



DIA Group posted gross sales under banner of EUR5.127bn in the first half of the year, up 4.1% versus a year ago

/ In the first six months of the year, comparable sales grew by 4.3%.

/ Adjusted EBITDA reached EUR278m, up 3.3%, in line with the full-year forecasts.

Madrid, 27 July 2017. In the first half of 2017, DIA Group posted gross sales under banner of EUR5.127bn, implying an increase of 4.1% in euros versus the same period in the previous year, and a 1.9% rise in local currency. Argentina and Brazil contributed with 12.1% growth in gross sales in local currency, reaching EUR1.885bn.

Between January and June, comparable sales rose by 4.3%, with Iberia contributing 0.9% and Argentina and Brazil contributing 10.4%.

In Spain, gross sales under banner fell by 3.6% to EUR2.83bn. During the second quarter of the year, the improvement process of the DIA Market, DIA Maxi and La Plaza de Dia stores was accelerated, with 221 reconversions to offer a wider range of products and services to clients.

"The second quarter of 2017 confirms the solid operating performance of our group in Iberia and South America, with positive same-store sales growth in all our geographies. It has been a busy quarter in Spain, with a peak in June of over 120 upgrades of DIA Market, DIA Maxi and La Plaza stores, with encouraging results. The third quarter is expected to be busy as well to achieve the target of over 500 upgrades by the end of 2017. Brazil improved LFL volumes in the second quarter, with lower inflation, impacted by the ongoing challenging market conditions, while in Argentina DIA continued to achieve a remarkable and strong top-line growth rate. With this set of results, we are on track to meet all our 2017 targets", declared Ricardo Currás, CEO of DIA Group.

Adjusted EBITDA reached EUR278,3m, up 3.3% in euros and 1.7% in local currency. In the emerging markets in which DIA operates, adjusted EBITDA improved by close to 37% in euros.

In June 2017, reduced its net debt by EUR104m to EUR1.02bn compared to June 2016.

Underlying net profit increased by 4.3% in euros, and 3.2%, reaching EUR106m. At the end of June, the company had 7,415 stores.



H1 2017 Results Summary

(€m)	H1 2016	H1 2017	%	Change	FX effect	Change (ex-FX)
Net sales	4,148.3	4,287.6	100.0%	3.4%	2.4%	1.0%
Adjusted EBITDA ⁽¹⁾	269.4	278.3	6.5%	3.3%	1.7%	1.7%
D&A	-111.3	-115.4	-2.7%	3.6%	2.7%	1.0%
Adjusted EBIT ⁽¹⁾	158	162.9	3.8%	3.1%	0.9%	2.2%
Non-Recurring items	-47.8	-48.2	-1.1%	1.0%	0.5%	0.5%
Non-Recurring cash items	-32.1	-33.6	-0.8%	4.8%		
Long-Term Incentive Plans	-9.9	-1.3	0.0%	-86.7%		
Impairment and G/L in asset disposals	-5.8	-13.3	-0.3%	129.1%		
EBIT	110.3	114.7	2.7%	4.0%	1.1%	2.9%
Net profit from continuing operations	66.4	63.7	1.5%	-4.0%	1.2%	-5.2%
Underlying net profit	101.7	106.0	2.5%	4.3%	1.0%	3.2%

(1) Adjusted by non-recurring items

Q2 2017 Results Summary

(€m)	Q2 2016	Q2 2017	%	Change	FX effect	Change (ex-FX)
Net sales	2,174.3	2,191.6	100.0%	0.8%	0.9%	-0.1%
Adjusted EBITDA ⁽¹⁾	151.3	155.3	7.1%	2.6%	1.2%	1.5%
D&A	-58.0	-57.6	-2.6%	-0.6%	1.4%	-2.0%
Adjusted EBIT ⁽¹⁾	93.3	97.7	4.5%	4.7%	1.0%	3.7%
Non-Recurring items	-32.0	-35.7	-1.6%	11.7%	0.2%	11.6%
Non-Recurring cash items	-21.6	-20.8	-0.9%	-3.8%		
Long-Term Incentive Plans	-7.5	-4.0	-0.2%	-45.9%		
Impairment and G/L in asset disposals	-2.9	-10.9	-0.5%	275.9%		
EBIT	61.3	61.9	2.8%	1.0%	1.4%	-0.4%
Net profit from continuing operations	37.8	38.0	1.7%	0.4%	1.9%	-1.5%
Underlying net profit	60.2	67.0	3.1%	11.3%	1.4%	9.9%

(1) Adjusted by non-recurring items

Gross Sales under Banner

(€m)	H1 2017	%	Change	FX effect	Change (ex-FX)
Spain	2,833.9	55.3%	-3.6%	0.0%	-3.6%
Portugal	408.7	8.0%	1.5%	0.0%	1.5%
IBERIA	3,242.6	63.2%	-3.0%	0.0%	-3.0%
Argentina	880.3	17.2%	15.7%	-7.2%	22.9%
Brazil	1,004.5	19.6%	22.2%	20.0%	2.2%
EMERGING MARKETS	1,884.8	36.8%	19.1%	7.0%	12.1%
TOTAL DIA	5,127.4	100.0%	4.1%	2.2%	1.9%

Stores by country as of 30 June 2017

	COCO	Franchise	Total DIA	LTM change
Spain	2,692	2,160	4,852	-91
Portugal	351	263	614	-3
IBERIA	3,043	2,423	5,466	-94
Argentina	299	586	885	15 ⁽¹⁾
Brazil	421	643	1,064	120
EMERGING MARKETS	720	1,229	1,949	135
TOTAL DIA	3,763	3,652	7,415	41

(1) A total of 38 low sales Cada DIA stores were closed in H2 2016. Adjusted by the exceptional issue, the accumulated volume of net openings in the last twelve months would have been 53.

/ GLOSSARY

- # **Gross sales under banner:** total turnover value obtained in stores, including indirect taxes (sales receipt value) in all the company's stores, both owned and franchised.
- # **Net sales:** sum of the net sales generated in our integrated stores and sales to franchisees.
- # **LFL sales growth under banner:** growth rate of gross sales under banner at constant currency of the stores that have been operating for more than thirteen months under the same business conditions.
- # **Adjusted EBITDA:** operating profit after adding back non-recurring costs, impairments, re-estimation of useful life and gains/losses arisen on the disposal of assets and depreciation and amortization of fixed assets.
- # **Adjusted EBIT:** operating profit after adding back non-recurring costs, impairment and re-estimation of useful life and gains/losses arisen on the disposal of assets.
- # **Underlying net profit:** net income calculated on net profit attributable to the parent company, excluding non-recurring items (restructuring costs, impairment and re-estimation of useful life, gain/losses on disposal of assets, tax litigations, exceptional financial expenses and equity derivatives), discontinued operations and the corresponding tax impact.
- # **Reported EPS:** fraction of the company's profit calculated as net attributable profit divided by the weighted average number of shares.
- # **Underlying EPS:** fraction of the company's profit calculated as underlying net profit divided by the weighted average number of shares.
- # **Cash from operations:** adjusted EBITDA less non-recurring cash items less recurrent capex.

DIA (Distribuidora Internacional de Alimentación) is an international food retailer that also distributes fast-moving and HPC goods. DIA is traded on the Madrid Stock Exchange and is part of the Ibex 35, the main reference index of the Spanish stock market. In 2016, gross sales under banner reached EUR10.5bn and the company had 7,799 stores in the countries in which it operates: Spain, Portugal, Brazil, Argentina and China.

▪ EXTERNAL RELATIONS

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