First Half
Results 2020

Lisbon, July 29, 2020

Jerónimo Martins

The performance analysis in this release is presented under IFRS16. The Financial Statements excluding the effect of the IFRS16 are presented in Appendix 1 of this release.

In the midst of the pandemic, Biedronka delivered a strong performance with solid sales and EBITDA growth. Ara was heavily impacted by the lockdown restrictions still in force in Colombia. Performance of our banners in Portugal showing signs of improvement as containment measures are eased.

- CONSOLIDATED SALES were 4.6% up to €9.3 bn (+7.3% at constant exchanges rates) with LFL at 4.2%. In Q2 sales were down by 1.3% to €4.6 bn (+3.1% at constant exchange rates) with LFL at -0.7%
  - Biedronka – sales in local currency grew 10.9% (+8.7% in Q2), with LFL of 7.8% (+4.8% in Q2)
  - Hebe – sales in local currency increased 1.2% (-11.8% in Q2), with LFL at -14.8% (-26.6% in Q2)
  - Pingo Doce – sales decreased 2.9% (-8.8% in Q2), with LFL (excl. fuel) of -2.8% (-8.5% in Q2)
  - Recheio – sales declined 14.4% (-26.7% in Q2), with LFL of -14.5% (-26.9% in Q2)
  - Ara – sales in local currency grew 33.4% (+16.7% in Q2), with LFL of 16.6% (+1.1% in Q2)
- GROUP EBITDA decreased 4.9% (-2.7% at constant exchange rates) to €635 mn, impacted by additional costs related to the pandemic and the confinement measures in place for the last four months of the first half of the year
- NET PROFITS declined 36.2% to €104 mn (EPS of €0.17). Excluding Other Profits and Losses, EPS declined by 28.1%
- CASH FLOW stood at €-118 mn versus €152 mn in H1 19, influenced mainly by a calendar effect
- NET DEBT amounted to €2,150 mn. Excluding the capitalised operating leases, the Group ended June with a net cash position of c.€100 mn

MESSAGE FROM THE CHAIRMAN AND CEO

PEDRO SOARES DOS SANTOS

'The first six months of the year were marked by the disruption caused by the Covid-19 pandemic during the second quarter. Maintaining business continuity and supply chain stability in the midst of a crisis with no end at sight demanded from our teams extraordinary resilience, determination and commitment across the whole organization and in our stores and distribution centres in particular. A personal note of appreciation on our people's response.

We set common priorities for all Group's Companies while, at the same time, reinforcing local autonomy. This autonomy is important to respond effectively to the different containment policies and consumer behaviour in the countries where we operate. While focusing on the safety of teams and consumers, on protecting our supply chain and delivering quality products at low prices, each banner designed and implemented specific action plans.

In Poland, Biedronka responded to the challenges posed by the pandemic with remarkable decisiveness, combining agility, flexibility and resourcefulness. These qualities, together with well-targeted promotional campaigns, protected the company's profitability and increased its market share.

In Portugal, the economy suffered under the large weight of the stagnant tourism sector and the restrictions imposed on the retail sector. These factors had an immediate impact on the profitability of our business models.

In Colombia, the impact of confinement measures and restrictions on economic activity is still being felt, making it difficult to forecast the ongoing effect of the pandemic on the economy. This pandemic has developed differently from region to region in the country leading the government to respond with a decentralized approach that increased the complexity to our operation.

I am aware that the coming months will continue to be tough. The solid performance of our main business, the robustness of the Group's Balance Sheet and our teams' capacity to adjust reinforce my confidence that we will be able to navigate these troubled waters successfully. We continue to be guided by the strategic priorities that we defined and to which we are committed.'

Q2 2020 UPDATE ON COVID-19 IMPACT

In March, with the detection of the first infectious cases in the countries where we operate, the Group activated its contingency plans in all geographies and adapted to the various lockdown measures. The Group's Executive Team, in close coordination with the Executive Teams of each Company, has since then provided ongoing support to operations, streamlining the decision-making process and allowing for the rapid adaptation of short-term action plans.

The priorities have remained unchanged since the beginning of the health crisis. These priorities are the safety of our teams and of the consumers who visit us, the stability of the supply chain with particular attention to the most fragile suppliers and producers, and the ability to offer good quality products at low prices.

All Group Companies incurred additional operating costs related to the introduction of new and more frequent cleaning procedures for stores and distribution centres, as well as to daily-use equipment designed to protect our teams. In addition to these costs, the companies reinforced provisions for trade receivables and stocks with increased risk. These provisions are included in Other Losses and Profits. In the six-month period the combination of all these additional costs is estimated at c. €32 mn.

Below the reaction of the Group Companies to the evolution of the pandemic and the sanitary policies implemented in different geographies is summarized.

In **Poland**, measures to restrict the circulation of people were gradually lifted during Q2. A limit of three customers per checkout was imposed until April 19, which was then eased to one customer per 15sqm between April 20 and May 29. This limit was lifted on May 30.

