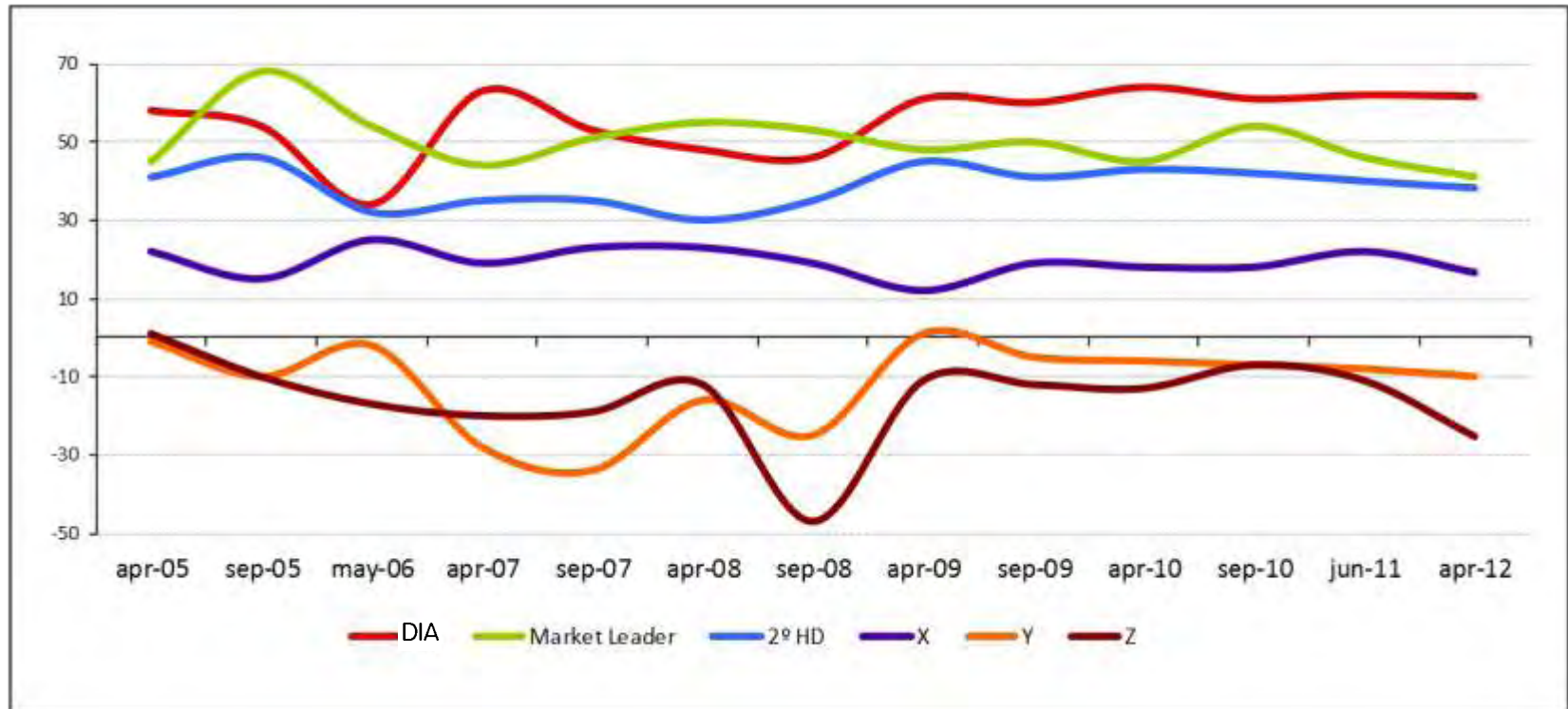


## Differential Prices (DIA Spain)

	<b>2010</b>	<b>2012</b>	<b>Δ</b>
<b>Leader Brands</b>	2.5%	3.6%	1.1%
<b>Private Labels</b>	9.9%	12.6%	2.7%
<b>Total</b>	6.6%	8.6%	2.0%

Source: Internal elaboration August 2012

# SPAIN: DIA gets the best price image

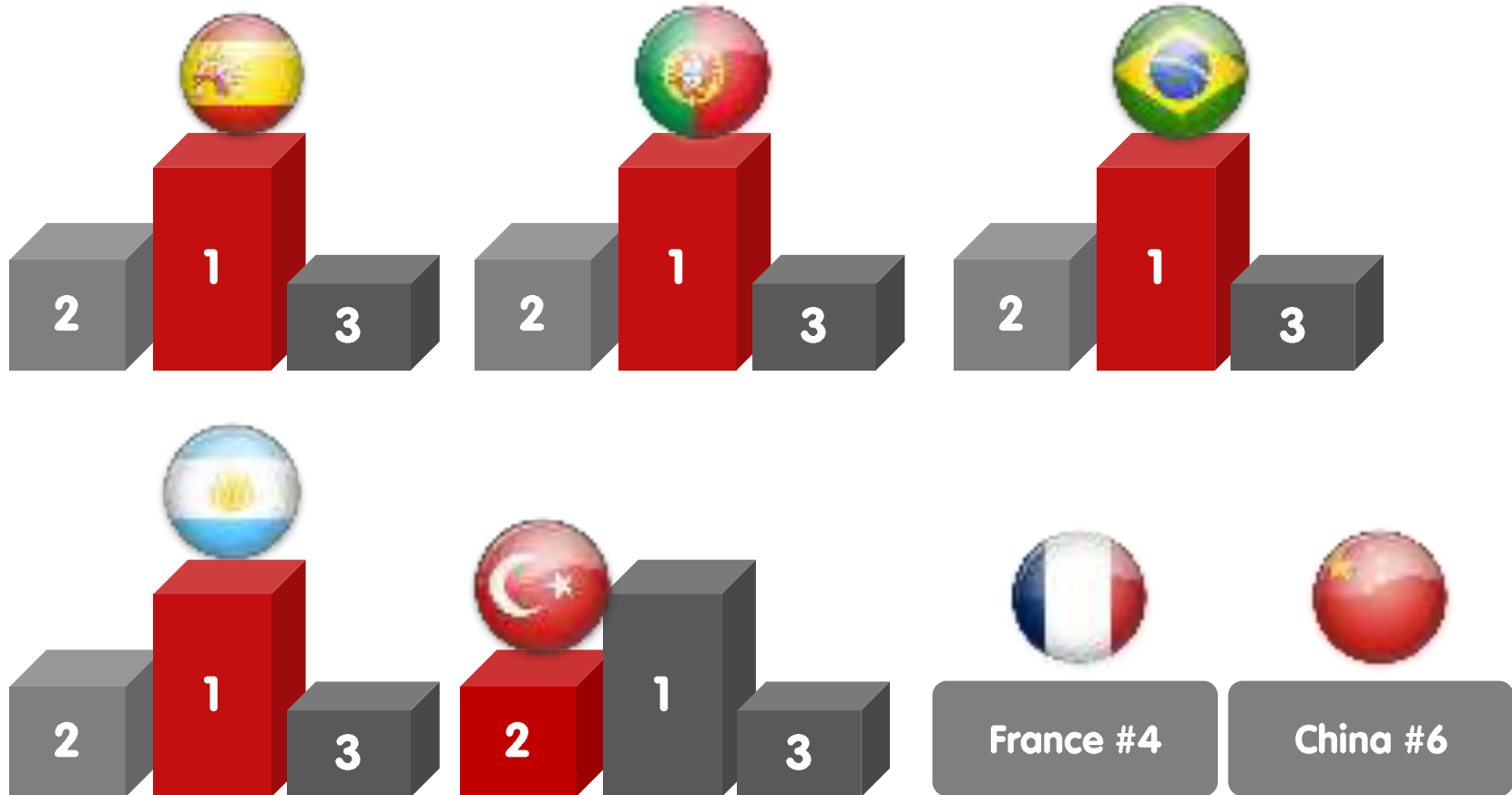


Source: Kantar 2012

\* Index of price image =  $(\% \text{ of quotations "prices most interesting"} - \% \text{ of quotations "prices least interesting"}) / PR \times 100$   
 PR = penetration rate

\* Data before 2012 coming from SET

# Best Price Image in 4 of 7 Countries



Source: Kantar 2012

## In summary

Evolution of our stores  
and commercial offer



Improving price  
positioning and price  
image



**Dia**



**Investor's Day**



# Luis Martínez Gallardo

Commercial Director DIA Spain



**Investor's Day**

## DIA Loyalty Program Objectives

The origin (1998): Innovation at DIA



Essential tool to drive  
Like-for-Like's

## Basic working system

Basic reward system: **Dual price & Coupons.**

Cheaper prices for holders of the Club DIA card (dual price) on over 300 products, which represent around 25% of sales and are present in 80% of baskets.





## Card usage data by country

The DIA Loyalty Program is a fully proprietary system.

	Year started	m households with card	% Sales
<b>SPAIN</b>	1998	14.7	<b>72%</b>
<b>PORTUGAL</b>	2000	3.4	<b>76%</b>
<b>ARGENTINA</b>	2006	3.6	<b>82%</b>
<b>FRANCE</b>	2010	3.9	<b>61%</b>
<b>TURKEY</b>	2011	2.9	<b>63%</b>
<b>TOTAL</b>		<b>28.4</b>	<b>71%</b>

Upcoming launches:

China: 2013

Brazil: 2013 - 2014

# Current information usage: COMMERCIAL

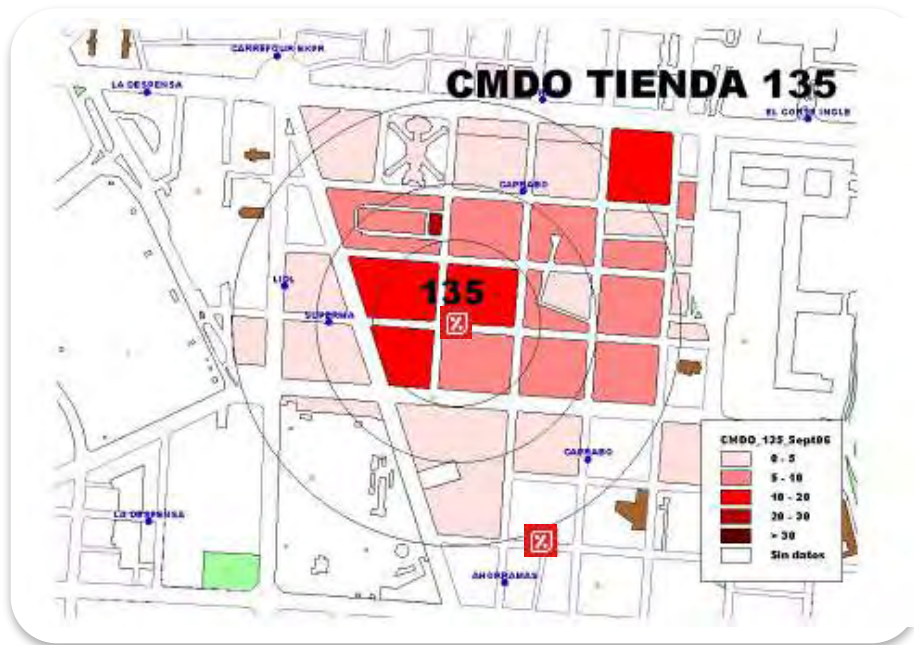
“Essential tool for the development of new formats and constant fine-tuning of existing ones”

Family	% Client Penetration	
	Proximity	Maxi
Milk	35%	65%
Dairy Products	52%	48%
Detergents	40%	60%
Soft Drinks	36%	64%
Fruit & Vegetables	61%	39%

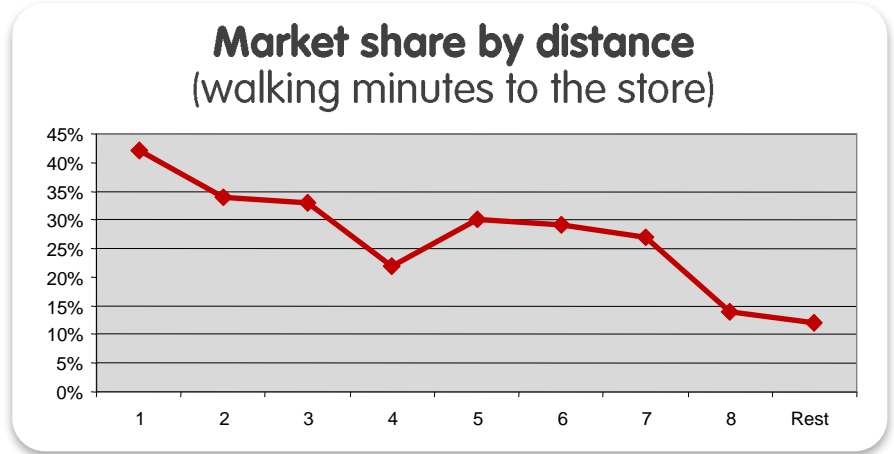


# Current information usage: EXPANSION

Geographical study by store, which allows us to improve the opening success percentage.



← 400m. →



## ONE-TO-ONE MARKETING

Propose actions to **all** clients which are tailored to their individual consumption profile.

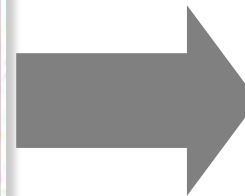
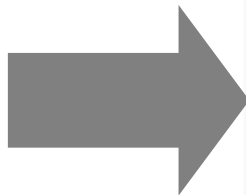
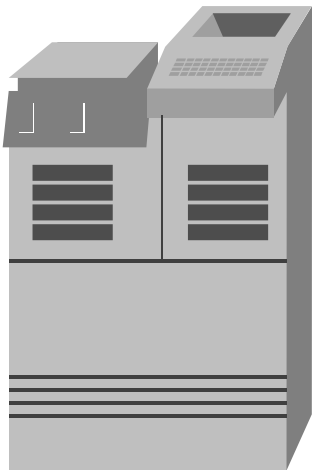
### **Advantages:**

1. Increase sales and profitability, as the actions are more precise than mass marketing.
2. Discretion in price investment (improved competitiveness).

# Coupons at the counter are the most efficient and useful tool

## Very low contact cost (0.0003 euros/coupon):

- High purchasing frequency (proximity) allows contact to be made with all types of client.
- Allows spread of the system.



# Example of personalised action

**Action:** Increase sales of **sausages**

**First step:** Adapt **discount** to each client type

## Gold

(High Volume Buyer)

**10% en Salchichas DIA**

Frankfurt, Caseras,  
Con queso, Caseras,  
Jumbo y de Pollo  
Por 3 o más iguales o combinadas

## Silver

(Medium Volume Buyer)

**15% en Salchichas DIA**

Frankfurt, Caseras,  
Viena, Con queso, Baviera,  
Jumbo y de Pollo  
Por 2 o más iguales o combinadas

## Bronze

(Low Volume Buyer)

**20% en Salchichas DIA**

Frankfurt, Caseras,  
Viena, Con queso, Baviera,  
Jumbo y de Pollo  
Por 2 o más iguales o combinadas

## No Buyers

**30% en Salchichas DIA**

Frankfurt, Caseras,  
Viena, Con queso, Baviera,  
Jumbo y de Pollo

# Example of personalised action

## Second step: ensure profitability

Adapt purchase requirements to obtain discount

### Gold

(High Volume Buyer)

ClubDio 10% en Salchichas DIA  
Frankfurt, Viena, Baviera  
Con queso, Caseras,  
Juntos y de Pollo  
Por 3 o más iguales o combinadas

Buy more than  
3 items

### Silver

(Medium Volume Buyer)

ClubDio 15% en Salchichas DIA  
Frankfurt, Caseras,  
Viena, Con queso, Baviera,  
Juntos y de Pollo  
Por 2 o más iguales o combinadas

Buy more than  
2 items

### Bronze

(Low Volume Buyer)

ClubDio 20% en Salchichas DIA  
Frankfurt, Caseras,  
Viena, Con queso, Baviera,  
Juntos y de Pollo  
Por 2 o más iguales o combinadas

Buy more than  
2 items

### No Buyers

ClubDio 30% en Salchichas DIA  
Frankfurt, Caseras,  
Viena, Con queso, Baviera,  
Juntos y de Pollo

No  
requirements

# Coupons allow for a great variety of actions

## Leader brands

ClubDIA

CUPON EXCLUSIVO MOSTRANDO LA TARJETA: 2800761527314

HASTA EL 31/10/2012

APROVECHA TUS DESCUENTOS

30% GALLETAS  
Máximo 5 Euros de descuento

25% DETERGENTES  
Por 2 o más iguales o combinados

30% CONSERVAS VEGETALES  
ELISANTES, PIMENTOS, CHAMPiÑONES...

30% VINOS

Más ofertas y ofertas adicionales en [www.dia.es](http://www.dia.es)  
Descuentos sujetos a las bases del Club DIA  
Bases disponibles en [www.dia.es](http://www.dia.es)

## Innovation

ClubDIA

MAGNUM MINI  
%30 Indirim!

Bu kupon günde bir kez kullanılabilir.  
Indirimli ürün sayısı günlük 5 adet ile sınırlıdır.

Yeni Magnum Mini Bademli Çiklatı Denediniz mi?

30% new flavour ice cream

## Private label

ClubDIA

20%  
DETERGENTE MÁQUINA  
ROUPA Pô  
Marca DIA

Não Recortar

## Development of Strategic Categories

ClubDIA

CUPON EXCLUSIVO MOSTRANDO LA TARJETA: 2800761527314

HASTA EL 31/10/2012

MAS OFERTAS EN OCTUBRE

5 Euros GRATIS  
en Fruta y Verdura

Por compras superiores a 25 euros en el total de tu compra en DIA  
Válido una vez al día.

