



Financial Information

Esselunga Group – First Half 2018 Results

Sales up 2.7% to € 3,912 million.

Total savings granted to Customers in excess of € 700 million.

New Stores in the Second Half of 2018

(Lombardy, Veneto and Tuscany).

Net Debt at € 724 million.

On the 11th of September 2018, the Board of Directors of Esselunga has examined in Limite di Pioltello the First Half 2018 Results, summarized as follows:

- In the First Half 2018 the Esselunga Group made **sales totalling € 3,912 million, up by 2.7%**.
- **The growth in total Loyal Customers continues, although in the first half no new stores have been opened. Savings granted to Customers** totalled € 711 million, up of approx. 30 million vs H1 2017.
- The growth in **E-commerce** continues, exceeding € 116 million in sales (+28% vs H1 2017).
- **Adjusted EBITDA** (i) amounted to € 407.8 million (10.4%) compared to € 319.4 million (8.4%) in the same period of the 2017.
- **Adjusted Operating Profit** (i) came to € 267.8 million (6.8%) compared to € 218.7 million (5.7%) in the same period of the 2017.
- **Adjusted Net Profit** (i)(ii) totalled € 184.5 million (4.7%) compared to € 147.8 million (3.9%) in the same period of the 2017.
- **Net debt** was € 724 million (€ 847 million as of December, 31 2017).
- **Capital expenditures** totalled **€ 125 million**.

(i) The adjustments to EBITDA, Operating Profit and Net Profit neutralize the effect of fair value accounting of prize-giving promotions.

(ii) The adjusted net income benefited from the consolidation of Villata Partecipazioni Group for € 10.7 million.

Limite di Pioltello, 11th of September 2018

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***ESSELUNGA** is one of the leading Italian chains in the large-scale retailing sector, operating through a network of over 150 superstores and supermarkets in Lombardy, Tuscany, Emilia Romagna, Piedmont, Veneto, Liguria and Lazio. Esselunga was founded in 1957 with the opening in Milan of the first supermarket in Italy. Today the company has over 23,000 employees and revenue of € 7.8 billion.*

Esselunga Group

Adjusted Financial Performance as of June 30, 2018 (€ million)

Income Statement	First Half 2018	%	First Half 2017	%
TOTAL SALES	3.911,7	+2,7	3.809,6	
ADJUSTED EBITDA	407,8	10,4%	319,4	8,4%
ADJUSTED OPERATING PROFIT	267,8	6,8%	218,7	5,7%
ADJUSTED NET INCOME	184,5	4,7%	147,8	3,9%

The adjustments to the **EBITDA, Operating Profit and Net Income** neutralize to the **recognition** at fair value of prize-giving promotions, whose impacts amount to € 21.1 million for the First Half 2018 and € 2.1 million for the First Half 2017.

Financial Performance as of June 30, 2018 - Not adjusted

Consolidated Income Statement and Net Debt (€ million)

Income Statement	First Half 2018	%	First Half 2017	%
TOTAL SALES	3.911,7	+2,7%	3.809,6	
EBITDA	386,7	9,9%	317,3	8,3%
EBIT	246,7	6,3%	216,6	5,7%
NET INCOME	169,3	4,3%	146,3	3,8%
NET DEBT	-724,0		-755,0	

Consolidated Balance Sheet (€ million)

BALANCE SHEET	As of June 30, 2018	As of June 30, 2017
Non-current assets	4.626,0	4.656,4
Current assets	1.446,5	1.459,9
Available for sale assets	0,0	6,6
TOTAL ASSETS	6.072,5	6.122,9
Shareholders' equity	2.994,1	2.819,8
Non-current liabilities	1.600,7	1.603,9
Current liabilities	1.477,7	1.699,2
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6.072,5	6.122,9

Consolidated Cash Flow Statement (€ million)

CASH FLOW STATEMENT	First Half 2018	First Half 2017
Cash Flow from operations	299,1	253,9
Cash Flow from investing activities	-136,8	-898,5
Cash Flow from financing activities	-14,9	-6,0
Income Tax paid	-23,9	-48,9
NET CASH FLOW	123,5	-699,5
NET DEBT AT THE BEGINNING OF THE YEAR	-847,5	-55,5
NET CASH FLOW DURING THE PERIOD	123,5	-699,5
NET DEBT AT THE END OF THE YEAR	-724,0	-755,0