Biedronka reacted swiftly to the evolution of confinement measures, adapting time schedules and launching campaigns designed to attract consumers.

Hebe has been materially impacted since March due to the more discretionary nature of its products, despite the growth registered in its e-commerce channel.

Store traffic has been recovering since April, as the country committed to relaunching its economy and the number of people circulating in the streets gradually increased. However, overall consumer traffic remains lower than in 2019 with consumers visiting the stores less frequently and buying more in each visit. The fact that there are still many people working from home also contributes to more planned, less frequent visits.

In Poland, the consumer's preference for proximity shopping remained a dominant trend, supported by the initiatives developed by Biedronka throughout the period.

In **Portugal**, the state of emergency was in place from March 19 to May 2, when it was replaced by a regime of civic duty to stay at home. Since May 3, the easing of the containment measures meant that the limit on the number of customers inside the stores increased from four to five per 100sqm. The Government maintained, however, until July 31, the declaration of a state of alert throughout the national territory. This state of alert is aggravated in the Lisbon area, where the contingency state is in force, with 19 parishes declared to be in a state of calamity. In this region, on the last week of June, stores had to close by 8pm.

Pingo Doce's restaurants reopened on May 18, with reduced capacity, in line with the lifting of restrictions in force until then.

The pandemic and its economic impact led consumers to trade down in their food purchases. At the same time, concerns about possible infections has led some consumers to reduce their frequency of purchase and to prefer stores with more space and fewer customers.

Pingo Doce's business model relies on high frequency of purchase and traffic which results in high sales density. These characteristics led the company to be particularly affected by the pandemic.

On May 18, the HoReCa channel started to reopen at a slow, gradual pace with many businesses still closed due to the almost complete absence of tourists over the last two months of the period.

In **Colombia**, the containment measures were reinforced in April and have been maintained throughout the quarter. Together with strict limits on the circulation of people, the mandatory curfew hours and the closure of commercial activity on certain days of the week, strongly impacted the food distribution sector throughout the quarter.

In the case of **Ara**, the mandatory containment measures led to a fall in trading hours in Q2 of c.30% relative to the same period last year.

The pandemic resulted in rapid growth in the acceptance of private label in the Colombian homes. This trend favours Ara, which has invested heavily in the development of its own brands. According to Nielsen, 94 percent of Colombian households have private label products in their pantries. Ara also invested in price, deepening the perception of competitiveness in the eyes of a consumer who is strongly pressured in its disposable income.

OUTLOOK 2020

Throughout Q2, we confirmed the resilience and strength of Biedronka. The company adapted swiftly to market circumstances, creating very attractive opportunities to reinforce its relevance, keep its value proposition intact for the consumer and improve its competitive position.

Our main business will continue to strengthen its leadership and work to maintain the preference of the Polish consumers.

In Portugal, we are seeing a slow reactivation of the HoReCa channel and of the general consumption. The next months will be critical to better understand the extent of the economic impacts.

In an economy that is clearly weakening and for which a deep recession is expected, Pingo Doce and Recheio are focused on the attractiveness and competitiveness of their offers, anticipating the growing sensitivity of consumers and customers to price.

In Colombia, in parallel to the announced reopening plan, the President decreed the mandatory preventive quarantine throughout the national territory between the 16th of July and the 1st of August. At the same time, the government maintained the autonomy of the municipalities to open or to close economic activities depending on the evolution of the pandemic in their regions. The result is a complex local matrix that has been managed by Ara, taking advantage, as much as possible, from its regional organization. The company will continue to adjust its operations to the circumstances in order to mitigate the impacts on its profitability.

Our mission of guaranteeing access to essential quality food at low prices, in close proximity and in a safe shopping environment will remain the guiding thread of all our decisions.

It is now evident that this pandemic impacts all businesses and that this impact varies with the measures imposed by each country and the resilience of each consumer market. The uncertainty about the dynamics of the pandemic remains very high. It is too early to estimate its real impact on the world economy and in each of our geographies.

For this reason we do not restate guidance for 2020.