Además descubre ofertas adicionales en [www.dia.es](http://www.dia.es)  
Descuentos sujetos a las bases del Club DIA  
Bases disponibles en [www.dia.es](http://www.dia.es)

Actions on specific days or in specific stores

## Communication

## Low-volume client

ClubDIA

CUPON EXCLUSIVO MOSTRANDO LA TARJETA: 2800761527314

¡APROVECHA LA OPORTUNIDAD!  
HASTA EL 30/09/2012

3 EUROS DE DESCUENTO

Por compras superiores a 18 Euros  
Válido una vez al día.

Visita [www.dia.es](http://www.dia.es) y descubre ofertas adicionales  
Descuentos sujetos a las bases del Club DIA  
Bases disponibles en [www.dia.es](http://www.dia.es)

ClubDIA

CUPON EXCLUSIVO MOSTRANDO LA TARJETA: 2800761527314

HASTA EL 31/10/2012

OFERTAS ESPECIALES  
Dia Fresh

15% Selección de Verdura:  
- TOMATES  
- CEBOLLAS

15% Selección de fruta:  
- SANDIAS  
- KIWIS

ClubDIA

JOURS DE FOLIE  
VALABLE EXCLUSIVEMENT LE  
01-sept-2012

JOURS DE FOLIE  
10% MARQUE DIA  
le 01 SEPTEMBRE

Coupon valable pour les porteurs de cartes  
à passer en caisse en fin d'achat  
pour tout achat de marque DIA.

494000277961

ClubDIA


DESDE EL 19 DE OCTUBRE  
APROVECHA LAS  
VENTAJAS DEL NUEVO  
SERVICIO A DOMICILIO

Ahora en DIA,  
por sólo 3 euros  
te llevamos tu compra  
a casa



## DIA Group - Main Results

- 1,5 billion coupons sent each year.
- Client redemption : 47%.
- EUR151.5m in discounts in 2012.
- 90% of the discounts are financed.
- **6% discount/month for clients who use coupons (Spain).**

- 
- A large, thick red curved arrow pointing from the left towards the bottom-right box.
- Fundamental contribution to Price Image.
  - Improved relationship between Suppliers and DIA.

# ... and we continue to innovate

## Website: Special coupons



## E-Mail: Newsletters



In 2013, coupons are to be sent to mobile phones, and a Club DIA application is to be developed for smartphones.



... and more to come.

## In summary

### The Loyalty program is a key tool:

- Essential customer information for:
  - Driving sales growth.
  - Expansion.
- Easy and cost efficient for proximity (frequency).
- Essential to price image.
- Huge data-mining potential (online).



**Dia**



**Investor's Day**



# Miguel Guinea Valle

Commercial Director DIA France



**Investor's Day**

## PRIVATE LABEL, a key for success

1. Why private label in today's world?
2. DIA brand → overall figures
3. DIA brand → at the centre of our group strategy

## PRIVATE LABEL, a key for success

1. Why private label in today's world?

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## PRIVATE LABEL, a key for success



**Negative GNP  
Recession**



**Unemployment**



**Risk premium**



**Taxes**



**Consumer  
confidence**

**Big opportunity...**

**How are we getting prepared?**

**Private label, DIA brand  
as a key for success!**



# PRIVATE LABEL, a key for success

Weighted Global Average:  
16.0% (+0.5pt) in 2011

- Key highlights:**
- Private label is 30%+ of value in seven European countries
  - Gains were seen in most of the countries, including both mature and emerging markets

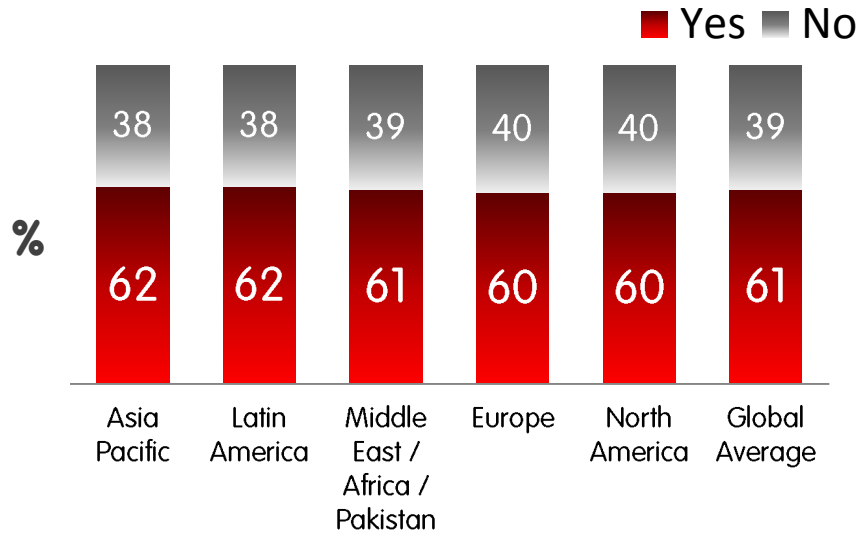


2011 for most countries (some of the smaller markets is 2010 data)

Source : Nielsen ScanTrack & Homescan – All shoptypes covered by Nielsen

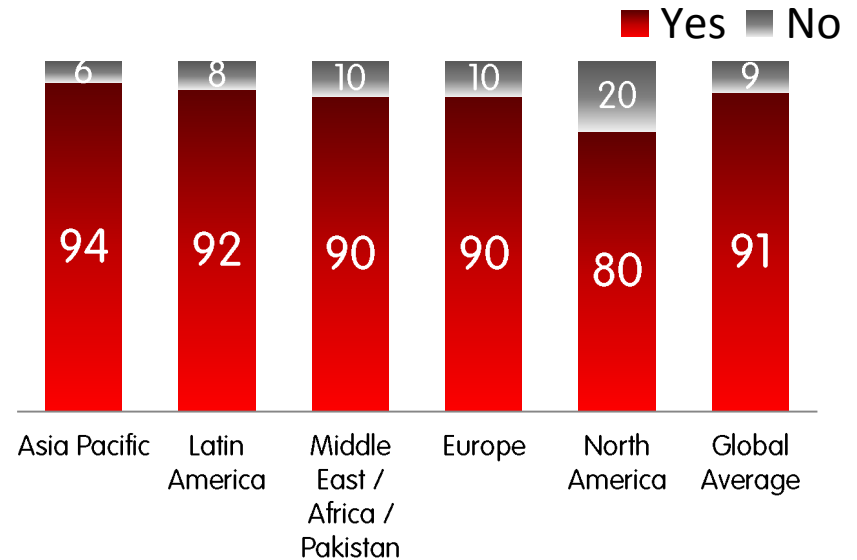
# PRIVATE LABEL, a key for success

Consistent worldwide sentiment: The majority of consumers purchased more private label brands during economic downturn



Source: The Nielsen Company, Global Online Survey, Q3 2010

When the economy improves, virtually all consumers will continue to purchase private label brands



Source: The Nielsen Company, Global Online Survey, Q3 2010

**WILL PURCHASE PRIVATE LABEL**

**+ 60%**

**WILL CONTINUE PURCHASING PRIVATE LABEL**

**+ 90%**



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## PRIVATE LABEL, a key for success

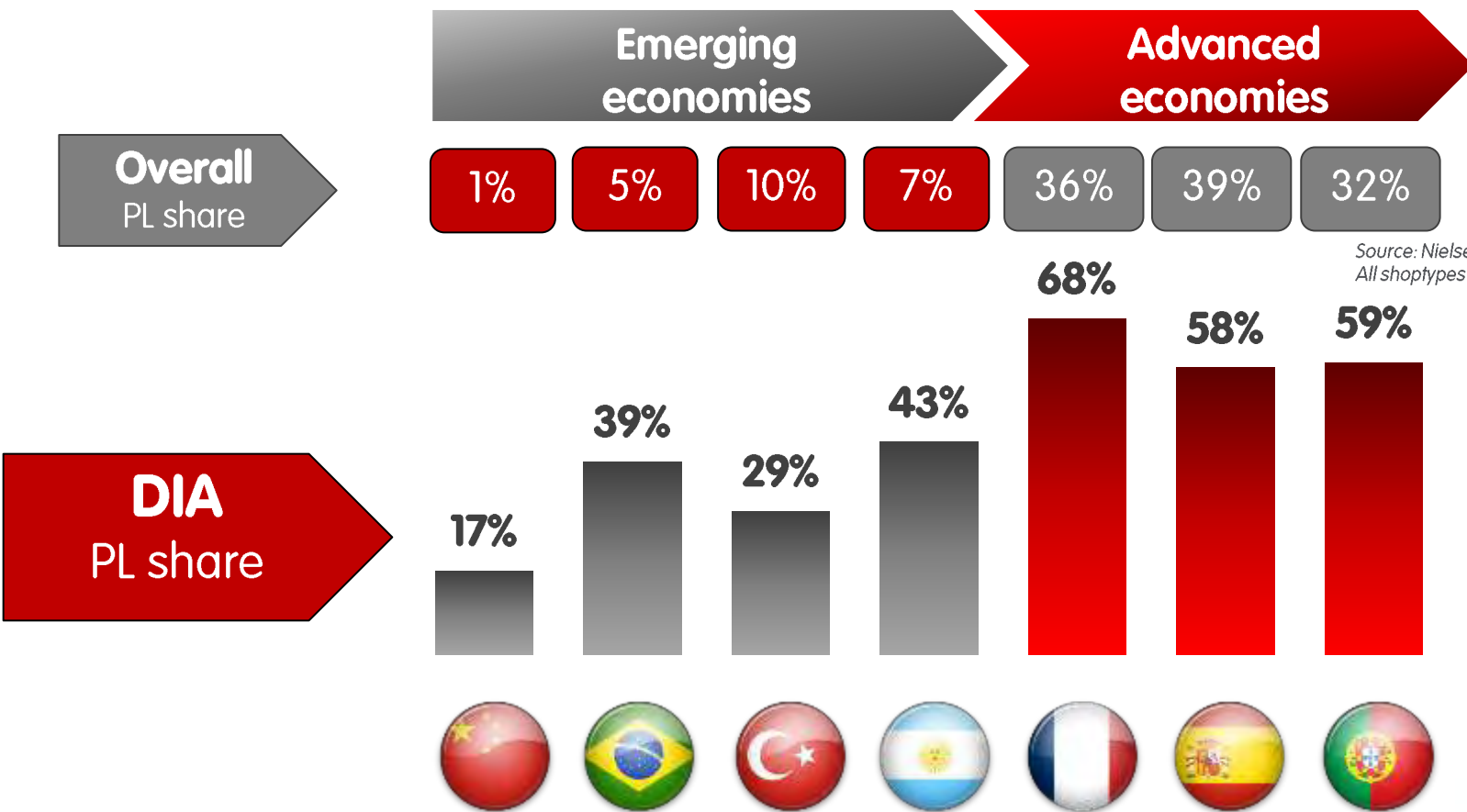
1. Why private label in today's world?

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# PRIVATE LABEL, a key for success

## Weight of private label in mass-market sales (2011)

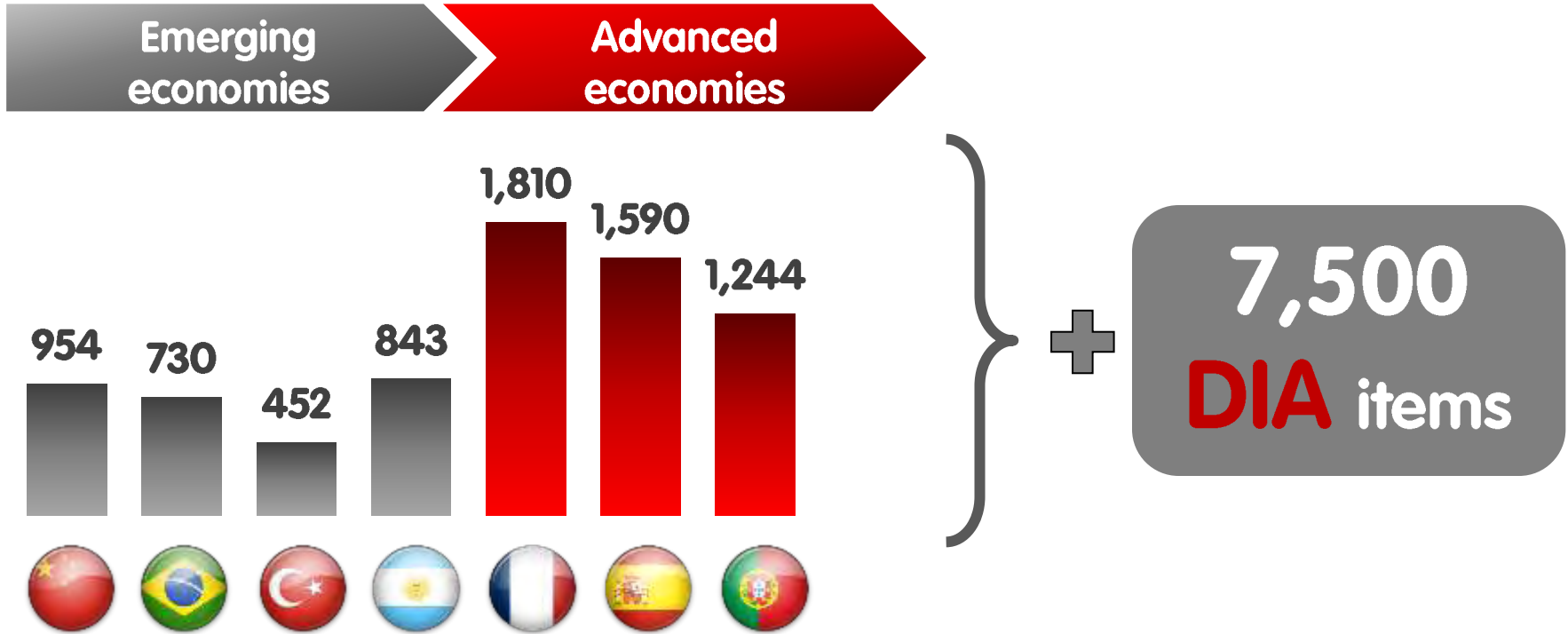


Source: Nielsen ScanTrack & Homescan  
All shoptypes covered by Nielsen

Source: Company June 2012

# PRIVATE LABEL, a key for success

## Total mass-market private label items per country



## PRIVATE LABEL, a key for success



**Innovation**  
**+ 1,000 new**  
items/year

**55%** of today's  
products were not on  
sale in 2007

### **Continuous Optimization**

- Format adaptation
- Multipacks
- Round-off Prices



# PRIVATE LABEL, a key for success

**Multilingual  
Packaging**  
(for Spain, Portugal,  
France)



**Multi Barcodes**  
for **Efficient** and  
**Faster** check-out



# PRIVATE LABEL, a key for success

Improved perceived quality: new packaging chart from 2010



1980 - 1984



1984 - 1987



1987 - 1993



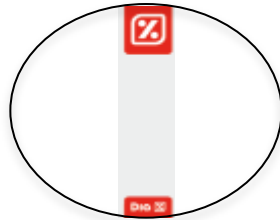
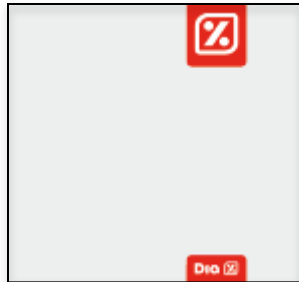
2000's



2010

**+ 7,500**  
**New packagings**

# PRIVATE LABEL, a key for success



**Better shelf identification for DIA products**

**More information about the product for our clients**



Unk person 100 g cookies :

Energie	Sucre	Lipides	des sels	sel
217 kcal	0 g	15 g	54 g	0,18 g
11%	0%	21%	32%	3%

Les fibres et les sucres ajoutés sont indiqués \*

# PRIVATE LABEL, a key for success



**100% packaging  
Changed  
+ 7,500 products**

**Better perceived by our clients**  
+ Modern  
+ Quality perceived  
+ Info

# PRIVATE LABEL, a key for success

## Communication to improve DIA brand reputation

**Promotional  
Leaflets**

**+ 700**  
Million

**Shops → Ext & Int Image**

**+ 6**  
Million

**Online**

**+ 40**  
Million

**Media:  
Tv, radio, press**

Tv spots,  
radio MSG

**To improve  
Reputation**

**DIA** 

## PRIVATE LABEL, a key for success

In 2012 we decided to change our communication to reinforce DIA's image and to allow us to:

- Communicate our shop **changes**.
- Improve the **buying experience** in DIA shops.
- Associate **low** prices to Private Label **quality**.

In June 2012, in a NIELSEN survey, **82%** of clients **perceived a positive or very positive change in DIA shops**.

**PRIVATE LABEL, a key for success**

**DIA** 

**Calidad y precio están muy cerca**

**Quality and price are closer than you think**

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## PRIVATE LABEL, a key for success

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# PRIVATE LABEL, a key for success

## A Cost-Efficient Value Chain Driven by **Private Label**

### sourcing



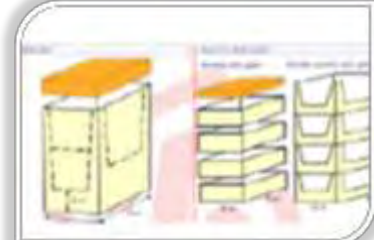
- Large volumes per unit.
- Economies of scale in manufacturing process.

### logistics



- Fully loaded trucks thanks to high volumes.

### display



- Pallets/semi-pallets help to minimize displaying time in stores.
- On-shelf reserves.

### packaging



- Multilingual packaging.
- Efficient packaging allowing faster check-outs.

# PRIVATE LABEL, a key for success

Strong **Private Label** purchasing power...



