



## **DIA Group posts gross sales under banner of EUR10.55bn, 10.2% more than in the previous year**

**/ Adjusted EBITDA reached EUR625m, up 8.6% more than in local currency.**

**/ The Board of Directors will propose a dividend of EUR0.21 per share.**

**Madrid, 23 February 2017.** In 2016, the DIA Group generated gross sales under banner of EUR10.55bn, implying a 10.2% increase compared to the previous year in local currency thanks to the business performance in all the markets in which it operates. In Iberia, gross sales under banner rose by 1.1% to EUR6.815bn, and the emerging-market segment (Argentina, Brazil, and China) posted sales of EUR3.736bn, representing a 26.3% upturn in local currency.

In Spain, gross sales under banner reached EUR5.967bn, up by 0.9%.

*"Our priorities for 2016 were clear: top-line growth, cash flow generation and focus on customers; and we have delivered. DIA accelerated LFL sales growth in 2016 to a record 8.7%, the highest annual rate reported since listing, with positive figures in all the DIA countries. Sustained price investment combined with improved customer service is paying off all over the DIA universe. We also made great progress in the development of our business with local partners. More than 3,300 entrepreneurs work with us every day to serve our customers, and their level of satisfaction improved significantly in 2016, something we are especially proud of. We also generated EUR207m Cash from Operations and reduced our net debt by EUR254m. In 2017, we are confident about our growth potential and business performance. We therefore reiterate our commitment to sustainable profitable growth, keeping our 2016-18 goals unchanged",* stated Ricardo Currás, CEO of DIA Group.

Pretax profits amounted to EUR243m, 12.8% more than in 2015 in local currency. Net attributable profit fell by 42% to EUR174m due to the absence of extraordinaries.

Adjusted EBITDA reached EUR625m, up 8.6% in local currency. At the end of the year, the DIA Group had a network of 7,799 stores, 81 stores more than a year ago.

The Board of Directors will propose to the general shareholders meeting a gross dividend of EUR0.21 per share, which represents a payout of EUR128m, or 50% of underlying net profit.



FY 2016 Results

(€m)	FY 2016	FY 2015	%	Change	FX effect	Change (ex-FX)
<b>Net sales</b>	<b>8,867.6</b>	<b>8,925.5</b>	<b>100.0%</b>	<b>-0.6%</b>	<b>-9.7%</b>	<b>9.0%</b>
Cost of sales & other income	-6,834.7	-6,927.8	-77.1%	-1.3%	-10.2%	8.9%
<b>Gross profit</b>	<b>2,032.9</b>	<b>1,997.7</b>	<b>22.9%</b>	<b>1.8%</b>	<b>-7.8%</b>	<b>9.5%</b>
Labour costs	-769.1	-770.8	-8.7%	-0.2%	-7.8%	7.6%
Other operating expenses	-331.5	-326.2	-3.7%	1.6%	-13.9%	15.6%
Real estate rents	-307.3	-290.6	-3.5%	5.7%	-4.1%	9.9%
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>625.1</b>	<b>610.1</b>	<b>7.0%</b>	<b>2.4%</b>	<b>-6.2%</b>	<b>8.6%</b>
D&A	-232.4	-214.0	-2.6%	8.6%	-5.3%	13.9%
<b>Adjusted EBIT <sup>(1)</sup></b>	<b>392.7</b>	<b>396.1</b>	<b>4.4%</b>	<b>-0.9%</b>	<b>-6.7%</b>	<b>5.8%</b>
Non-Recurring items	-97.7	-122.0	-1.1%	-19.9%	-3.9%	-16.1%
<i>Non-Recurring cash items</i>	<i>-73.0</i>	<i>-94.2</i>	<i>-0.8%</i>	<i>-22.6%</i>		
<i>Long-Term Incentive Plans</i>	<i>-15.2</i>	<i>-4.4</i>	<i>-0.2%</i>	<i>246.8%</i>		
<i>Other Non-Recurring items</i>	<i>-9.5</i>	<i>-23.3</i>	<i>-0.1%</i>	<i>-59.3%</i>		
<b>EBIT</b>	<b>295.1</b>	<b>274.1</b>	<b>3.3%</b>	<b>7.6%</b>	<b>-7.9%</b>	<b>15.5%</b>
Net financial income/expenses	-52.0	-56.0	-0.6%	-7.1%	-33.4%	26.2%
<b>EBT</b>	<b>243.1</b>	<b>218.1</b>	<b>2.7%</b>	<b>11.5%</b>	<b>-1.4%</b>	<b>12.8%</b>
Income taxes	-69.1	82.6	-0.8%	-183.7%	1.9%	-185.6%
<b>Consolidated profit</b>	<b>174.0</b>	<b>300.7</b>	<b>2.0%</b>	<b>-42.1%</b>	<b>-0.5%</b>	<b>-41.7%</b>
Minorities & discontinuing operations	0.0	-1.5	0.0%			
<b>Net attributable profit</b>	<b>174.0</b>	<b>299.2</b>	<b>2.0%</b>	<b>-41.8%</b>	<b>-0.5%</b>	<b>-41.4%</b>
<b>Underlying net profit</b>	<b>258.6</b>	<b>254.1</b>	<b>2.9%</b>	<b>1.8%</b>	<b>-2.1%</b>	<b>3.9%</b>