Jerónimo Martins

KEY PERFORMANCE FIGURES

CONSOLIDATED RESULTS

(Million Euro)	H1 20		H1 19		Δ	Q2 20		Q2 19		Δ
Net Sales and Services	**9,317**		**8,908**		**4.6%**	**4,601**		**4,661**		**-1.3%**
Gross Profit	2,032	21.8%	1,932	21.7%	5.1%	991	21.5%	1,006	21.6%	-1.4%
Operating Costs	-1,397	-15.0%	-1,265	-14.2%	10.4%	-666	-14.5%	-648	-13.9%	2.7%
EBITDA	**635**	**6.8%**	**667**	**7.5%**	**-4.9%**	**325**	**7.1%**	**357**	**7.7%**	**-8.8%**
Depreciation	-362	-3.9%	-352	-3.9%	2.7%	-179	-3.9%	-178	-3.8%	0.7%
EBIT	**273**	**2.9%**	**315**	**3.5%**	**-13.4%**	**147**	**3.2%**	**179**	**3.8%**	**-18.3%**
Net Financial Costs	-96	-1.0%	-78	-0.9%	22.9%	-33	-0.7%	-37	-0.8%	-12.1%
Gains in Joint Ventures and Associates	0	0.0%	0	0.0%	n.a.	0	0.0%	0	0.0%	n.a.
Other Profits/Losses	-20	-0.2%	-4	0.0%	n.a.	-16	-0.3%	-3	-0.1%	n.a.
EBT	**157**	**1.7%**	**234**	**2.6%**	**-32.8%**	**98**	**2.1%**	**139**	**3.0%**	**-29.6%**
Income Tax	-54	-0.6%	-60	-0.7%	-9.7%	-32	-0.7%	-32	-0.7%	0.6%
Net Profit	**103**	**1.1%**	**174**	**2.0%**	**-40.7%**	**66**	**1.4%**	**108**	**2.3%**	**-38.6%**
Non-Controlling Interests	1	0.0%	-11	-0.1%	n.a.	3	0.1%	-6	-0.1%	n.a.
Net Profit Attributable to JM	**104**	**1.1%**	**163**	**1.8%**	**-36.2%**	**69**	**1.5%**	**101**	**2.2%**	**-31.5%**
EPS (€)	0.17		0.26		-36.2%	0.11		0.16		-31.5%
EPS without Other Profits/Losses (€)	0.19		0.26		-28.1%	0.13		0.16		-21.1%

BALANCE SHEET

(Million Euro)	H1 20	2019	H1 19
Net Goodwill	627	641	641
Net Fixed Assets	3,914	4,140	3,918
Net Rights of Use (RoU)	2,167	2,318	2,341
Total Working Capital	-2,416	-2,793	-2,504
Others	7	94	98
Invested Capital	**4,299**	**4,400**	**4,495**
Total Borrowings	734	732	677
Financial Leases	14	17	19
Capitalised Operating Leases	2,249	2,368	2,359
Accrued Interest	1	3	4
Cash and Cash Equivalents	-848	-949	-546
Net Debt [1]	**2,150**	**2,172**	**2,513**
Non-Controlling Interests	238	254	234
Share Capital	629	629	629
Reserves and Retained Earnings	1,283	1,346	1,118
Shareholders Funds	**2,150**	**2,229**	**1,982**

[1] Net Debt amount was restated in 2019. Cash in hand previously considered in Total Working Capital was restated to Cash and Cash Equivalents heading.

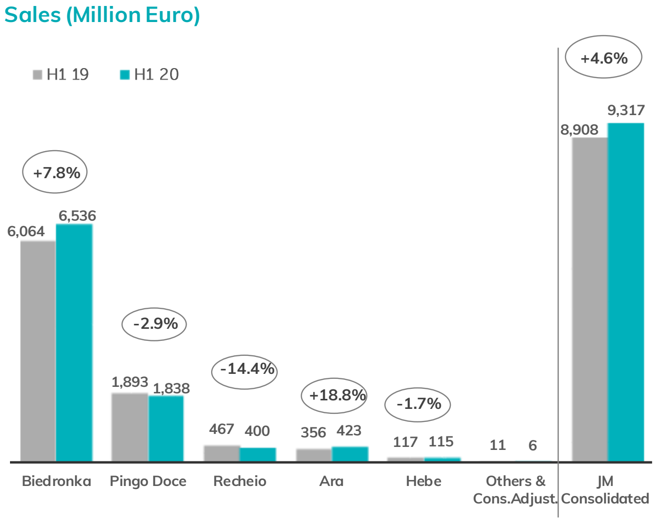
CASH FLOW

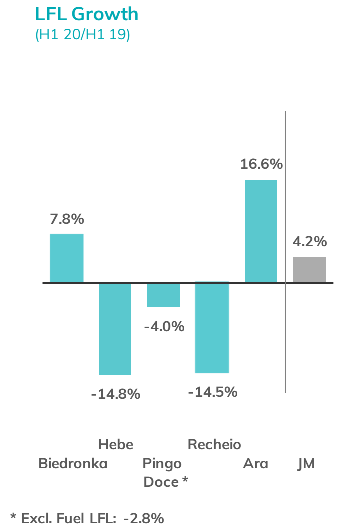
(Million Euro)	H1 20	H1 19
EBITDA	635	667
Capitalised Operating Leases Payment	-136	-130
Interest Payment	-77	-79
Other Financial Items	0	0
Income Tax	-97	-86
Funds From Operations	**325**	**371**
Capex Payment	-289	-262
Change in Working Capital	-137	45
Others	-17	-2
Cash Flow	**-118**	**152**

SALES PERFORMANCE

Group sales were €9.3 bn, 4.6% above H1 19 (+7.3% at constant exchange rates), with LFL of 4.2%. In Q2, sales reached €4.6 bn, 1.3% below Q2 19 (+3.1% at constant exchange rates) with LFL at -0.7%.