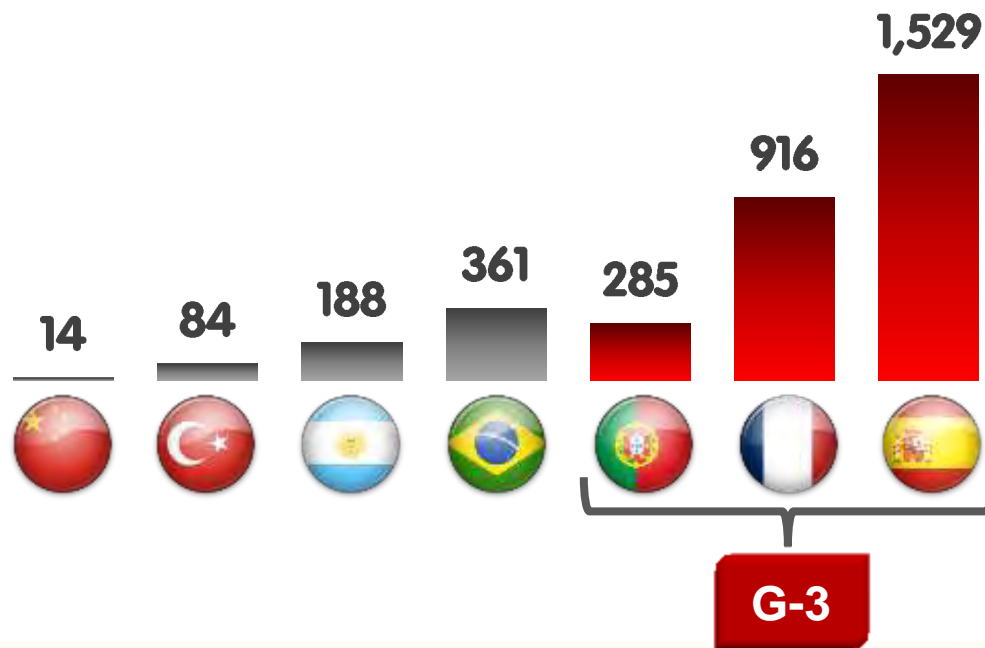
**647**  
Million €



**2,730**  
Million €



**3,377**  
Million €



**+ 60%**  
Centralised  
Negotiation  
**G-3**

# PRIVATE LABEL, a key for success

1

**Selection** of Ingredients/base products

- Choice and definition of product.
- Description of quality specifications.
- Testing.

Panel Tests → Always equal to or better than target  
 Validation Panel → Internal and external

**+ 3,000 Panel Tests/year for Validation and control**

2

**Manufacturing**

- Selection of suppliers.
- Adoption by suppliers of strict health and safety measures.

**100% of suppliers Audited by DIA Quality team**

3

**Finished** product

- Systematic quality control at DIA warehouse Labs.
- Additional control at external laboratories.

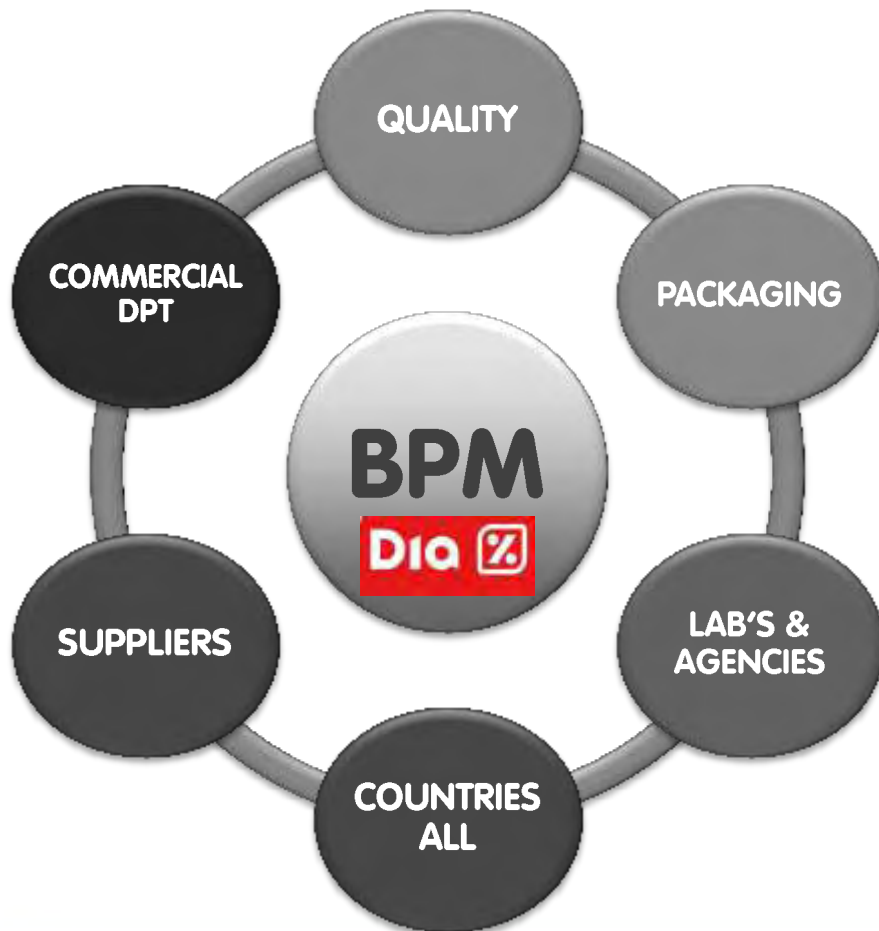
**NB Analisis**



**+ 500,000 Internal  
 + 27,000 External**

# PRIVATE LABEL, a key for success

## Standard Business Process Management (BPM) across all countries



- To reduce development times of **new** items.
- To improve BID Offer negotiations.
- To improve **quality** data.
- Productivity gain through all processes.

# In summary

## A Unique Product Offering for a Hard Discounter

<p><b>Broad assortment</b></p>	<ul style="list-style-type: none"> <li>▪ Large range of private label products.</li> <li>▪ Large perishables offering.</li> </ul>
<p><b>Innovation</b></p>	<ul style="list-style-type: none"> <li>▪ Constant invention of new SKUs to meet customer expectations.</li> </ul>
<p><b>Profitability</b></p>	<ul style="list-style-type: none"> <li>▪ High sales volume ensures efficiencies in sourcing and logistics.</li> </ul>
<p><b>Price image</b></p>	<ul style="list-style-type: none"> <li>▪ Private label prices 40-60% below price of supplier brand.</li> </ul>
<p><b>Loyalty</b></p>	<ul style="list-style-type: none"> <li>▪ Confidence in brand and high customer visit frequency.</li> </ul>





**Dia**



**Investor's Day**



# Diego Cavestany

Operations Executive Director DIA Spain



**Investor's Day**

**DIA is already there but.....**

**.....CAN WE  
GROW?**



# The Spanish example: Expansion opportunities

- **Regional centres:** 18
- **Warehouses:** 18 + 2

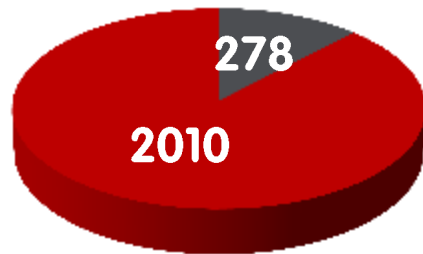


- **Stores**

	2008	2009	2010	2011	Sep.-12
Proximity	1.464	1.418	1.246	1.114	1.096
Attraction	508	511	515	526	532
Franchises	824	886	1.005	1.187	1.280
<b>Total</b>	<b>2.796</b>	<b>2.815</b>	<b>2.766</b>	<b>2.827</b>	<b>2.908</b>

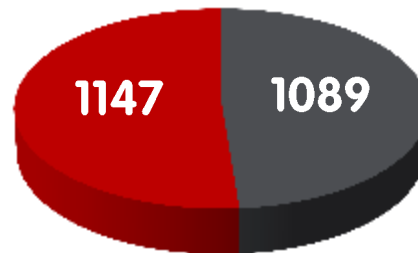
# PROXIMITY STORES - Commercial model performance

2008



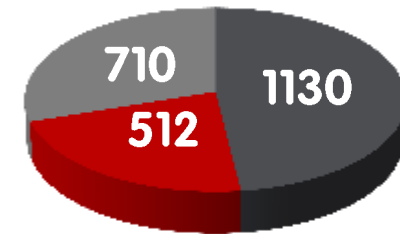
■ DIAMARKET ■ DIA (URBAN)

2010



■ DIAMARKET ■ DIA (URBAN)

Sep. 2012

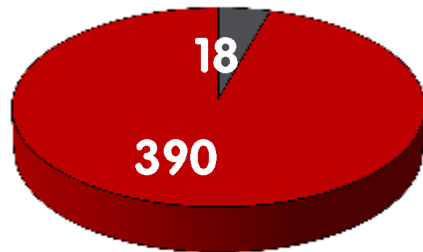


■ DIAMARKET ■ DIA (URBAN) ■ DIAMARKET2

All the remaining DIA commercial models in 2012 are FOFO.

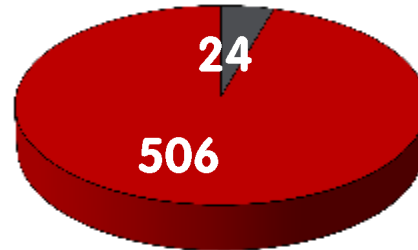
# ATTRACTION STORES - Commercial model performance