(1) Adjusted by non-recurring items

## Q4 2016 Results Summary

(€m)	Q4 2016	%	Change	FX effect	Change (ex-FX)
<b>Net sales</b>	<b>2,304.0</b>	<b>100.0%</b>	<b>1.0%</b>	<b>-5.1%</b>	<b>6.1%</b>
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>196.0</b>	<b>8.5%</b>	<b>7.2%</b>	<b>-6.7%</b>	<b>13.9%</b>
D&A	-57.7	-2.5%	2.5%	-1.4%	3.9%
<b>Adjusted EBIT <sup>(1)</sup></b>	<b>138.3</b>	<b>6.0%</b>	<b>9.2%</b>	<b>-9.0%</b>	<b>18.3%</b>
Non-Recurring items	-31.5	-1.4%	-24.2%	-2.7%	-21.5%
<i>Non-Recurring cash items</i>	-25.2	-1.1%	-16.0%		
<i>Long-Term Incentive Plans</i>	-4.7	-0.2%	-438.3%		
<i>Other Non-Recurring items</i>	-1.6	-0.1%	-87.9%		
<b>EBIT</b>	<b>106.8</b>	<b>4.6%</b>	<b>25.6%</b>	<b>-12.1%</b>	<b>37.7%</b>
Net attributable profit	66.6	2.9%	-65.9%	-2.3%	-63.6%
<b>Underlying net profit</b>	<b>101.4</b>	<b>4.4%</b>	<b>14.0%</b>	<b>-5.9%</b>	<b>19.9%</b>

(1) Adjusted by non-recurring items

## Gross Sales under Banner

(€m)	FY 2016	%	Change	FX effect	Change (ex-FX)
Spain	5,966.6	56.6%	0.9%	0.0%	0.9%
Portugal	848.0	8.0%	3.0%	0.0%	3.0%
<b>IBERIA</b>	<b>6,814.6</b>	<b>64.6%</b>	<b>1.1%</b>	<b>0.0%</b>	<b>1.1%</b>
Argentina	1,642.6	15.6%	-14.5%	-51.0%	36.4%
Brazil	1,856.5	17.6%	12.8%	-5.1%	17.9%
China	236.5	2.2%	-1.8%	-5.3%	3.6%
<b>EMERGING MARKETS</b>	<b>3,735.6</b>	<b>35.4%</b>	<b>-1.9%</b>	<b>-28.3%</b>	<b>26.3%</b>
<b>TOTAL DIA</b>	<b>10,550.1</b>	<b>100.0%</b>	<b>0.0%</b>	<b>-10.2%</b>	<b>10.2%</b>

Stores by country and operational model as of 31 December 2016

(# stores)	COCO	Franchise	Total DIA	Change
Spain	2,728	2,147	4,875	-66
Portugal	367	256	623	2
<b>IBERIA</b>	<b>3,095</b>	<b>2,403</b>	<b>5,498</b>	<b>-64</b>
<i>Dia</i>	1,614	2,296	3,910	63
<i>Clarel</i>	1,126	107	1,233	38
<i>El Arbol / La Plaza</i>	355	0	355	-165
Argentina	296	576	872	26
Brazil	379	671	1,050	121
China	60	319	379	-2
<b>EMERGING MARKETS</b>	<b>735</b>	<b>1,566</b>	<b>2,301</b>	<b>145</b>
<b>TOTAL DIA</b>	<b>3,830</b>	<b>3,969</b>	<b>7,799</b>	<b>81</b>

DATA BY AUTONOMOUS REGION\*

Autonomous region	Stores	Own	Franchises	INC	Supplier turnover* EURm	Employees	Franchises employees
Andalucía	734	314	420	+9	324,1	4.423	1.767
Aragón	292	209	83	+2	106,2	1.870	280
Asturias	164	134	30	-15	96,6	1.369	68
Baleares	36	30	6	+2	2,8	127	27
Canarias	3	0	3	0	0,3	0	7
Cantabria	74	40	34	-7	18,2	359	106
Castilla La Mancha	256	102	154	+6	233,9	1.106	503
Castilla y León	435	267	168	-23	265,2	2.960	649
Cataluña	1.149	749	400	-10	1.220,2	4.116	1.302
Ceuta	4	0	4	0	0	0	46
Extremadura	221	69	152	-6	43,8	922	539
Galicia	236	123	113	-19	266,4	1.100	315
La Rioja	56	32	24	0	32,2	160	55
Madrid	553	279	274	+11	868,2	5.209	1.276
Melilla	5	0	5	+1	0	0	60
Murcia	88	45	43	-3	225,9	487	170
Navarra	122	55	67	-3	170,9	271	214
País Vasco	198	130	68	+3	55,6	793	198
Valencia	249	150	99	-14	300	1.330	269
<b>TOTAL DIA SPAIN</b>	<b>4.875</b>	<b>2.728</b>	<b>2.147</b>	<b>-66</b>	<b>4,231</b>	<b>26.602</b>	<b>7.851</b>

\* CIF autonomous region criteria.

## **/ 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.

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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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