Biedronka's strong performance more than compensated for the decline of sales in Portugal and the pressure from the devaluation of the Polish zloty and the Colombian peso.





In **Poland**, consumers, although more restrained than before the pandemic, remained responsive to strong value proposals that combine good quality and a competitive price.

The country's food inflation went from 7.7% in the Q1 to 6.4% in the Q2.

The gap between **Biedronka**'s basket inflation and the country's food inflation was more pronounced in the second quarter of the year.

The company adapted swiftly to the market conditions in April and May. It extended opening hours and implemented an assertive commercial strategy. These measures resulted in sales growth in Q2 of 8.7% in local currency with LFL at 4.8%. In H1, sales increased by 10.9% with LFL at 7.8%. The market share increased throughout the period. This increase accelerated in Q2.

In euro terms, Biedronka sales in H1 grew 7.8% to €6.5 bn (+3.4% to €3.3 bn in Q2).

In the six-month period, Biedronka opened 34 new locations (29 net additions) and carried out 71 remodellings. Although the construction of new stores was suspended at the beginning of the pandemic, Biedronka finalized all the projects it had already started. Since the end of May, the company resumed the implementation of the projects in its pipeline.

Hebe recorded sales of €115 million, a reduction of 1.7% versus H1 19 (+1.2% in local currency). These results were greatly impacted by the performance in Q2 with sales down 16.6% (-11.8% in local currency). In June, the situation improved with shopping centres and high streets beginning to recover some traffic.

Hebe has been positioning itself as a recognised Beauty operator and under this strategic vision the pharmacy area has been losing relevance in the Company. As such, it was decided to close the 48 stores that operate exclusively as pharmacies (20 of which operate inside Hebe's stores) and with a weight in sales at c. 10% in 2019.

In **Portugal**, consumer trends were positive at the beginning of the year but there were clear signs of trading down and less dynamism throughout Q2. Food inflation was 2.0% in the period (+3.1% in Q2).

Pingo Doce, with its high number of visits and high sales density, was particularly affected by the limits imposed on the number of customers inside the stores. The company posted a sales reduction of 2.9% in the period with LFL (excluding fuel) of -2.8%. This performance reflects the impact of the Q2 with sales falling 8.8% and LFL (excluding fuel) standing at -8.5%. The LFL (excluding fuel) in April was particularly penalized at c.-16%.

The banner opened three new locations in H1 and carried out six renovations.

Recheio recorded sales of €400 mn, -14.4% compared to H1 19, with LFL standing at -14.5%. In Q2, sales fell by 26.7% with LFL reaching -26.9%. This performance results from the shut down until May 17 of the HoReCa channel, which represents c.35% of Recheio's sales. The negative trend eased in June with the progressive reopening of restaurants and hotels throughout the country. Most reopenings, particularly in hotels, occurred already in the second half of this year, after July 1.

In **Colombia**, the year began with a favourable economic environment. Ara's performance has been greatly impacted since April by the containment measures related to the pandemic. These measures remained in force throughout the quarter and were extended until the end July.

Ara increased sales, by 33.4%, in local currency, with LFL of 16.6%. In euro terms, sales increased by 18.8% to €423 mn. Despite the challenging environment, Q2 sales in local currency grew by 16.7% (+0.5% in euros) with LFL of 1.1%. The company was strongly impacted by mandatory closures that resulted in a 30% reduction in trading hours. The banner opened 23 stores in the six-month period (15 net additions). The company has resumed the implementation of new projects in its pipeline at the end of Q2. However, the pace of the expansion is very slow due to the restrictive measures imposed on the construction sector in response to the sanitary crisis.

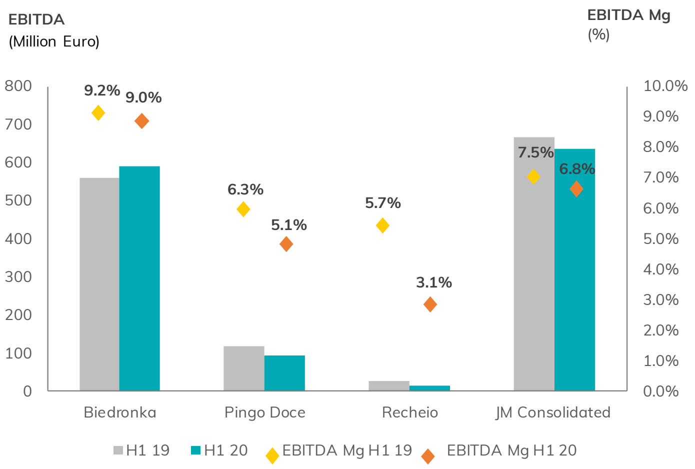
RESULTS PERFORMANCE

The Group's **EBITDA** reached €635 mn, 4.9% below H1 19. At constant exchange rates, EBITDA fell by 2.7%. The respective margin was 6.8% (7.5% in H1 19).