2008



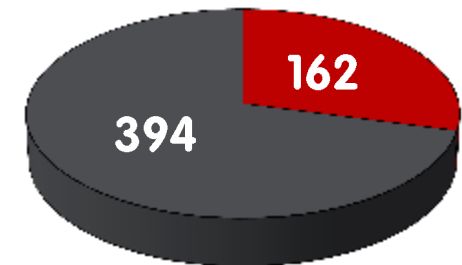
■ DIA (PARKING)  
■ DIA MAXI

2010



■ DIA (PARKING)  
■ DIAMAXI

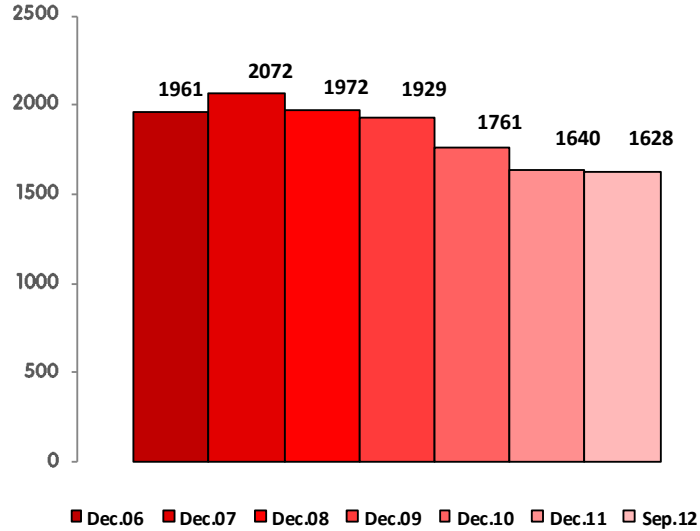
Sep. 2012



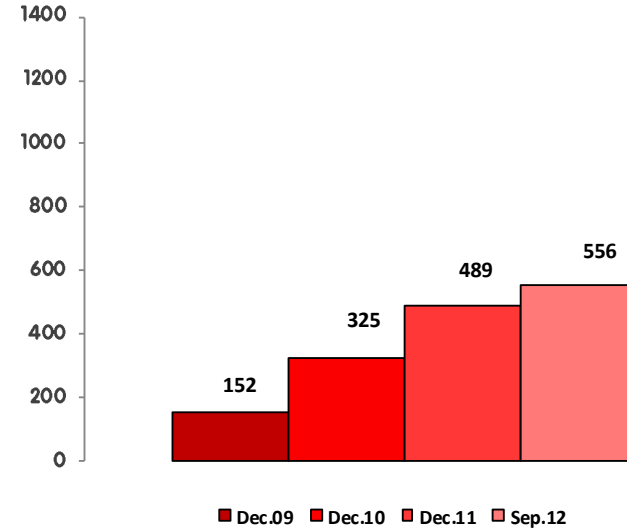
■ DIA MAXI  
■ DIA MAXI 2

# Operating models - Store network performance

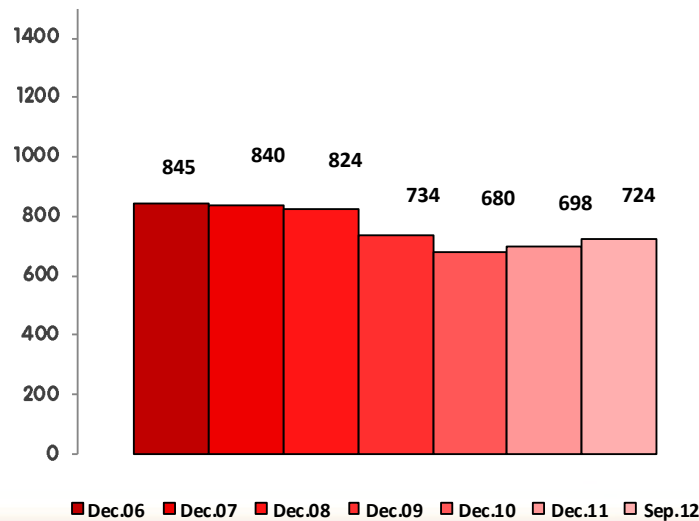
### COCO



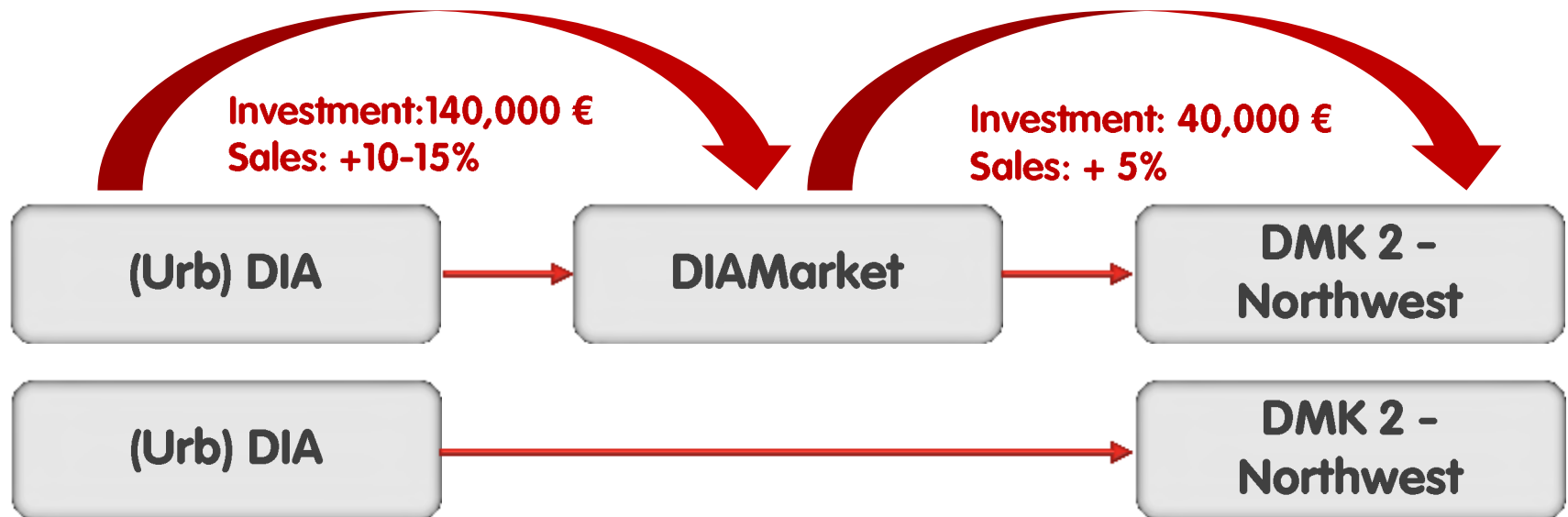
### COFO



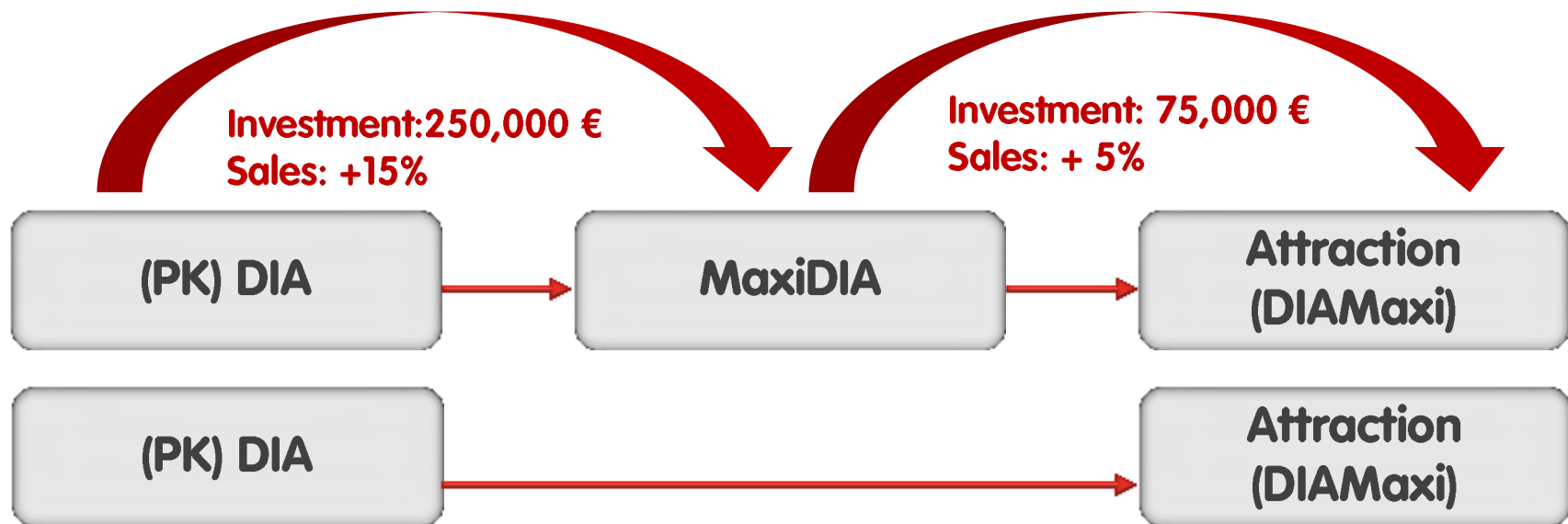
### FOFO



## Remodelling: Proximity stores.

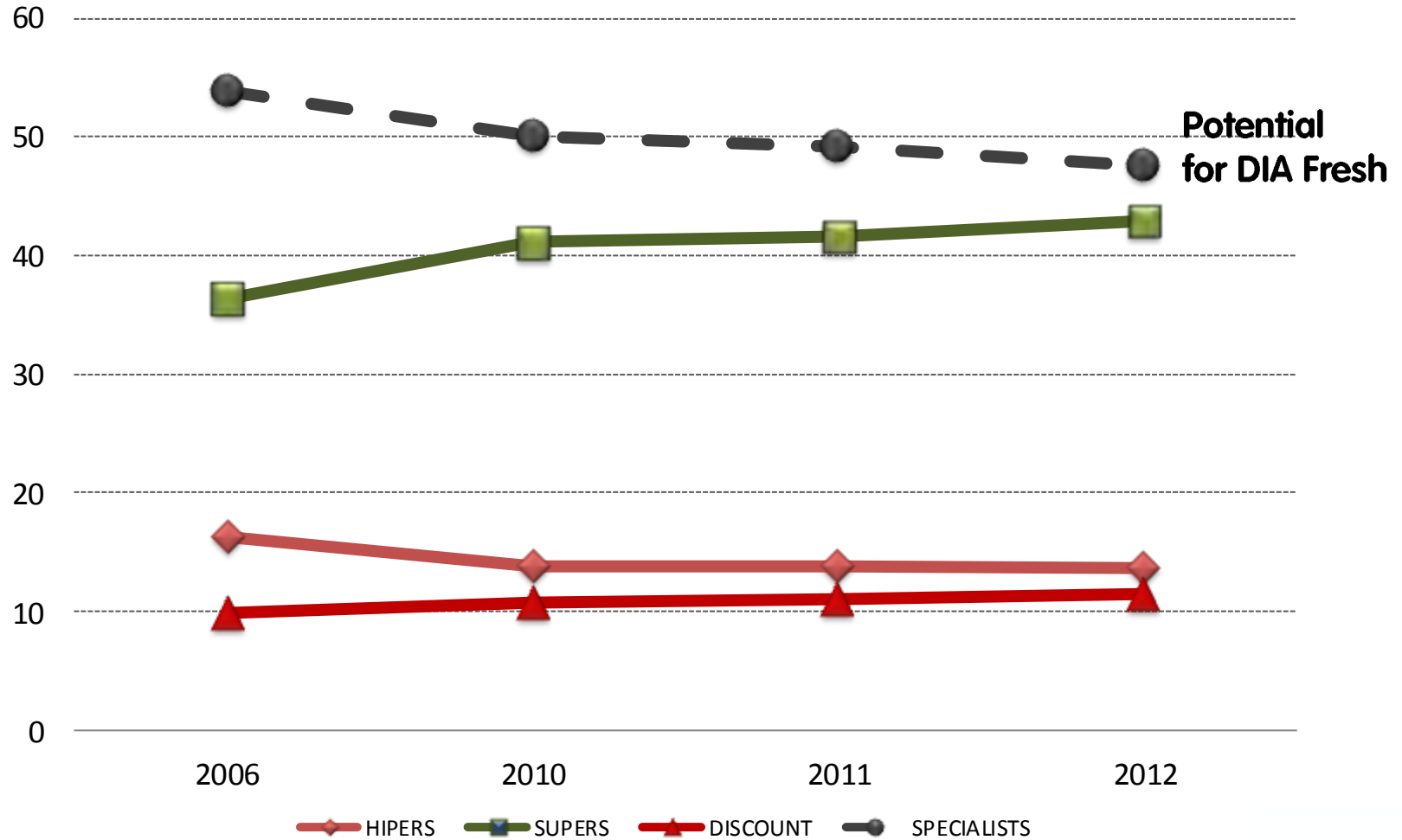


# Remodelling: Attraction stores



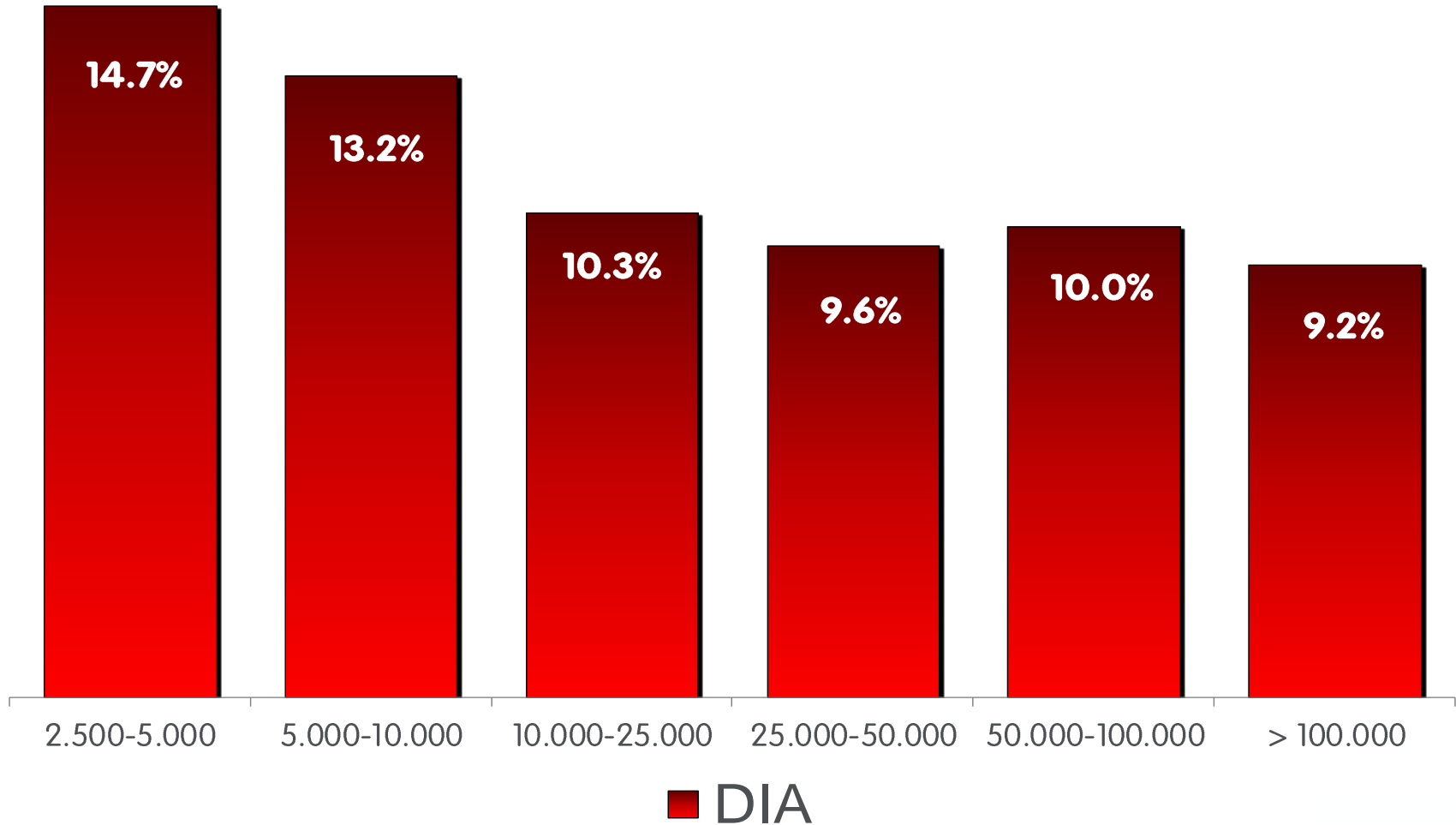
# Food Retail Market (Spain)

## Playing in the growing channels



## DIA: % sq. meters in the different population ranges

Big cities are not dense enough



Source: Nielsen

Updated to Dec 2011

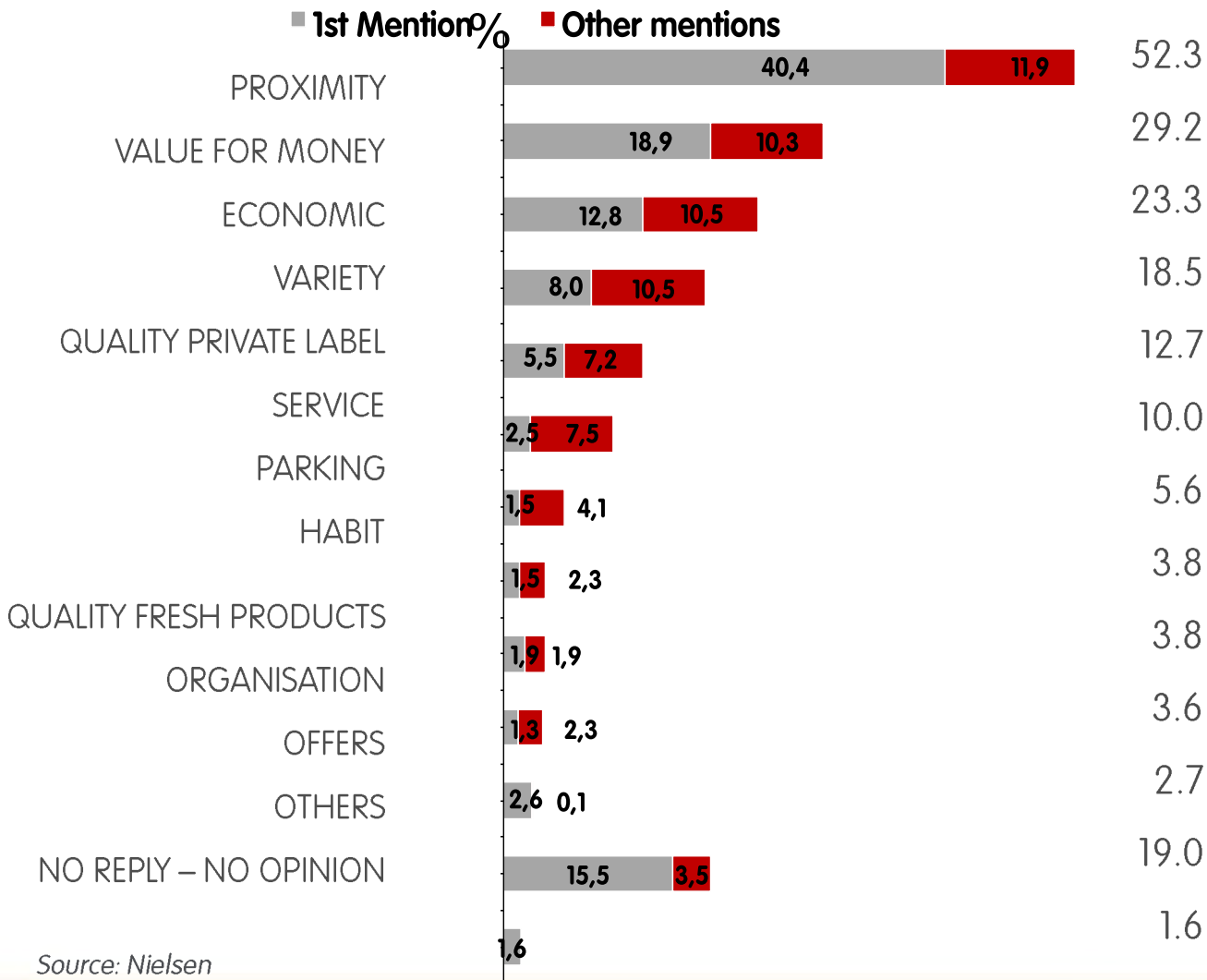


## Strategy viewpoint DIA Spain 2012

- **DIA Spain requires accelerated sales growth during 2012-2015.**
- **Proximity is key in consumer behaviour when choosing a store.**
- **DIA can take advantage of its proximity expertise.**
  - More stores than any other retailer.
  - Efficient logistics system.
  - 18 warehouses nationwide.

# Competitive landscape: Customer shopping behaviour

(First answer and other answers)



Proximity is the most important factor when choosing a store, even more than price.

# Strategy viewpoint DIA Spain 2012

## THREE OPPORTUNITIES.

- **First opportunity: DIA Fresh.**
  - Due to the crisis, there are many small empty premises, often used to open traditional food stores, especially greengrocers.
  - DIA Spain has acquired significant expertise in fresh products, especially fruit and vegetables:
  - **Number two in terms of market share in Spain.**
  - **10% average growth per year since 2009.**
- **Second opportunity: Schlecker.**
  - A new commercial model focused on household and beauty.
- **Third opportunity: Rural franchises.**

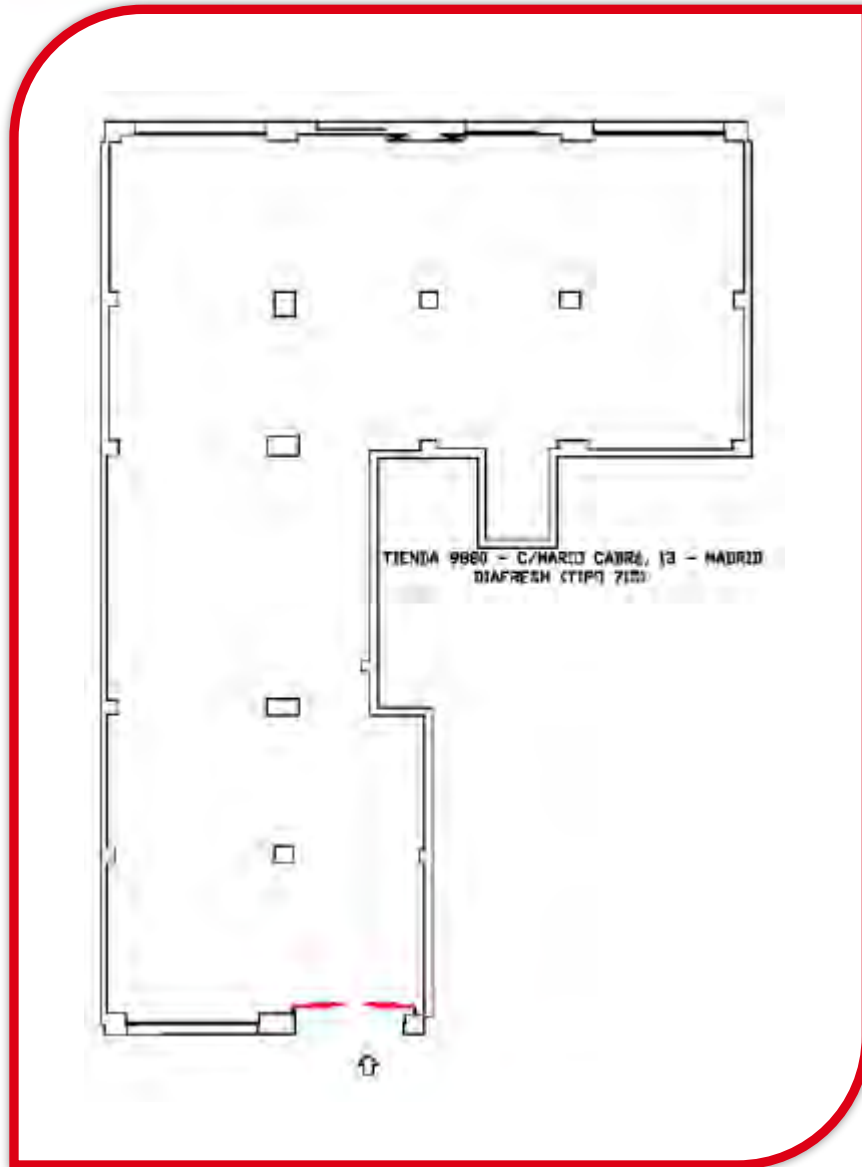
## Some comments about small formats

- **“A different approach with less space growth, fewer new big stores and MORE SMALLER STORES”**. (Tesco, 3 October 2012).
- **“Walmart’s SMALL FORMATS OFFER COMPETITIVE ADVANTAGE and more flexibility”**. (Walmart, 10 October 2012).
- **“In Brazil, the conversion of the convenience stores into the new - Minimercado Extra- concept, has result in an acceleration in this format’s sales growth”**. (Casino, 26 july 2012).

## DIA Fresh project objective

To develop a new small store model for **widespread implementation** which is **complementary** to our current successful formats.

