



DIA Group boosts gross sales under banner in first half by 12%, to EUR5.038bn

/ The company prioritised an improvement in its turnover, setting a target of around 10% growth in gross sales under banner in local currency for fiscal year 2016.

Madrid, 27 July 2016. In the first half of the year, the DIA Group posted gross sales under banner of EUR5.038bn, which implies a 12% increase in local currency versus the same period last year. This is due to the ongoing improvement in the commercial offer at the company's ten commercial banners in the countries in which it operates, and an ongoing investment in prices so that customers have access to the highest number of products at the best prices.

In Iberia, gross sales under banner rose by 3.4% to EUR3.342bn, and Spain in particular was up 3.7%, reaching EUR2.940bn. In Argentina, Brazil and China, the increase amounted to 26.7% in local currency, reaching EUR1.696bn.

DIA Group's comparable sales climbed by 9.7% versus 7% in the first quarter, which was already the largest increase published by the company.

"The sales trend accelerated in every market in Q2 2016, with positive comparable sales growth in the second quarter and year-to-date in all DIA countries despite the challenging business conditions. The plans to improve the commercial proposition for our customers combined with significant price investments in a tough environment are paying off. Cash generation has been strong in the first half of the year and is on track to achieve our ambitious cash from operations target for the 2016-18 period", stated Ricardo Currás, CEO of DIA Group.

In the first quarter of the year, underlying net profit reached EUR96.2m, 7.3% less in local currency than in the same period in 2015 due to an increase in the amortisations for acquisitions and the net financial income in emerging countries. Adjusted EBITDA reached EUR267m, up 6.8% in local currency.

At the end of June 2016, the DIA Group's total number of stores amounted to 7,762.



H1 2016 Results Summary

| (€m) | H1 2016 | % | INC | FX effect | INC w/o FX |
|---------------------------------------|----------------|---------------|--------------|---------------|---------------|
| Net sales | 4,243.1 | 100.0% | -2.3% | -13.0% | 10.7% |
| Adjusted EBITDA ⁽¹⁾ | 267.3 | 6.3% | 0.4% | -6.3% | 6.8% |
| D&A | -114.1 | -2.7% | 11.8% | -8.2% | 20.0% |
| Adjusted EBIT ⁽¹⁾ | 153.2 | 3.6% | -6.6% | -5.1% | -1.5% |
| Non-recurring items | -48.8 | -1.2% | -1.1% | -5.0% | 3.9% |
| Non-recurring cash items | -32.8 | -0.8% | -16.2% | | |
| Long-Term Incentive Plans | -10.2 | -0.2% | 146.9% | | |
| Other non-recurring items | -5.9 | -0.1% | -4.5% | | |
| EBIT | 104.4 | 2.5% | -9.0% | -5.2% | -3.8% |
| Net attributable profit | 59.8 | 1.4% | -5.6% | 7.0% | -12.6% |
| Underlying net profit | 96.2 | 2.3% | -5.0% | 2.3% | -7.3% |

(1) Adjusted by non-recurring items

Q2 2016 Results Summary

| (€m) | Q2 2016 | % | INC | FX effect | INC w/o FX |
|---------------------------------------|----------------|---------------|--------------|---------------|---------------|
| Net sales | 2,221.8 | 100.0% | 0.3% | -12.1% | 12.4% |
| Adjusted EBITDA ⁽¹⁾ | 150.4 | 6.8% | 1.7% | -5.8% | 7.6% |
| D&A | -59.4 | -2.7% | 15.8% | -7.7% | 23.4% |
| Adjusted EBIT ⁽¹⁾ | 91.0 | 4.1% | -5.7% | -4.9% | -0.8% |
| Non-recurring items | -32.9 | -1.5% | -2.2% | -4.9% | 2.8% |
| Non-recurring cash items | -22.1 | -1.0% | -18.4% | | |
| Long-Term Incentive Plans | -7.8 | -0.3% | 473.2% | | |
| Other non-recurring items | -3.0 | -0.1% | -41.8% | | |
| EBIT | 58.1 | 2.6% | -7.6% | -4.9% | -2.7% |
| Net attributable profit | 34.2 | 1.5% | -5.5% | 6.4% | -11.9% |
| Underlying net profit | 57.5 | 2.6% | -7.8% | 2.1% | -10.0% |

(2) Adjusted by non-recurring items

Gross Sales under Banner

| (€m) | H1 2016 | % | INC (w/o FX) | FX effect | INC |
|-------------------------|----------------|---------------|--------------|---------------|--------------|
| Spain | 2,939.8 | 58.4% | 3.7% | 0.0% | 3.7% |
| Portugal | 402.5 | 8.0% | 0.7% | 0.0% | 0.7% |
| IBERIA | 3,342.3 | 66.3% | 3.4% | 0.0% | 3.4% |
| Argentina | 760.7 | 15.1% | 37.6% | -53.3% | -15.7% |
| Brazil | 821.9 | 16.3% | 18.2% | -23.2% | -5.0% |
| China (Shanghai) | 113.2 | 2.2% | 5.3% | -5.1% | 0.3% |
| EMERGING MARKETS | 1,695.8 | 33.7% | 26.7% | -36.5% | -9.8% |
| TOTAL DIA | 5,038.1 | 100.0% | 12.0% | -13.4% | -1.5% |



/ 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 franchises.

/ 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 restructuring 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 2015, gross sales under banner reached EUR10.5bn and the company had 7,718 stores in the countries in which it operates: Spain, Portugal, Brazil, Argentina and China.

▪ EXTERNAL RELATIONS

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