This performance was impacted by the operational deleveraging of the businesses which registered pressure on sales during Q2.

Over the six months, the estimated direct costs incurred across the banners in the context of the pandemic amounted, at the EBITDA level, to c.€29 mn.

EBITDA & EBITDA Margin (IFRS16)



Biedronka recorded EBITDA of €589 mn, an increase of 5.1% (+8.1% at constant exchange rate).

The EBITDA margin was 9.0% versus 9.2% in the same period of last year. The banner, with a reinforced cost discipline and solid sales growth, has managed to mitigate the impact of the increased costs of running the operation in the context of the pandemic while maintaining a relevant promotional dynamic and investing in the attractiveness of its proposal.

Pingo Doce recorded EBITDA of €94 mn, 21.0% below H1 19 with a margin of 5.1% versus 6.3% in H1 19. This margin reduction reflects the additional costs related with COVID-19, and the lower cost dilution resulting from the negative sales performance, particularly in April.

Recheio reached an EBITDA of €13 mn, 53.1% below the previous year as a result of the drop in sales. The EBITDA margin was 3.1% (5.7% in H1 19).

Hebe's EBITDA amounted to €4 mn, in line with that recorded in H1 19, with the negative impact of the pandemic on sales evolution preventing a positive progression of the margin.

Ara, after the very strong start of the year, operated in a context heavily impacted by the pandemic in Colombia, particularly in the last three months of the period.

In H1 20, the banner recorded a reduction in EBITDA losses from €20 mn in H1 19 to €19 mn in H1 20, which also reflects the devaluation of the Colombian peso. In Q2, with the significant slowdown in LFL growth not allowing for cost dilution and the weight of additional costs to manage the operation safely in the context of COVID-19 and of the restriction in place, there was an increase in losses generated at EBITDA level to €-16 mn from €-8 mn in Q2 19.

Net financial costs were €96 mn versus €78 mn in H1 19. These costs include the recognition of currency translation losses in the amount of €14 mn, related to value adjustments in the capitalization[1] of operating leases in Poland denominated in euros.

Other profits and losses were €-20 mn, including restructuring costs and write-offs related to the closure of Ara' stores and Hebe's pharmacies and the increase of provisions for trade receivable and stocks depreciation in the context of the pandemic.

The Group's **capex** (excluding rights of use acquired in accordance with IFRS16) was €142 mn, of which about 43% was allocated to Poland.

Cash flow generated in the period was €-118 mn, mainly impacted by a calendar effect.

The **net cash position**, excluding capitalized operating leases, was c.€100 mn.

+351 21 752 61 05
investor.relations@jeronimo-martins.com
Cláudia Falcão claudia.falcao@jeronimo-martins.com
Hugo Fernandes hugo.fernandes@jeronimo-martins.com

FINANCIAL CALENDAR

9M 2020 Results: 28 October 2020 (after the market close)

DISCLAIMER

[1] In the context of the IFRS16 adoption, the capitalized rents, related to lease contracts denominated in euros in Poland, are recognized as liabilities, translated at the exchange rate prevailing at the yearend reporting date (31 December 2019). According to this standard, the changes resulting from the difference in the exchange rate of each period have to be booked as financial costs/profits (Exchange differences in liabilities with leases), representing an accounting adjustment without impact on cash flow.

APPENDIX

1. Financial Statements

INCOME STATEMENT BY FUNCTIONS

(Million Euro)	IFRS16		Excl. IFRS16	
	H1 20	H1 19	H1 20	H1 19
Net Sales and Services	**9,317**	**8,908**	**9,317**	**8,908**
Cost of Sales	-7,285	-6,976	-7,285	-6,976
Gross Profit	**2,032**	**1,932**	**2,032**	**1,932**
Distribution Costs	-1,587	-1,467	-1,630	-1,505
Administrative Costs	-171	-150	-172	-151
Other Operating Profits/Losses	-20	-4	-20	-4
Operating Profit	**253**	**311**	**210**	**272**
Net Financial Costs	-96	-78	-18	-16
Gains/Losses in Other Investments	0	0	0	0
Gains in Joint Ventures and Associates	0	0	0	0
Profit Before Taxes	**157**	**234**	**192**	**257**
Income Tax	-54	-60	-60	-63
Profit Before Non Controlling Interests	**103**	**174**	**132**	**193**
Non-Controlling Interests	1	-11	0	-12
Net Profit Attributable to JM	**104**	**163**	**132**	**181**

INCOME STATEMENT (Management View)