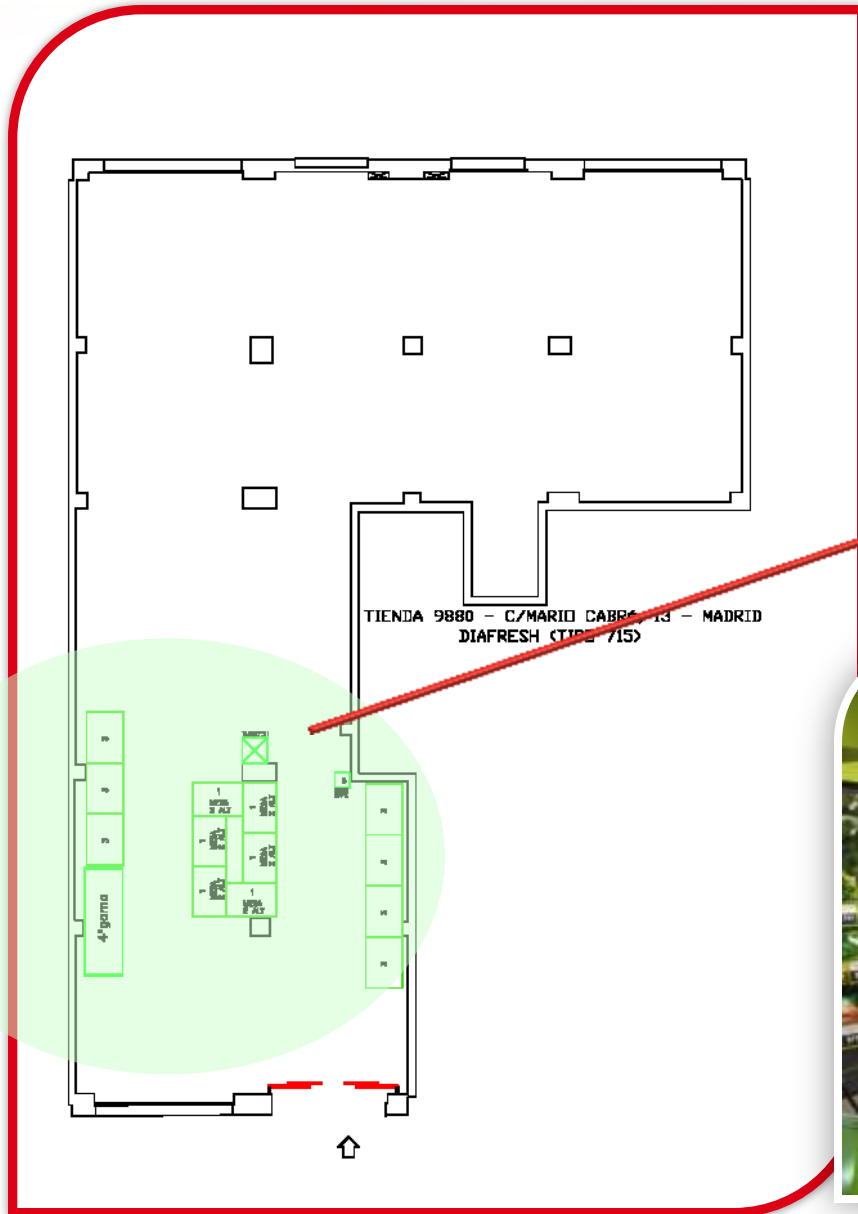
**Margins in line with Iberia.**



## Layout

### Layout aims (Type):

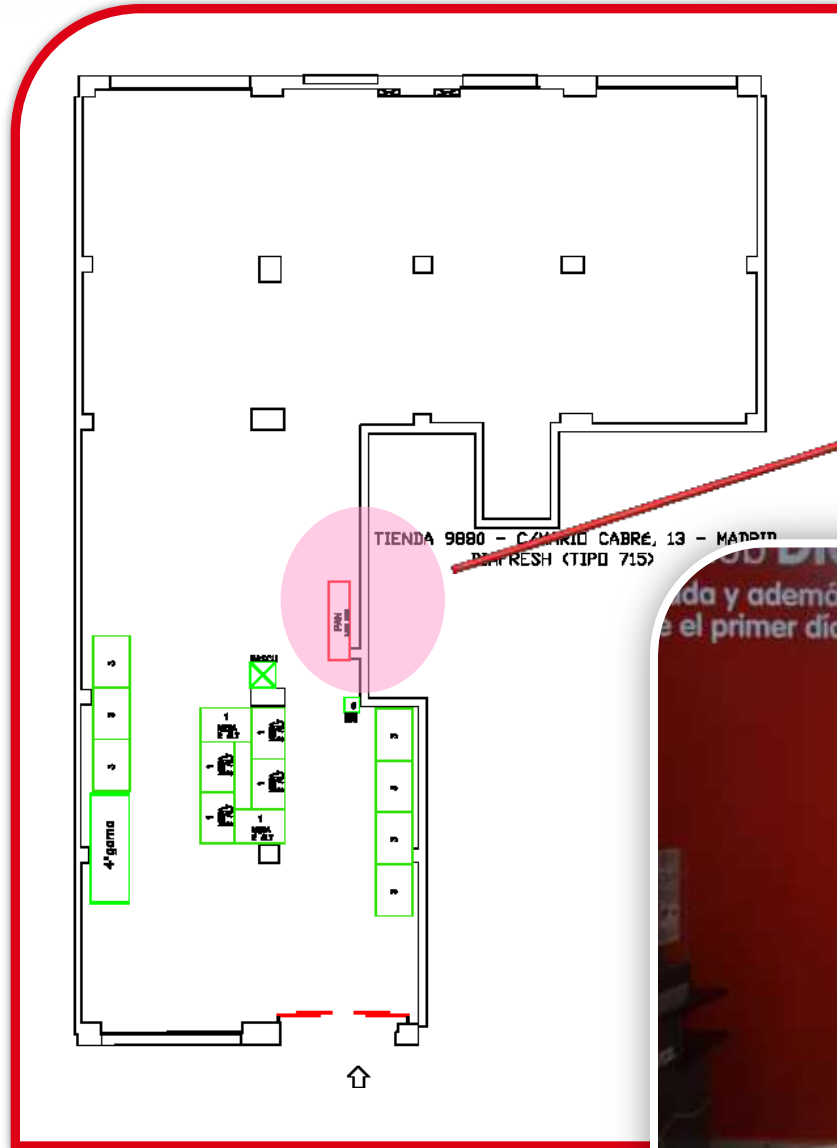
- Selling area: 135 sqm
- Total area: 185 sqm



- 30% space
- Market type atmosphere

## Fruit & Vegetables



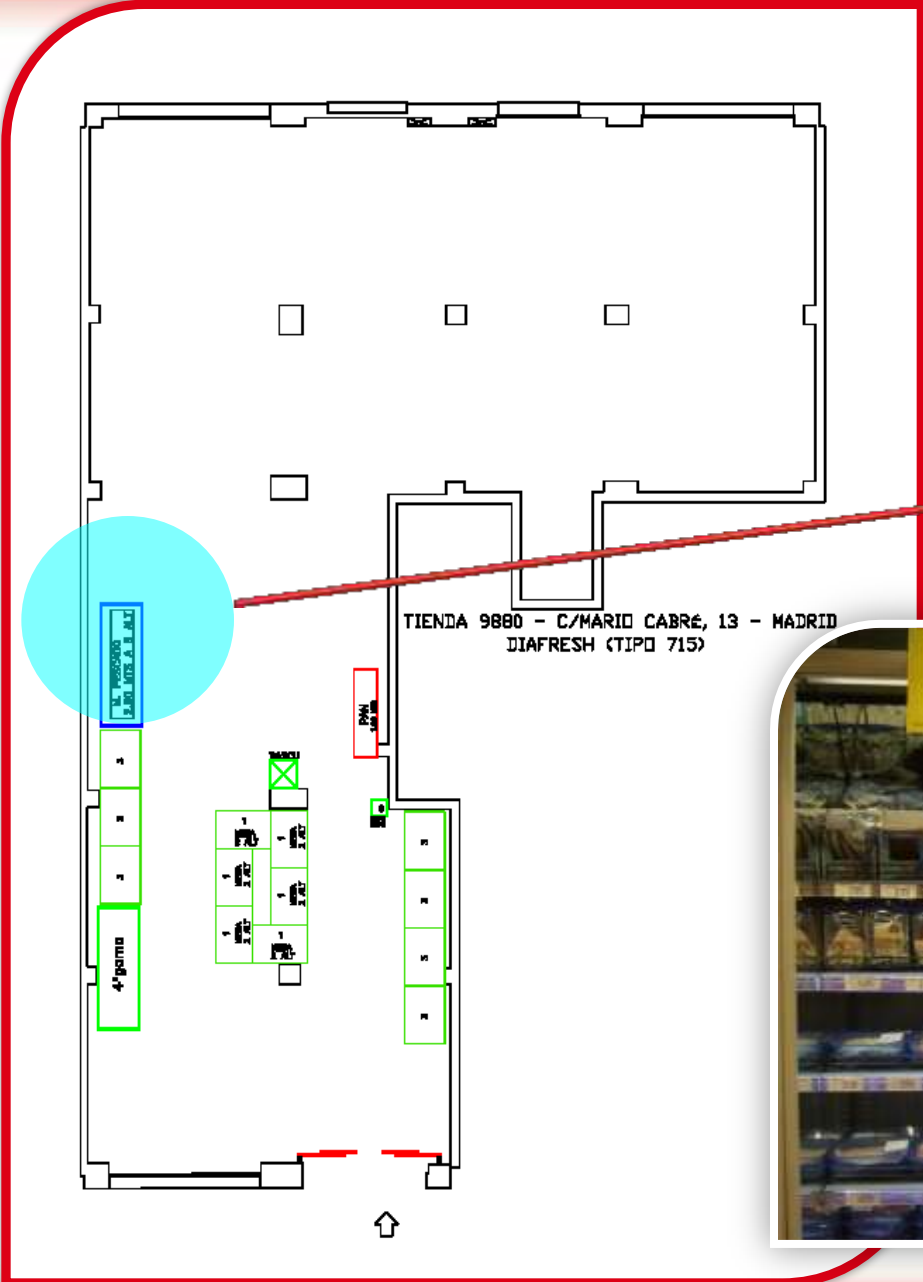


- 1.83 linear meters
- New bread baskets

## In-store bakery





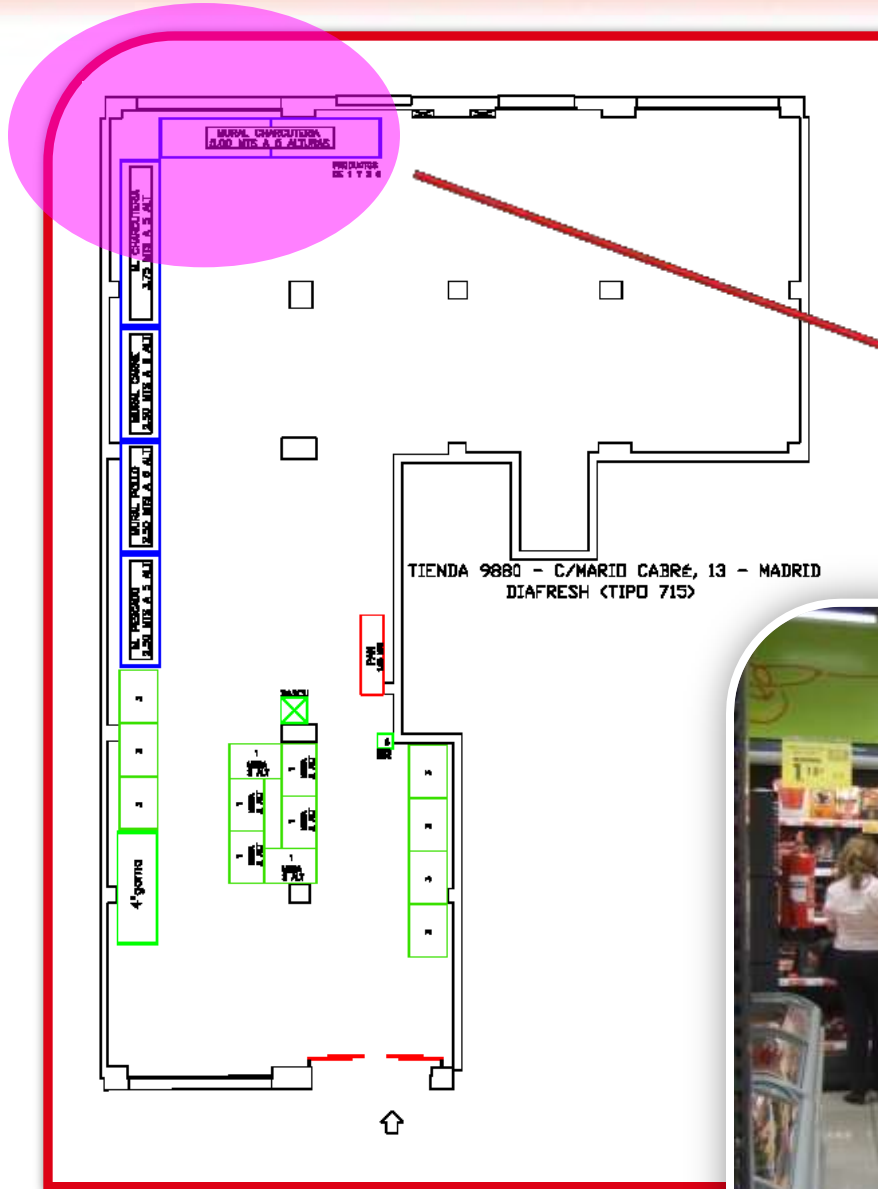


- Unit of 2.5 linear meters. with 6 shelves

**Fish**



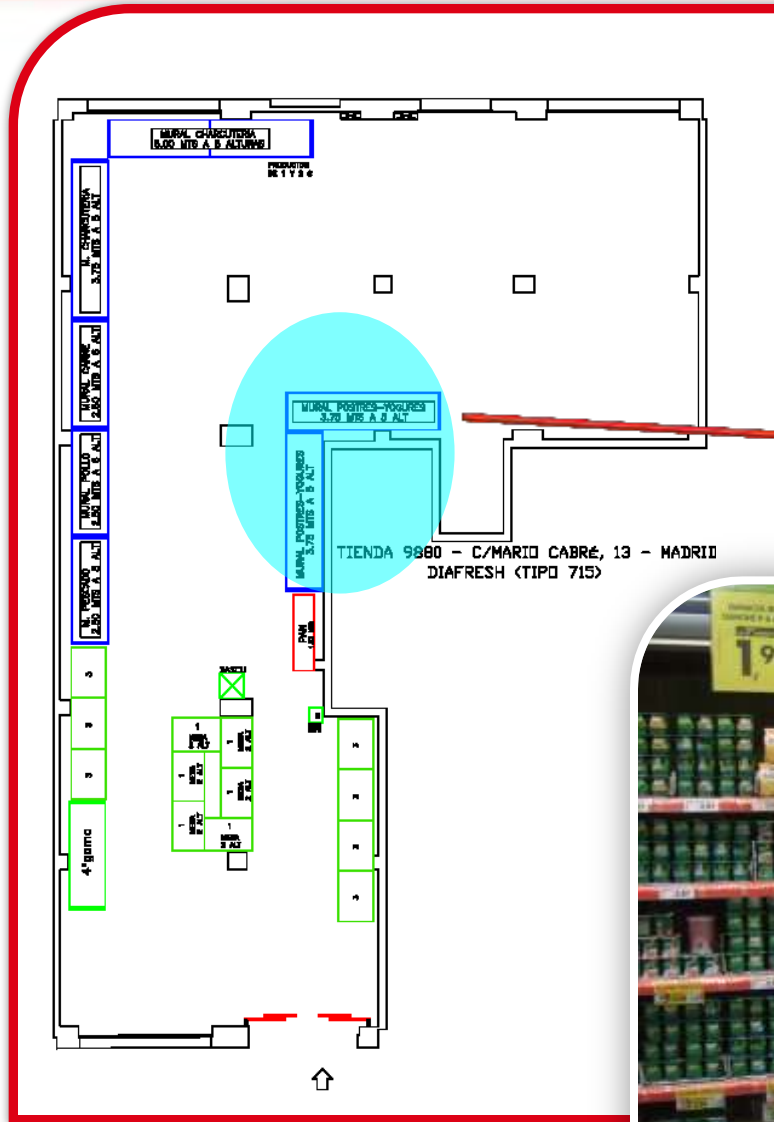




- Unit of 7.5 linear meters (6 modules) with 6 shelves

**Ready-to-eat meals**

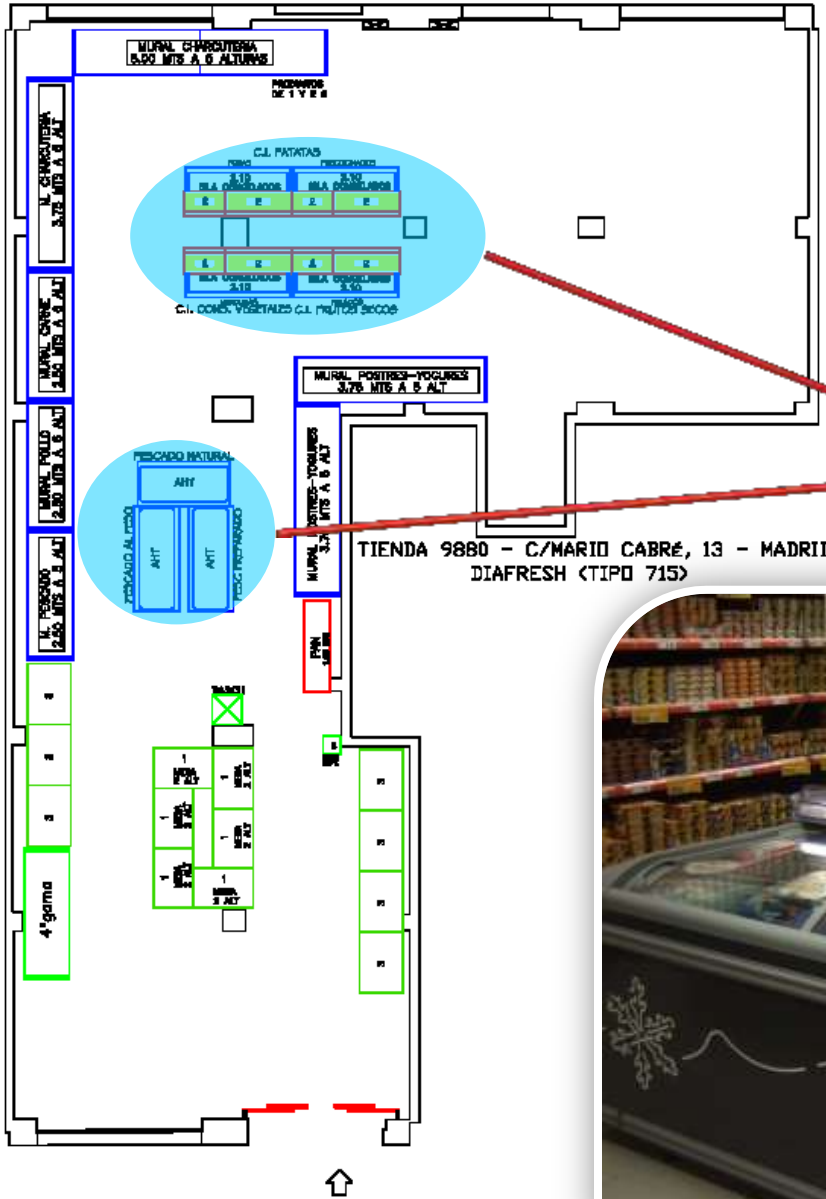




- Unit of 6.25 linear meters (5 modules) with 6 shelves.

