Q1 2020 additional financial information

As part of the quarterly information requirements included in the documentation in relation to the fall 2019 refinancings (cf. press release of 21st November 2019)

Friday 15th May, 2020

Highlights:

- **Good operational performance** in Q1 (EBITDA and working capital) translated into **higher cash-flows**, with change in cash and cash equivalent in Q1 2020 improved by +€250m in France compared to Q1 2019;
- **Strong liquidity in France** as at March 31st with over **€2.9bn** in cash and undrawn credit lines;
- **Ample headroom on covenants as of March 31st**: headroom of €925m in Gross Financial Debt for the Gross Financial Debt/EBITDA ratio and headroom of €485m in EBITDA for the EBITDA/Net finance costs ratio.

Financial information for the quarter ended 31st March, 2020:

(in M €, post-IFRS16)	France Retail + E-Commerce	LATAM	TOTAL
Revenues(1)	**4 338**	**3 955**	**8 294**
EBITDA(1)	**192**	**245**	**437**
(-) impact of leases (2)	*-170*	*-89*	*-259*
Adjusted Consolidated EBITDA including leases(1)	**22**	**156**	**178**

(1) Unaudited data, perimeter as defined in financing documentations with mainly Segisor accounted for within France Retail + E-commerce perimeter
(2) Interest paid on lease liabilities and repayment of lease liabilities as defined in the documentation

Consolidated net sales at €8.3bn, up +7.9% on an organic basis[1] and +6.4% on a same-store basis[1], including the impact on food consumption of the Covid-19 epidemic since mid-March. For additional information, please refer to the *Q1 Net Sales* press release dated 23 April 2020.

For "France Retail + E-commerce", EBITDA was up +€67m compared to Q1 2019 driven by the additional business generated since mid-March and the impact of the cost-savings plans. Latam EBITDA decreased by -€15m due to currency effects, while consolidated proforma EBITDA published by GPA increased by +2%. For additional information on Latam results, please refer to the *1Q20 Earnings release published* by GPA dated 13th of May 2020.

The impact of leases was €259m of which €170m was for the "France Retail + E-commerce" perimeter and €89m for the Latam perimeter.

Financial information on a last 12-month period ended 31st March, 2020:

(in M €, post-IFRS16)	France Retail + E-Commerce	LATAM	TOTAL
Revenues(1)	**18 252**	**16 326**	**34 579**
EBITDA(1)	**1 601**	**1 091**	**2 691**
(-) impact of leases (2)	*-654*	*-314*	*-968*
(i) Adjusted Consolidated EBITDA including leases(1)	**946**	**776**	**1 723**
(ii) Gross financial debt : Loans and borrowings(1)(3)	**6 409**	**3 046**	**9 455**
(iii) Cash and Cash Equivalent(1)(3)	**962**	**1 081**	**2 042**

(1) Unaudited data, perimeter as defined in financing documentations with mainly Segisor accounted for within France Retail + Ecommerce perimeter
(2) Interest paid on lease liabilities and repayment of lease liabilities as defined in the documentation
(3) Data as of 31st March, 2020

[1] *Organic and same-store changes exclude fuel and calendar effects. Net sales and total and organic growth are impacted by the store disposals and closures carried out in 2019*

As at 31st March 2020, the Group's liquidity within the "France + E-commerce" perimeter was €2.9bn, with €962m of cash and cash equivalent and €1.98bn of undrawn confirmed credit lines.

Following the particularly **strong sales performance in March**, the Group's **working capital was improved** compared to the seasonal impact than is typically experienced in the first quarter of the year.

Within the "**France Retail + E-commerce" perimeter**, **change in cash and cash equivalent during Q1 2020 improved** by €250m compared to the change recorded in Q1 2019 as a result of the increase in EBITDA and the positive impact of sales and inventory management on working capital. As at March 31st, 2020, €350m of confirmed credit lines were drawn and €60m commercial papers were outstanding (compared to no drawn confirmed credit lines and €423m commercial papers outstanding as of 31st March, 2019).

In France, the €257m March 2020 bonds were redeemed at maturity using the Segregated account (€193m) and available cash (€64m), and not refinanced.

Additional information regarding covenants and segregated accounts:

Covenants tested as from March 31st 2020 pursuant to the €2bn Revolving Credit Facility dated 18 November 2019	
Type of covenant (France and E-commerce)	Level as at March 31st 2020
Gross Financial Debt / Adjusted EBITDA(1) < 7.75x(2)	6.77x
Adjusted EBITDA(1) / Net finance costs > 2.25x	4.61x

(1) Adjusted Consolidated EBITDA including leases
(2) 7.75x at 31 March 2020, 7.50x at 30 June 2020, 7.25x at 30 September 2020, 5.75x at 31 December 2020, 6.50x at 31 March 2021, 6.00x at 30 June 2021 and 30 September 2021, and 4.75x as from 31 December 2021.

Covenant metrics tested as of end March 2020 do not yet reflect the impact of the Leader Price and Vindemia disposals, which represent a combined positive impact of c.1 turn on leverage.

The Group confirms that €192.7m was debited from the Segregated Account during the Financial Quarter ended 31st March 2020 in order to repay part of March 2020 bond maturity and its balance stood at €0 as at March 31st 2020.

No cash has been credited or debited from the Bond Segregated Account and its balance remained at €0.

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