(Million Euro)	(Excl. IFRS16)					(Excl. IFRS16)				
	H1 20		H1 19		Δ	Q2 20		Q2 19		Δ
Net Sales and Services	**9,317**		**8,908**		**4.6%**	**4,601**		**4,661**		**-1.3%**
Gross Profit	2,032	21.8%	1,932	21.7%	5.1%	991	21.5%	1,006	21.6%	-1.4%
Operating Costs	-1,597	-17.1%	-1,461	-16.4%	9.3%	-764	-16.6%	-748	-16.0%	2.1%
EBITDA	**435**	**4.7%**	**471**	**5.3%**	**-7.7%**	**227**	**4.9%**	**257**	**5.5%**	**-11.8%**
Depreciation	-205	-2.2%	-195	-2.2%	5.2%	-102	-2.2%	-98	-2.1%	3.6%
EBIT	**230**	**2.5%**	**276**	**3.1%**	**-16.8%**	**125**	**2.7%**	**159**	**3.4%**	**-21.3%**
Net Financial Costs	-18	-0.2%	-16	-0.2%	14.5%	-9	-0.2%	-8	-0.2%	11.2%
Gains in Joint Ventures and Associates	0	0.0%	0	0.0%	n.a.	0	0.0%	0	0.0%	n.a.
Other Profits/Losses	-20	-0.2%	-4	0.0%	n.a.	-16	-0.3%	-3	-0.1%	n.a.
EBT	**192**	**2.1%**	**257**	**2.9%**	**-25.4%**	**101**	**2.2%**	**149**	**3.2%**	**-32.1%**
Income Tax	-60	-0.6%	-63	-0.7%	-5.9%	-33	-0.7%	-33	-0.7%	-2.1%
Net Profit	**132**	**1.4%**	**193**	**2.2%**	**-31.8%**	**68**	**1.5%**	**116**	**2.5%**	**-40.8%**
Non-Controlling Interests	0	0.0%	-12	-0.1%	n.a.	3	0.1%	-7	-0.1%	n.a.
Net Profit Attributable to JM	**132**	**1.4%**	**181**	**2.0%**	**-27.2%**	**71**	**1.5%**	**109**	**2.3%**	**-34.5%**
EPS (€)	0.21		0.29		-27.2%	0.11		0.17		-34.5%
EPS without Other Profits/Losses (€)	0.23		0.29		-20.1%	0.13		0.17		-24.8%

BALANCE SHEET

(Million Euro)	(Excl. IFRS16)		
	H1 20	2019	H1 19
Net Goodwill	627	641	641
Net Fixed Assets	3,914	4,140	3,918
Total Working Capital	-2,411	-2,788	-2,499
Others	-7	86	95
Invested Capital	**2,123**	**2,079**	**2,155**
Total Borrowings	734	732	677
Financial Leases	14	17	19
Accrued Interest	1	3	4
Cash and Cash Equivalents	-848	-949	-546
Net Debt [1]	**-99**	**-196**	**154**
Non-Controlling Interests	242	257	236
Share Capital	629	629	629
Reserves and Retained Earnings	1,351	1,389	1,136
Shareholders Funds	**2,222**	**2,275**	**2,001**

[1] Net Debt amount was restated in 2019.
Cash in hand previously considered in Total Working Capital was restated to Cash and Cash Equivalents heading.

CASH FLOW

	(Excl. IFRS16)	
(Million Euro)	**H1 20**	**H1 19**
EBITDA	435	471
Interest Payment	-14	-13
Other Financial Items	0	0
Income Tax	-97	-86
Funds From Operations	**325**	**372**
Capex Payment	-289	-262
Change in Working Capital	-137	45
Others	-17	-2
Cash Flow	**-118**	**152**

EBITDA BREAKDOWN

(Million Euro)	IFRS16				Excl. IFRS16			
	H1 20	Mg	H1 19	Mg	H1 20	Mg	H1 19	Mg
Biedronka	589	9.0%	560	9.2%	453	6.9%	428	7.1%
Pingo Doce	94	5.1%	118	6.3%	62	3.4%	86	4.5%
Recheio	13	3.1%	27	5.7%	10	2.5%	23	5.0%
Ara	-19	n.a.	-20	n.a.	-36	n.a.	-37	n.a.
Hebe	4	3.4%	4	3.8%	-7	n.a.	-5	n.a.
Others & Cons. Adjustments	-46	n.a.	-23	n.a.	-47	n.a.	-24	n.a.
JM Consolidated	**635**	**6.8%**	**667**	**7.5%**	**435**	**4.7%**	**471**	**5.3%**

FINANCIAL RESULTS

(Million Euro)	IFRS16		Excl. IFRS16	
	H1 20	H1 19	H1 20	H1 19
Net Interest	-11	-12	-11	-12
Interests on Capitalised Operating Leases	-63	-66	-	-
Exchange Differences	-19	3	-4	-1
Others	-3	-3	-3	-3
Financial Results	**-96**	**-78**	**-18**	**-16**