**Dairy products.**





- 7 Aisles (14.7 linear meters)
- 4 covered

**Frozen foods**





## Management - Investment

1. Extended opening hours: 9:30 am – 9:30 pm .
2. Very well trained personnel in Fresh Food.
3. Product deliveries at 7:00 am to have fresh stock available when the store opens.
4. Investment: 250,000 €/store.

*Check-outs adapted to smaller purchases*



*Only baskets in stores*



## Results - Total sales

### 12 stores (October 26th)

- 5 in Madrid.
- 4 in Barcelona.
- 1 in Sevilla, 1 in Cádiz and 1 in Valladolid.

Open in “shaded” areas.

	Average 6 stores Sep.
Sales/month (€)	75,000
Customers/Day	471
Average Basket (€)	6.1

**Good results:** 10% higher than expected



## Results - Commercial

	Sales Weight	
	Results	Target
<b>Perishables</b>	<b>52%</b>	<b>50%</b>
Fruit & Vegetables	30%	27%
Meat & Chicken	11%	13%
Fish	6%	4%
Bakery	5%	7%
<b>Proximity</b>	<b>35%</b>	<b>37%</b>
<b>FMCGs</b>	<b>14%</b>	<b>13%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

In the **Top 30** sales, 20 are Fresh Food (13 F & V)

# Image Survey from the first test stores

Milward Brown

*“It is a mini supermarket where you can buy all your daily fresh products and the other little things you forget”.*

*Survey by Millward Brown in May 2012*

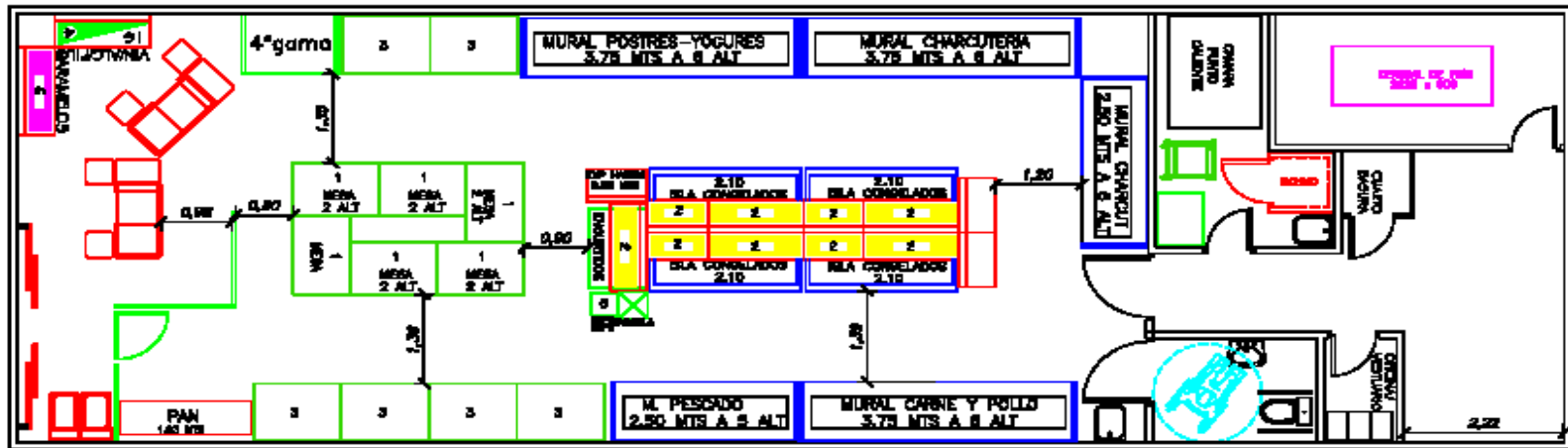
## The most valued features in DIA Fresh

	<b>% customers</b>
<b>Good variety of Fresh Food (specially F&amp;V)</b>	<b>77%</b>
<b>Good opening hours</b>	<b>72%</b>
<b>Offers are well indicated</b>	<b>65%</b>
<b>Modern establishments</b>	<b>64%</b>

**Good shopping experience, good assortment and  
High quality store.**

## Next steps

- Adapt the model to even smaller stores (sales area of 100 square meters). **Pilot store** in Q4 2012.



PLANO PLANTA TIENDA DIA FRESH 2  
 SUPERFICIE TOTAL: 140 MTS  
 SALA DE VENTAS: 100 MTS  
 RESERVA: 14 MTS

- 20 DIA Fresh Stores are to be opened throughout Spain in Q4 2012 (of which 4 COFO stores).

# SCHLECKER: History

## 1980s

- 1989: Foundation of Schlecker Spain with the acquisition of Casbor, comprising 33 predominantly smaller stores at that time.

## 1990s

- 1992: Schlecker Spain opens its 100<sup>th</sup> store.
- 1994: Construction of first warehouse and local headquarters in Torredembarra.
- 1999: 500<sup>th</sup> store opening.

## 2000s

- 2001: Opening of the second warehouse in La Almunia.
- 2005: 1000<sup>th</sup> store opening.
- 2006: First store opening in Portugal with headquarters and warehouse in Aveiro (Porto).
- 2008: Opening of the third warehouse in Sisante.

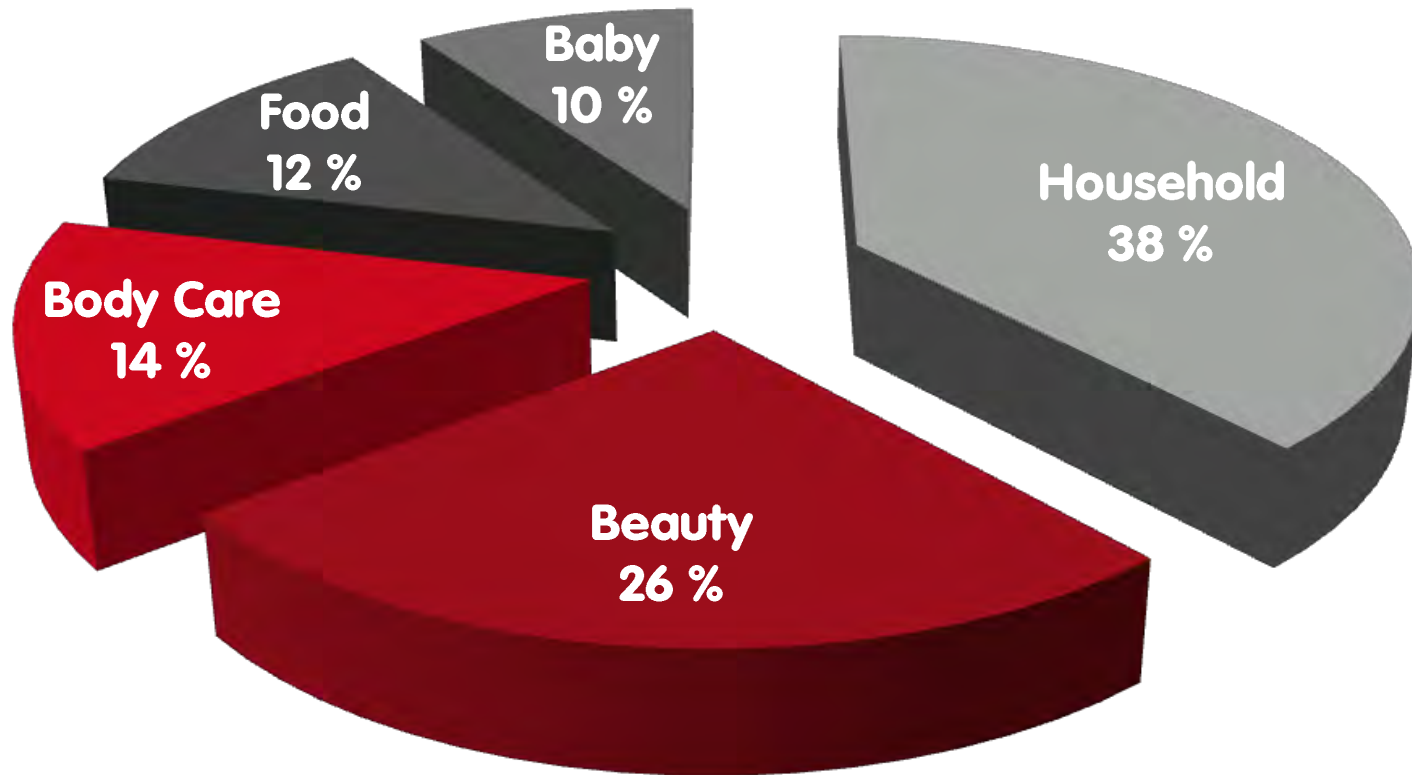
## 2010s

- 2010: Roll-out of the XL-store concept (so far 67 stores have been converted into the XL concept).

## Schlecker Footprint

- A leading drugstore retail chain on the Iberian peninsula operating a network of around 1,200 stores with a focus on the North-eastern parts of Spain and the costal regions of Portugal.
- Sales of 318 million € in Spain and 10 million euros in Portugal.
- Average store size of 153 sqm.
- 2,816 employees in Spain and 100 in Portugal.

## Schlecker sales breakdown



A true specialist in household and beauty products.

# SCHLECKER: Logistics Synergies 21 Dia + 4 Schlecker warehouses



## Commercial Synergies

- Different assortment, similar suppliers.
- Negotiating opportunities in national and private labels.
- Schlecker private label accounts for only 14% of sales.
- Opportunity to improve cleaning, beauty and health categories in DIA Market and DIA Maxi.



# Schlecker provides further expansion opportunities: 50% of territory



**No Schlecker  
Stores**

## DIA Fresh & Schlecker: complementary business



# DIA - Schlecker: Zaragoza (municipality)



## Rural franchise

- **Although DIA has a relative high share in cities with less than 10,000 habitants we can still grow in smaller towns:**
  - Much better prices than local players.
  - Attractive and modern format.
  - DIA franchise perfectly fits the local family model for smaller populations.
  - Limited competition.
  - Organized competitors do not have a model adopted (size, logistics) to compete.
  - Efficient, logistics (18 warehouses in Spain).

## In summary

- **Proximity offers opportunities to grow:**
  - DIA Fresh.
  - Schlecker integration.
  - Rural franchises.

**YES, WE CAN GROW!**



**Dia**



**Investor's Day**

**DIA** 

**Amando Sánchez**

CCO DIA Group



**Investor's Day**

## Index

Very positive sales momentum

Improved efficiency means operating margin improvement

Growing with discipline

Strong earnings growth and returns to shareholders

Guidance 2012 review



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Very positive sales momentum

Improved efficiency means operating margin improvement

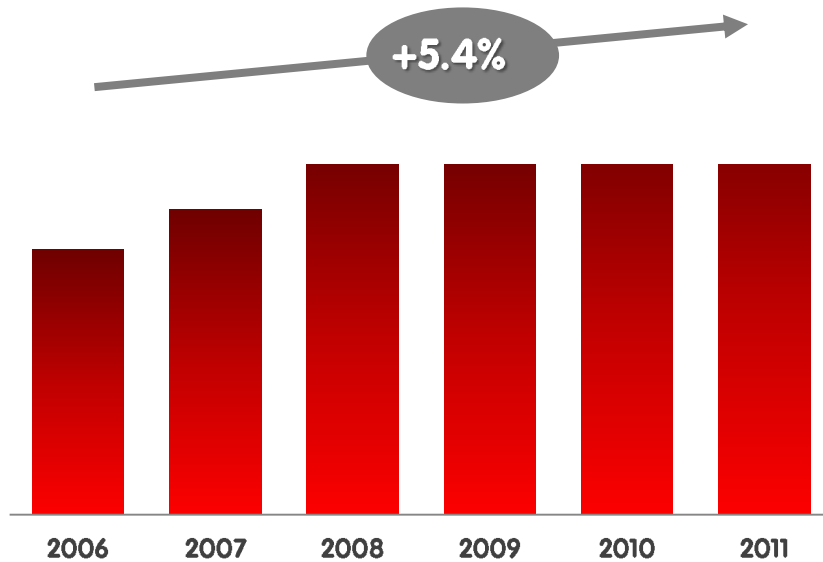
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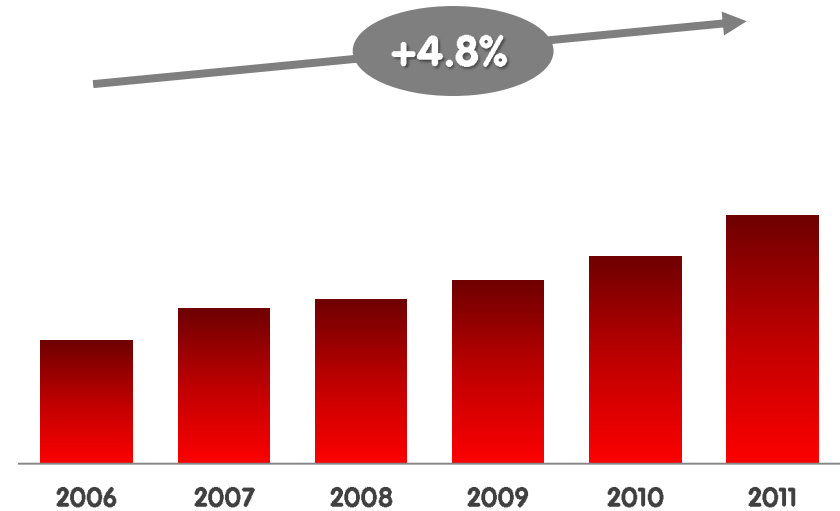
Guidance 2012 review