SALES BREAKDOWN

(Million Euro)	H1 20		H1 19		Δ %		Q2 20		Q2 19		Δ %	
		% total		% total	excl. FX	Euro		% total		% total	excl. FX	Euro
Biedronka	6,536	70.2%	6,064	68.1%	10.9%	7.8%	3,274	71.1%	3,167	67.9%	8.7%	3.4%
Pingo Doce	1,838	19.7%	1,893	21.3%		-2.9%	902	19.6%	988	21.2%		-8.8%
Recheio	400	4.3%	467	5.2%		-14.4%	185	4.0%	253	5.4%		-26.7%
Ara	423	4.5%	356	4.0%	33.4%	18.8%	188	4.1%	187	4.0%	16.7%	0.5%
Hebe	115	1.2%	117	1.3%	1.2%	-1.7%	51	1.1%	61	1.3%	-11.8%	-16.6%
Others & Cons. Adjustments	6	0.1%	11	0.1%		-51.8%	2	0.0%	6	0.1%		-63.5%
Total JM	**9,317**	**100%**	**8,908**	**100%**	**7.3%**	**4.6%**	**4,601**	**100%**	**4,661**	**100%**	**3.1%**	**-1.3%**

SALES GROWTH

	Total Sales Growth			LFL Growth		
	Q1 20	Q2 20	H1 20	Q1 20	Q2 20	H1 20
Biedronka						
Euro	12.6%	3.4%	7.8%			
PLN	13.2%	8.7%	10.9%	11.1%	4.8%	7.8%
Hebe						
Euro	14.6%	-16.6%	-1.7%			
PLN	15.2%	-11.8%	1.2%	-1.7%	-26.6%	-14.8%
Pingo Doce	3.5%	-8.8%	-2.9%	2.8%	-10.2%	-4.0%
Excl. Fuel	4.3%	-7.1%	-1.6%	3.5%	-8.5%	-2.8%
Recheio	0.2%	-26.7%	-14.4%	0.1%	-26.9%	-14.5%
Ara						
Euro	38.9%	0.5%	18.8%			
COP	52.3%	16.7%	33.4%	34.3%	1.1%	16.6%
Total JM						
Euro	11.0%	-1.3%	4.6%			
Excl. FX	12.0%	3.1%	7.3%	9.5%	-0.7%	4.2%

STORE NETWORK

Number of Stores	2019	Openings		Closings	H1 20	H1 19
		Q1 20	Q2 20	H1 20		
Biedronka	3,002	11	23	5	3,031	2,916
Hebe *	273	8	3	0	284	247
Pingo Doce	441	1	2	0	444	436
Recheio	42	0	0	0	42	42
Ara	616	19	4	8	631	557

* H1 20: 284 stores: 28 pharmacies and 256 drugstores (21 of which include a pharmacy)

Sales Area (sqm)	2019	Openings		Closings Remodellings	H1 20	H1 19
		Q1 20	Q2 20	H1 20		
Biedronka	2,021,345	8,394	16,694	-127	2,046,559	1,949,632
Hebe	66,805	2,109	703	0	69,617	59,826
Pingo Doce	513,272	102	2,496	0	515,870	510,035
Recheio	133,826	0	0	0	133,826	133,826
Ara	207,982	6,235	1,502	3,001	212,718	189,316

CAPEX

(Million Euro)	H1 20	Weight	H1 19	Weight
Biedronka	61	43%	114	48%
Distribution Portugal	45	32%	75	32%
Ara	9	6%	37	15%
Others	27	19%	13	5%
Total CAPEX	**142**	**100%**	**238**	**100%**

WORKING CAPITAL

(Million Euro)	IFRS16		Excl. IFRS16	
	H1 20	H1 19	H1 20	H1 19
Inventories	1,023	949	1,023	949
in days of sales	20	19	20	19
Customers	35	58	35	58
in days of sales	1	1	1	1
Suppliers	-2,873	-2,925	-2,873	-2,925
in days of sales	-56	-59	-56	-59
Trade Working Capital	**-1,814**	**-1,918**	**-1,814**	**-1,918**
in days of sales	**-35**	**-39**	**-35**	**-39**
Others	-601	-586	-597	-580
Total Working Capital [1]	**-2,416**	**-2,504**	**-2,411**	**-2,499**
in days of sales	**-47**	**-51**	**-47**	**-51**

[1] Cash in hand previously considered in Total Working Capital was restated to Cash and Cash Equivalents heading.