# DIA is a story of growth

## DIA Gross sales under banner\*



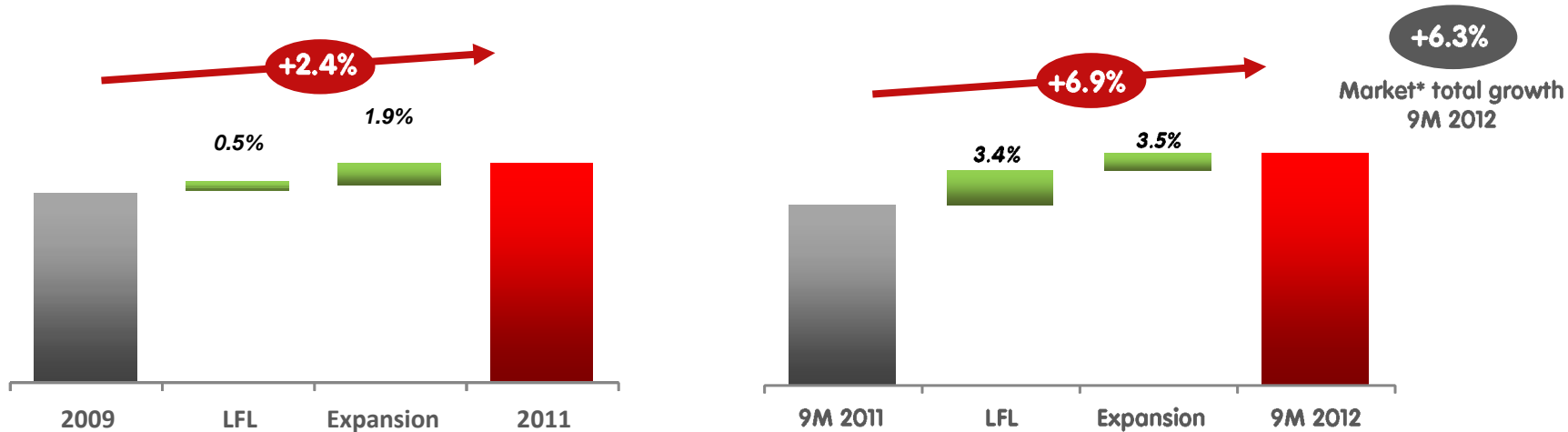
## DIA Stores\*



\* excluding data from Greece which was transferred to Carrefour in 2010

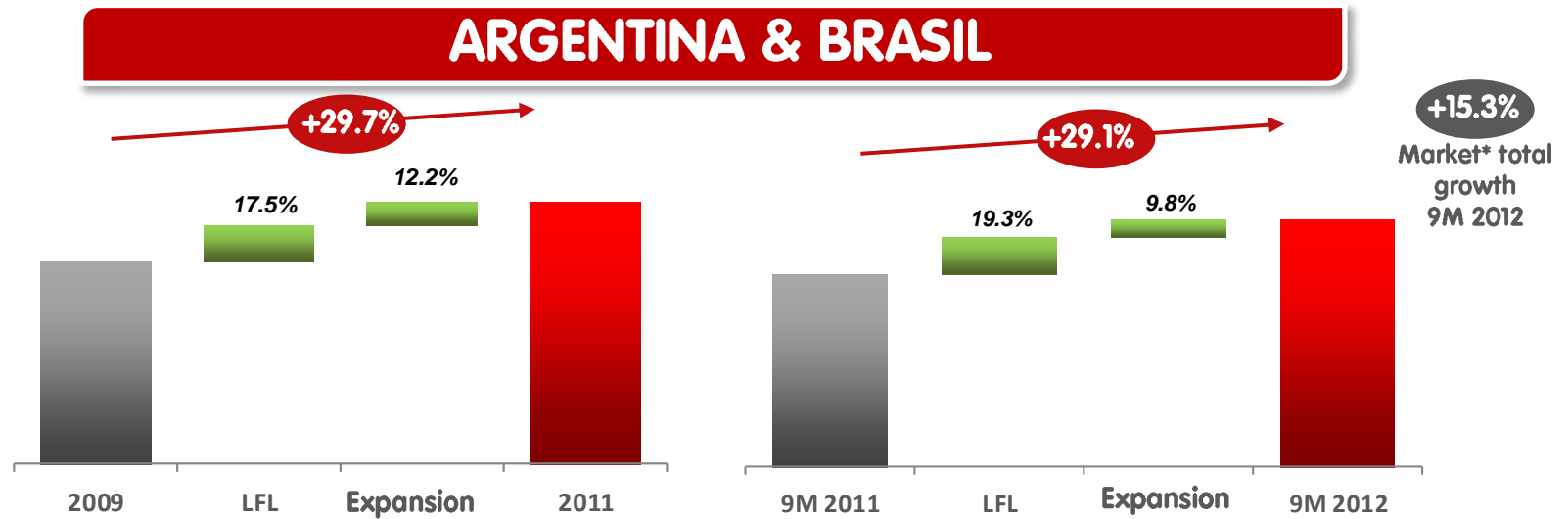
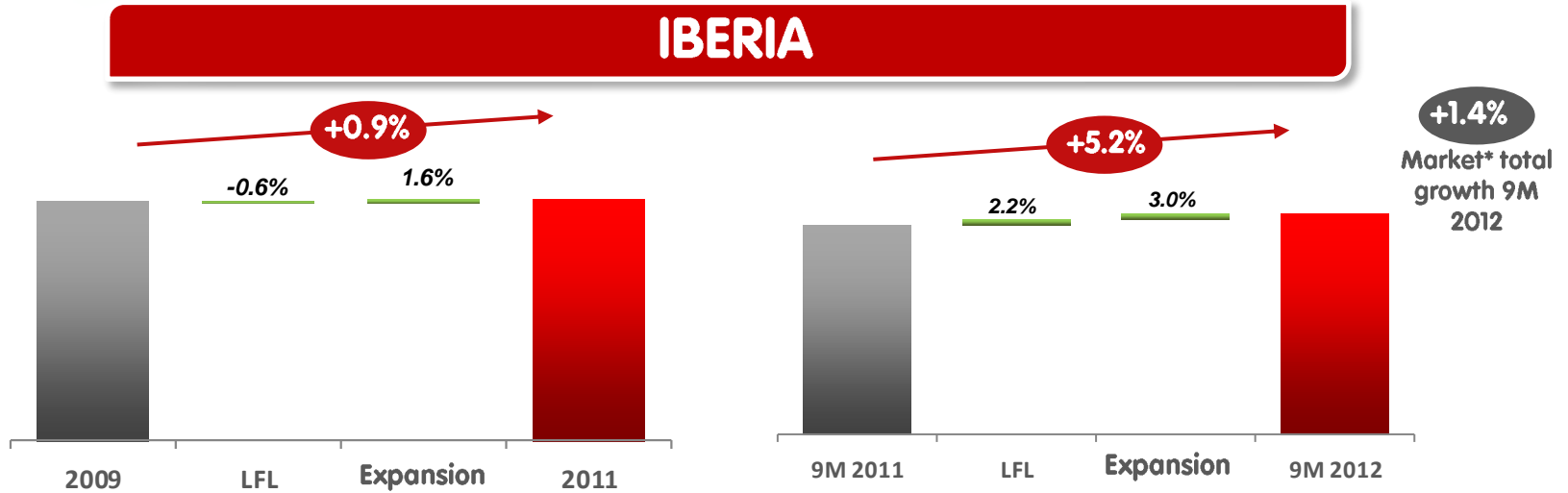
# And now, we are growing faster, and faster than our markets

## DIA



\* Source Nielsen as FMCG for Iberia, France and Emerging

# Especially in our key growth markets



\* Source Nielsen as FMCG for the corresponding markets

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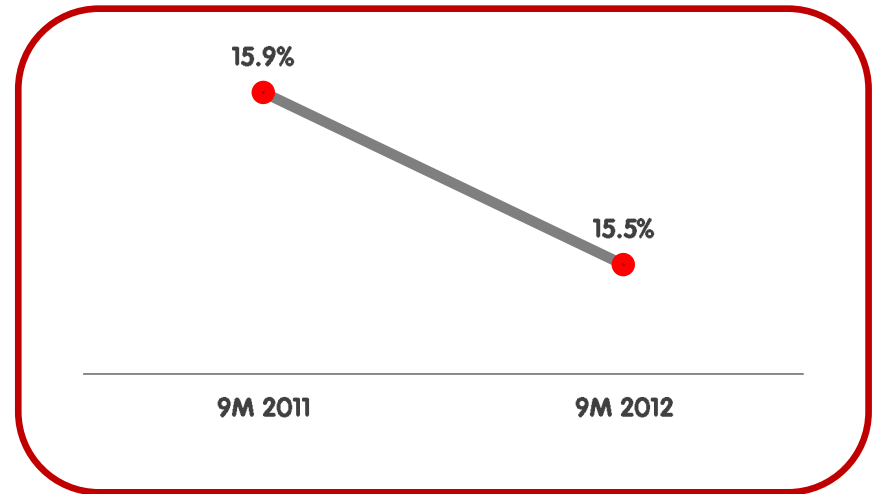
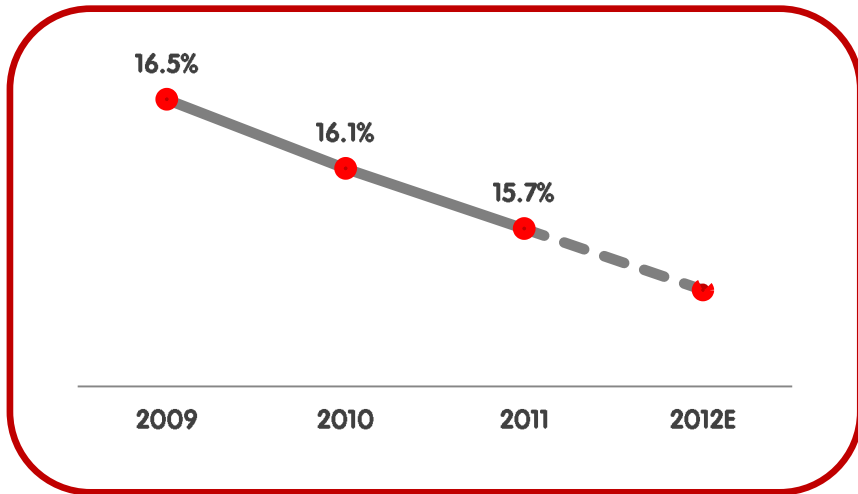
Strong earnings growth and returns to shareholders

Guidance 2012 review

# Improved efficiency means Operating margin improvements

Constant reduction of the cost base allows for operating profit leverage

## OPEX (% sales)



## Finance, depreciation and tax expected to come down gradually

### Financial expenses

- LT debt secured at attractive levels.
- Lower interest rates.
- Excluding effects of equity swap in underlying net profit.

### Depreciation

- More growth in Emergings (lower D&A).
- Higher growth coming from asset light business.
- Less capex in France.

### Taxes

- Conservative approach to tax.
- Normalization towards low 30's% on mid term.
- Higher cash tax payments in Spain.



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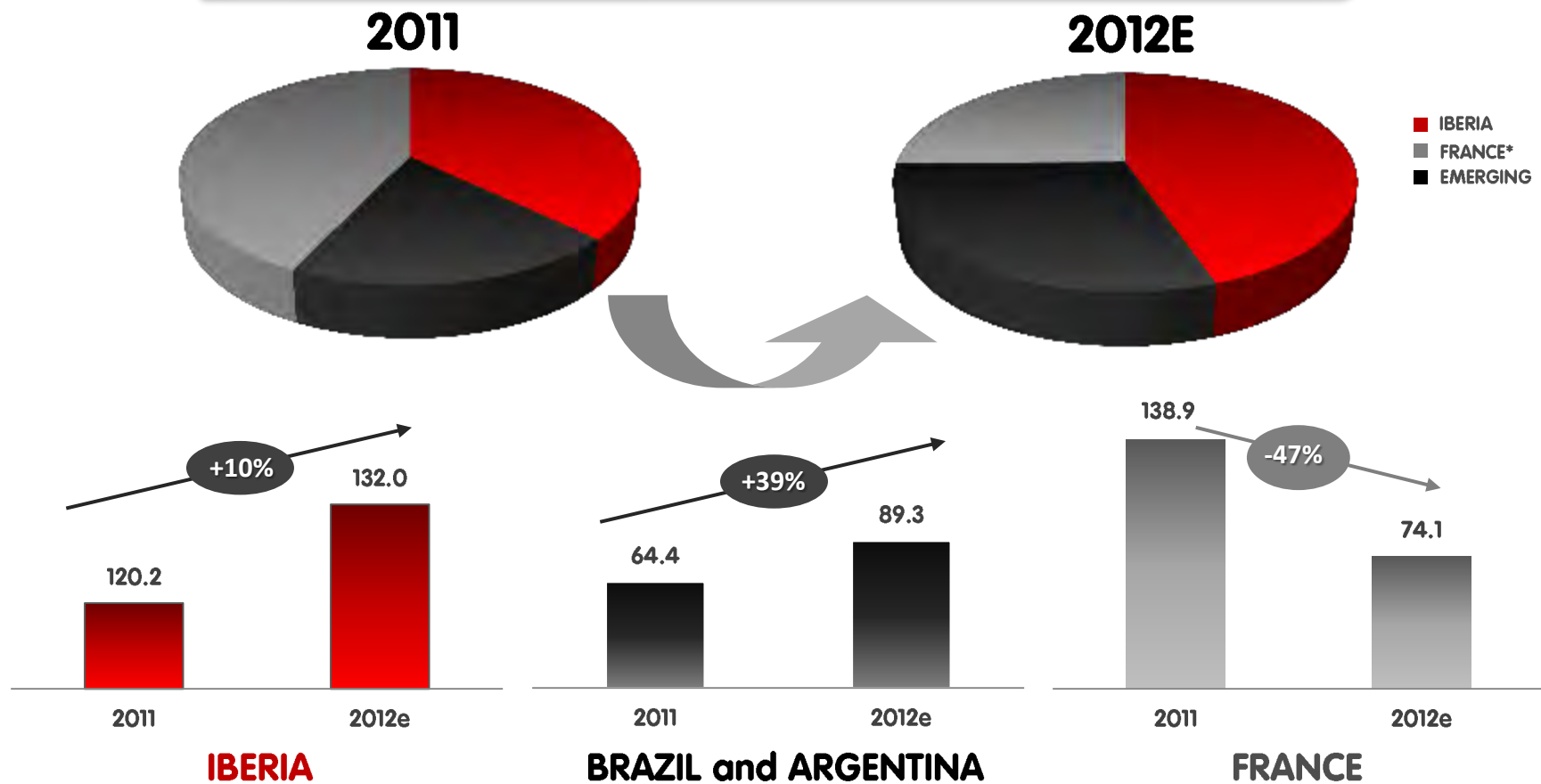
## Growing with discipline

Investing with discipline organically....



# More capex to our key regions

## CAPEX evolution



\* 12Meuro lease accounting change is not included in France CAPEX

## ...and through selective acquisitions: Schlecker

### Strategic Rationale

1. Similar proximity concept and client profile
2. Adding a new specialized HPC channel to DIA
3. Stores located in underpenetrated regions
4. New expansion opportunity

### Financial Rationale

1. Accretive operation in terms of underlying EPS since Y1
2. Asset light business model
3. Synergies with DIA business
4. Sales density improvement potential

# Attractive business, good fit for DIA and new opportunities

Attractiveness of the Business	Customer Brand recognition	Schlecker has a good image amongst its customers with more than 30 years presence in key regions
	Profitable Retail "Asset-light" concept	<p>6% to 10% EBITDA margins*</p> <p>0.5% depreciation charge*</p> <p>Less than 2M euro capex per year</p>
Opportunities for DIA	Expansion opportunity	<p>Increase by 50% our Proximity network</p> <p>Customers will find more "Quality and Price have never been so close"</p> <p>Schlecker is barely present in the west part of the Iberian Peninsula, which opens a new growth potential</p>
	Health and Wellbeing in DIA	Opportunity to improve areas where DIA is underdeveloped (beauty, baby care, cosmetics)
	Sales density improvement	<p>Some factors could allow sales density to increase</p> <ul style="list-style-type: none"> <li>• Upgrade stores network and commercial model</li> <li>• Improvement of the commercial model</li> </ul>
Fit with DIA's business model	Customer Approach	<p>Schlecker customer is potentially attractive to DIA:</p> <ul style="list-style-type: none"> <li>• Similar profile (economic and demographic)</li> <li>• Expenditure intensity in fresh product</li> <li>• Affinity with specialist and discount / low attraction to hypermarkets</li> <li>• Loyal to DIA labels</li> </ul>

\* Actual 2009-2010 figures

## New opportunities in proximity

### DIA FRESH

- **Densify urban areas**
- **Gain market share to unorganized**



### SCHLECKER

- **Complementary business models**
- **Profitable retail asset light model**

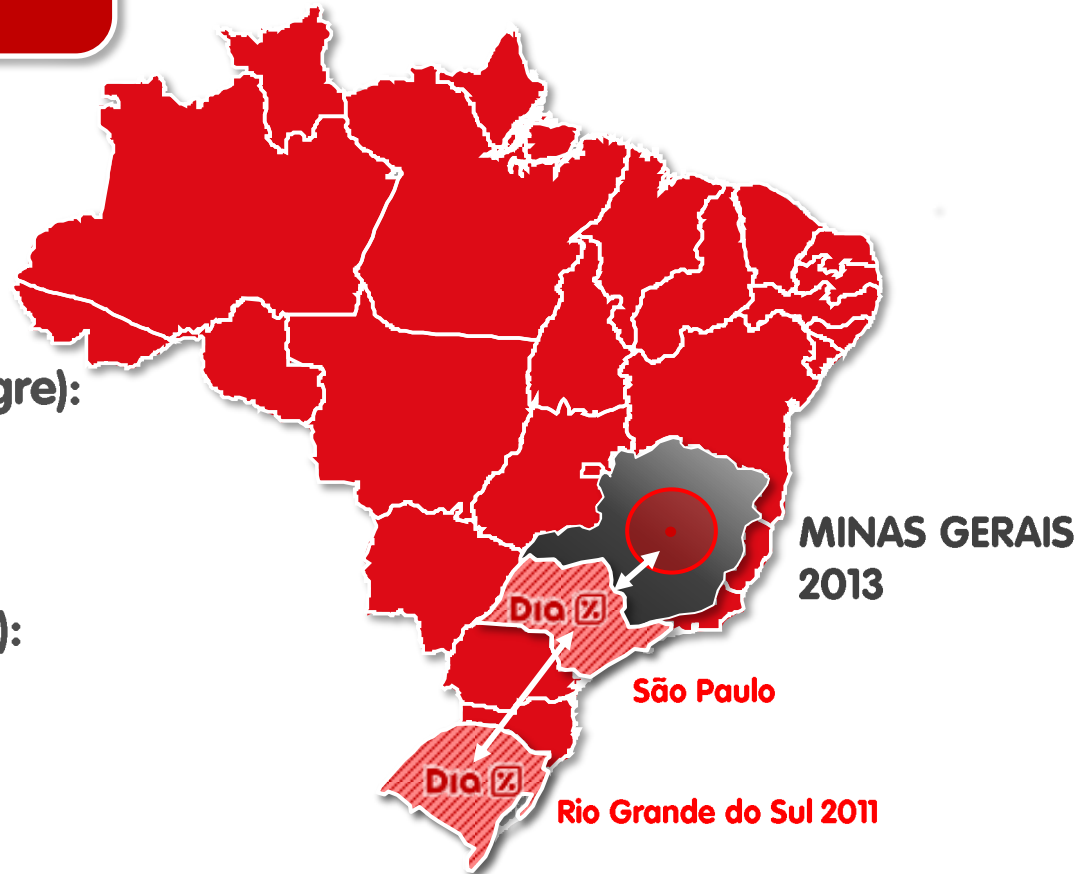


# Opportunities in new regions

## New regions:

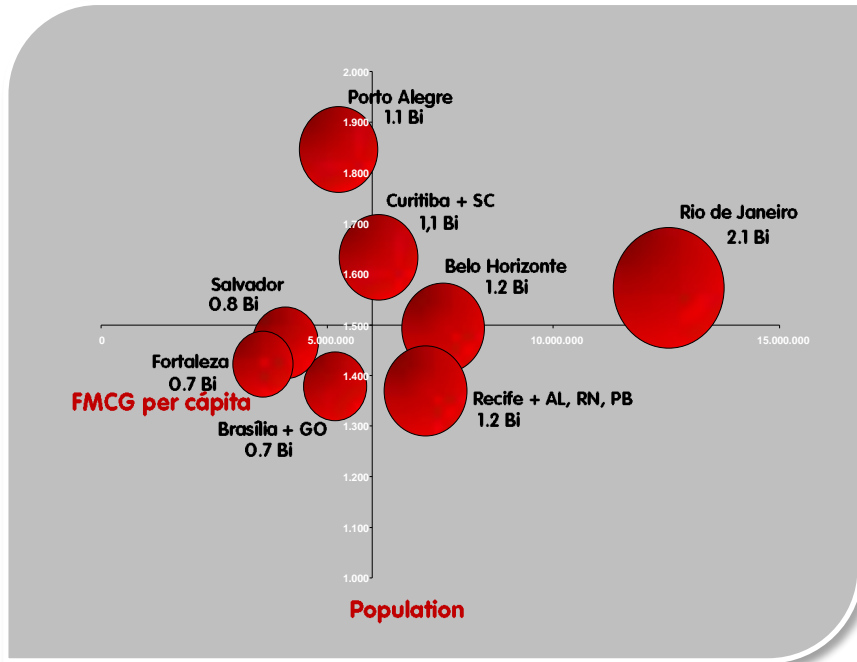
### BRAZIL

- **Sao Paulo:**
  - 2011 464 stores
  - 2012e 57 openings
  
- **Rio Grande do Sul (Porto Alegre):**
  - 2011 16 openings
  - 2012e 21 openings
  