TOTAL BORROWINGS

(Million Euro)	H1 20	H1 19
Long Term Borrowings	**211**	**296**
as % of Total Borrowings	*28.8%*	*43.7%*
Average Maturity (years)	*3.6*	*2.2*
Short Term Borrowings	**523**	**381**
as % of Total Borrowings	*71.2%*	*56.3%*
Total Borrowings	**734**	**677**
Average Maturity (years)	*1.7*	*1.3*
% Total Borrowings in Euros	9.5%	7.4%
% Total Borrowings in Zlotys	46.4%	44.8%
% Total Borrowings in Colombian Pesos	44.1%	47.8%

2. Notes

Like For Like (LFL) sales: sales made by stores that operated under the same conditions in the two periods. Excludes stores opened or closed in one of the two periods. Sales of stores that underwent profound remodelling are excluded for the remodelling period (store closure).

Jerónimo Martins

3. Reconciliation Notes

INCOME SATEMENT

Following ESMA guidelines on Alternative Performance Measures from October 2015

Income Statement (Management View) **in this release**	**Consolidated Income Statement by Functions** (in Consolidated Financial Statements) **First Half 2020 Results**
Net Sales and Services	Net sales and services
Gross Profit	Gross profit
Operating Costs	Includes headings of Distribution costs; Administrative costs; Other operating costs, excluding the amount of €-361.5 mn related to Depreciations
EBITDA	
Depreciation	Value reflected in the note – Segments Reporting.
EBIT	
Net Financial Costs	Net financial costs
Gains in Joint Ventures and Associates	Gains (losses) in joint ventures and associates
Other Profits/Losses	Includes headings of Other operating profits/losses; Gains in disposal of business (when applicable) and Gains (losses) in other investments (when applicable)
EBT	
Income Tax	Income tax
Net Profit	
Non-Controlling Interests	Non-Controlling interests
Net Profit Attributable to JM	

BALANCE SHEET

Following ESMA guidelines on Alternative Performance Measures from October 2015

Balance Sheet in this release	Consolidated Balance Sheet (in Consolidated Financial Statements) First Half 2020 Results
Net Goodwill	Amount reflected in the heading of Intangible assets
Net Fixed Assets	Includes the headings Tangible and Intangible assets excluding the Net goodwill (€626.8 mn) and Financial leases (€14.7 mn)
Net Rights of Use (RoU)	Includes the heading of Net rights of use excluding the Financial leases (€14.7 mn)
Total Working Capital	Includes the headings Current trade debtors, Accrued income and Deferred costs; Inventories; Biological assets; Trade creditors, Accrued costs and Deferred income; Employee benefits; and also, the value of €-14.1 mn related to 'Others' due to its operational nature. Excludes the value of €-0.7 mn related to Interest accruals and deferrals (note - Net financial debt) and €-130.1 mn related to dividends attributed to JMH Shareholders (note - Trade creditors, Accrued costs and Deferred income)
Others	Includes the headings Investment property; Investments in joint ventures and associates; Other financial investments; Non-Current trade debtors, Accrued income and Deferred costs; Deferred tax assets and liabilities; Income tax receivable and payable; Provisions for risks and contingencies and €-130.1 mn related to dividends attributed to JMH Shareholders (note - Trade creditors, Accrued costs and Deferred income). Excludes the value of €-14.1 mn related to 'Others' due to its operational nature, as well as, when applicable, Collateral deposits associated with financial debt (note – Debtors, accruals and deferrals)
Invested Capital	
Total Borrowings	Includes the heading Borrowings current and non-current
Financial Leases	Value reflected in the headings of Lease liabilities current and non-current
Capitalised Operating Leases	Including the headings of Lease liabilities current and non-current deducted of liabilities with Financial leases (€14.1 mn)
Accrued Interest	Includes the heading Derivative financial instruments and the value of €-0.7 mn related to Interest accruals and deferrals (value reflected in note – Net financial debt)
Cash and Cash Equivalents	Includes the heading Cash and cash equivalents, as well as, when applicable, Collateral deposits associated with financial debt (note – Debtors, accruals and deferrals)
Net Debt	
Non-Controlling Interests	Non-Controlling interests
Share Capital	Share capital
Reserves and Retained Earnings	Includes the heading Share premium, Own shares, Other reserves and Retained earnings
Shareholders' Funds	

CASH FLOW

Following ESMA guidelines on Alternative Performance Measures from October 2015

Cash Flow in this release	Consolidated Cash Flow Statement (in Consolidated Financial Statements) First Half 2020 Results
EBITDA	Included in the heading of Cash generated from operations
Capitalised Operating Leases Payment	Included in the heading Leases paid
Interest Payment	Includes the headings of Loans interest paid, Leases interest paid and Interest received
Income Tax	Income tax paid
Funds from Operations	
Capex Payment	Includes the headings Disposal of tangible and intangible assets; Disposal of financial and investment property; Acquisition of tangible and intangible assets; Acquisition of financial investments and investment property. It also includes acquisitions of tangible assets classified as finance leases under previous regulations (€0.0 mn)
Change in Working Capital	Included in the heading of Cash generated from operations
Others	Includes the headings disposal of business (when applicable), being the remaining amount included in the heading Cash generated from operations
Cash Flow	