- **Minas Gerais (Belo Horizonte):**
  - 2013e 12 openings





# New regions: Minas Gerais (Belo Horizonte)



- 3rd region in population (7.56 Million)
- 3rd region in Sales potential (1.2 Billion BRL)
- Synergies with Sao Paulo
- Best GDP per capita evolution

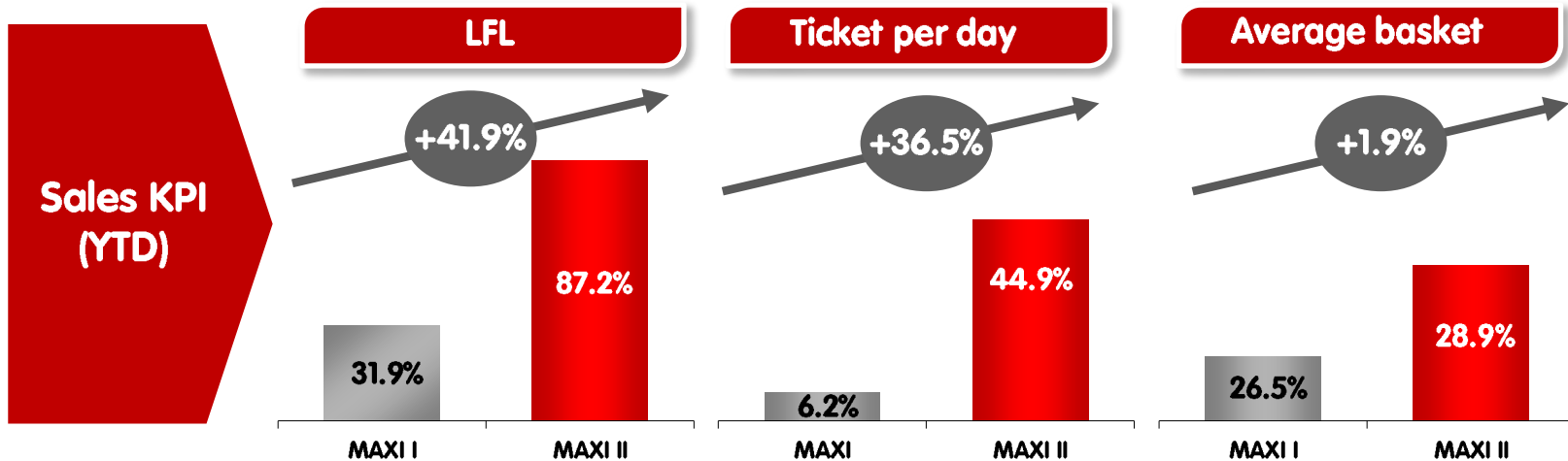
### CAGR 09-12

Brazil	+10.6%
Sao Paulo	+10.2%
Rio de Janeiro	+9.7%
Minas Gerais	<b>+11.0%</b>

- Positive cash generation in 4th year

# Constant format update to drive LFL's

## DIA Maxi II Argentina



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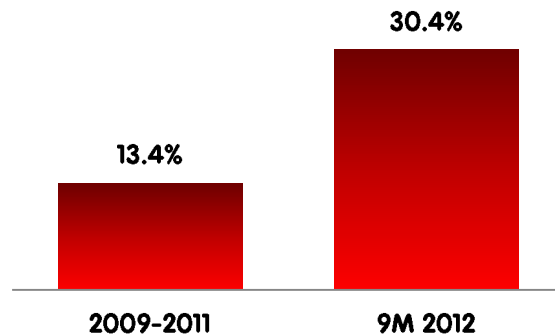
Strong earnings growth and returns to shareholders

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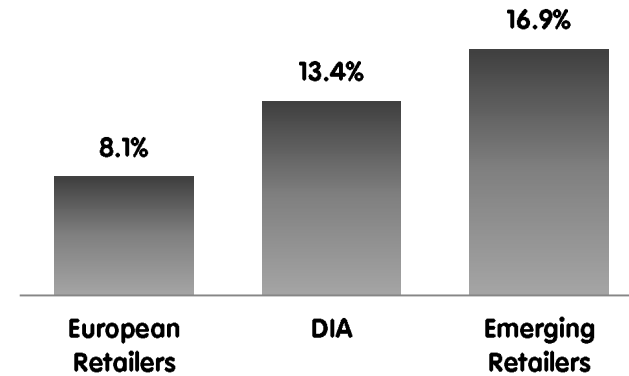
# Strong earnings growth and returns to shareholders

EPS growth in line with fastest growing peers

## DIA Underlying EPS growth



## Consensus\* EPS growth 2012 – 2015



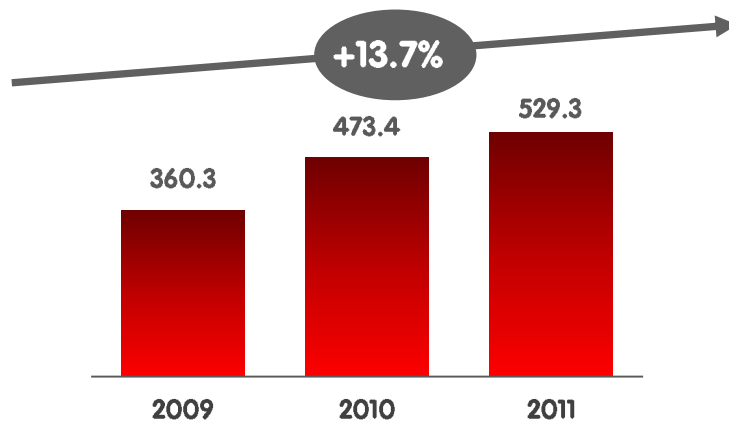
European Retailers: Ahold, Carrefour, Casino, Colruyt, Delhaize, Morrison, Sainsbury and Tesco  
 European Emerging Retailers: BIM and JM

\* Source Bloomberg

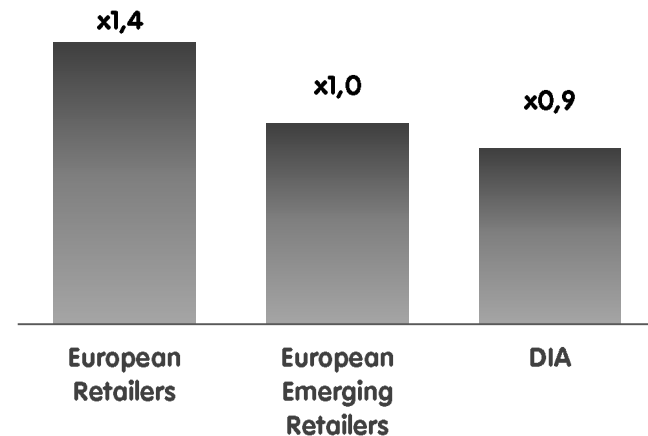
# Growing cash flow generation and solid balance sheet

DIA leverage ratio is lower than European and Emerging food retailers

## Gross cash flow generation\*



## 2012 Net financial debt / EBITDA\*\*



European Retailers: Ahold, Carrefour, Casino, Colruyt, Delhaize, Morrison, Sainsbury and Tesco  
 Emerging retailers: BIM, Pao de Açucar, JM

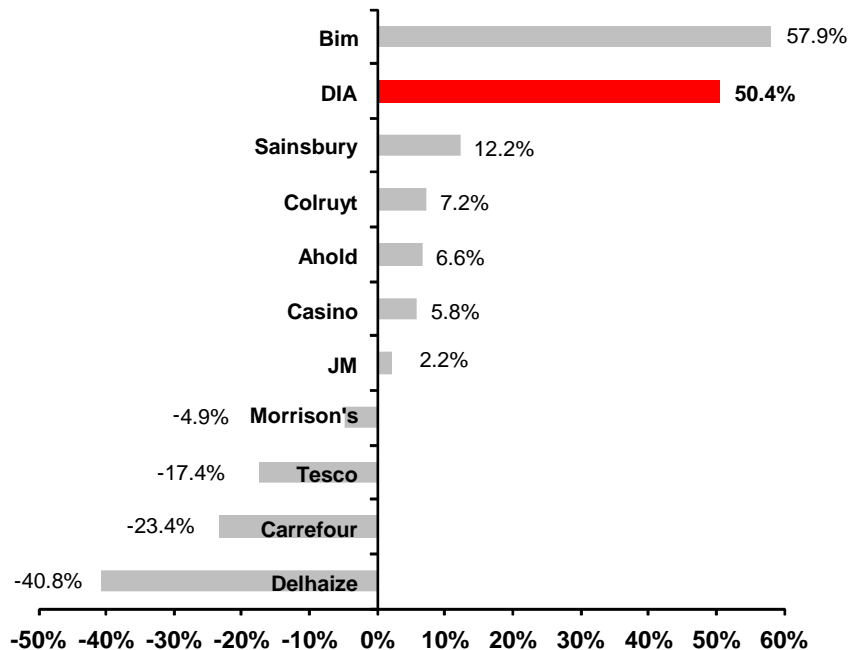
\* Gross cash flow includes adjusted EBITDA, change in trade working capital and income tax

\*\* Net financial debt / EBITDA source FACSET

# Sustainable profit growth leads to superior returns

135.9 M € returned to shareholders since listing (6.2% of Market cap as 5th July 2011)

## TSR for European retailers (from 5/7/2011 to 25/10/2012)



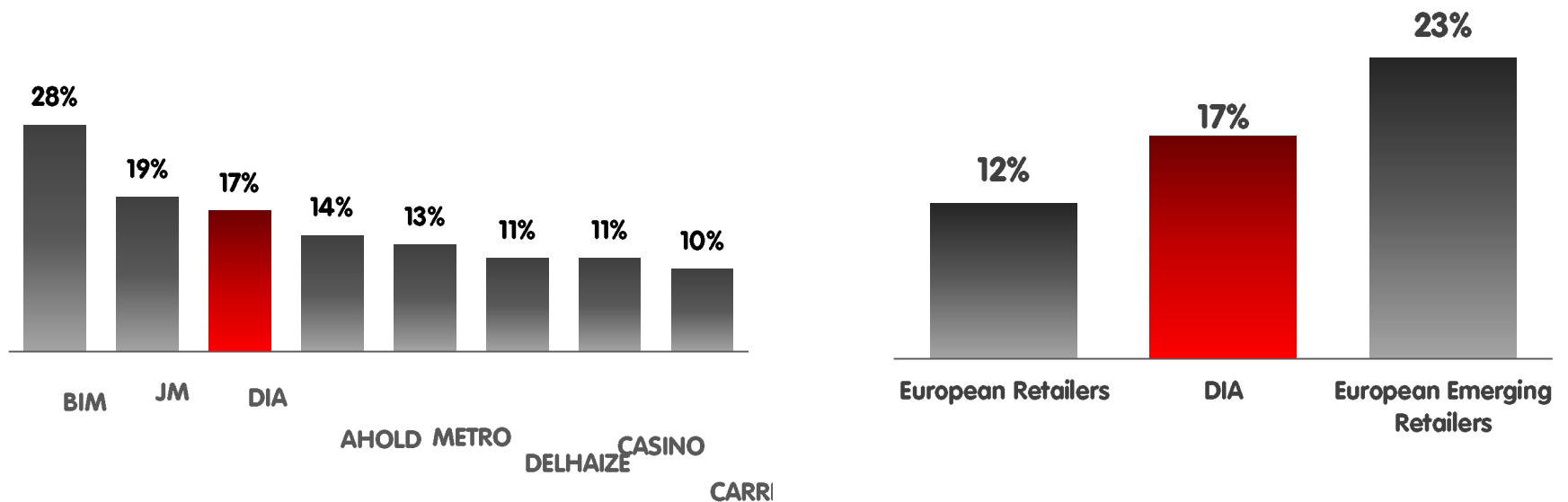
Source: Bloomberg

## Dividends and Share Buy-Back

- Dividend paid: 72.5M euro or 0.11 €/sh upper range of band: 35% to 50% of Underlying net profit
- Share buyback: 63.4 M €  
2% in 2011 2.90 €/sh  
1% in 2012 3.528 €/sh
- 2% equity swap in 2012  
3.558 €/sh

# Return on Investment superior to peers

DIA ROI is substantially higher than European food retailers



European Retailers: Ahold, Carrefour, Casino, Delhaize and Metro

Emerging retailers: BIM, and JM

\* ROI = Adj. operating income (EBITDAR) / Avg. invested capital

Avg. invested capital = Avg total assets exc cash + Avg D&A - Avg accounted payables - Avg accrued liabilities + x8 Rent adjustment



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# Guidance 2012 review

## 2012 Outlook in 2011

## 2012 Outlook

**1** Net store openings

**425 to 475**  
ex. Turkey 225 to 275

**225 to 275**

**2** Gross sales under banner  
ex-currency

**+4% to +6%**

**+5.5% to +6.5%**

**3** EBITDA\*  
EBIT\*

Provided in Listing guidance (\*\*)

**Eur590m\*\*\***

**Eur300m\*\*\***

**Eur595-600m\*\*\***

**Eur315-320m\*\*\***

\* Adjusted of non recurring items

\*\* At constant currency rates and ex-impact of long term incentive plan (LTIP)

\*\*\* At current currency rates

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## **In summary**

- **Sales growth above market in key regions**
- **Leverage from continued expense reduction**
- **Disciplined and return oriented capital allocation**
- **Strong cash flow generation**
- **Poised to continue delivery superior shareholder returns**



**Dia**



**Investor's Day**

**Dia** 

**Closing comments**



**Investor's Day**

## Closing comments

### DIA is the 2P retailer....

- Lowest cost operator
- With flexible operating models
- And the best or one of the best price images
- Ever – closer to the consumer
- With constant updated commercial formats
- And a relevant and fast expanding footprint in the emerging markets



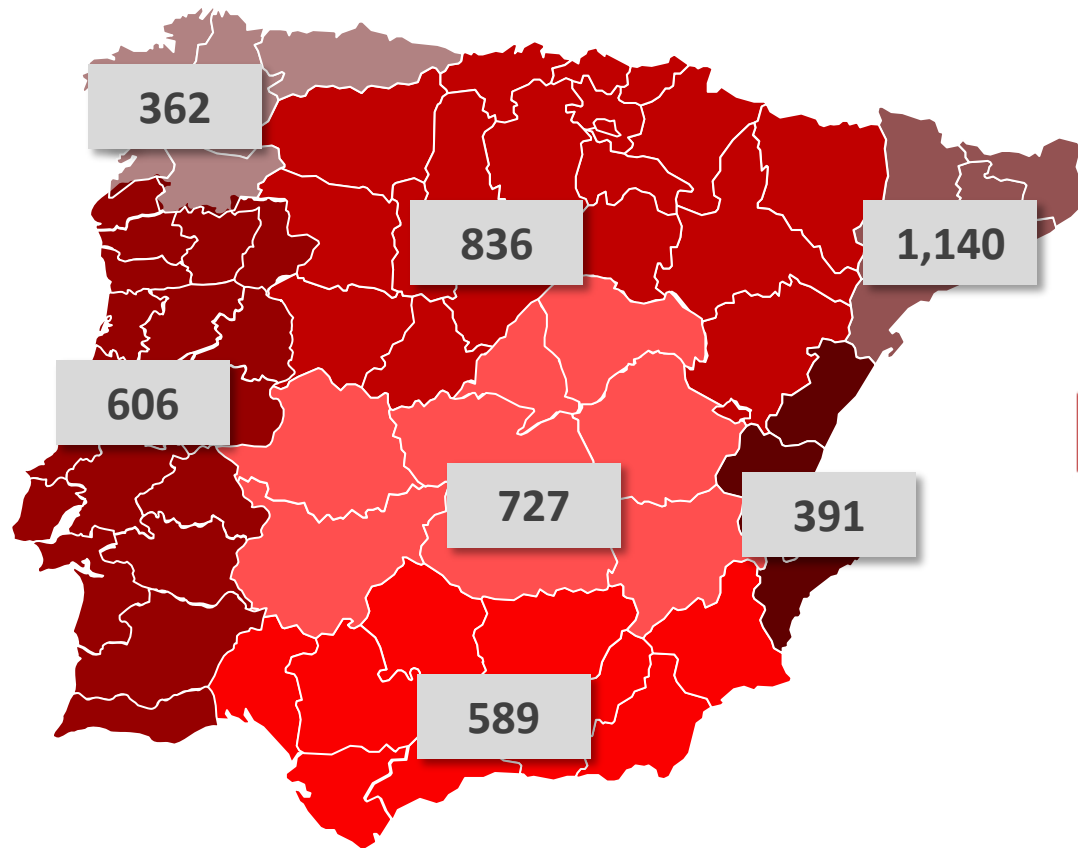
## **Closing comments**

### **We have some issues to handle with**

- 2013 will be a decisive year
- Launching and rolling out DIA Maxi II in France
- Focusing our expansion in China exclusively in Shanghai
- Assessing our right to grow profitably in Turkey

## Closing comments

...and DIA is working hard to be the best 2P food and HPC retailer



**4.641 STORES**

**In IBERIA .....**

.... DIA Fresh and Schlecker become two new growth avenues

## Closing comments

...and DIA is working hard to be the best 2P food and HPC retailer

**SALTA**



**In BRAZIL and ARGENTINA...**

**MINAS GERAIS**



.... expanding faster opening new regions



**Dia**



**Investor's Day**