JERÓNIMO MARTINS

1ST QUARTER CONSOLIDATED REPORT 2013

Unaudited

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I. CONSOLIDATED MANAGEMENT REPORT

Message from the CEO – Pedro Soares dos Santos

'The performance of the Group's companies in the first quarter of 2013 marked a good start to the year.

Biedronka increased sales by 20% and strengthened its market leadership. EBITDA of the Company increased by 23%.

In Portugal, Pingo Doce increased sales by 5.3% and maintained its competitive strength, which supported the solid performance in the first three months of the year.

In Colombia the initial consumer's response to the first store openings is promising and confirms the opportunity we identified in the country.

The first quarter of the year, in line with our best expectations, provides a good basis for achieving another year of growth as we committed.'

1. Sales Analysis

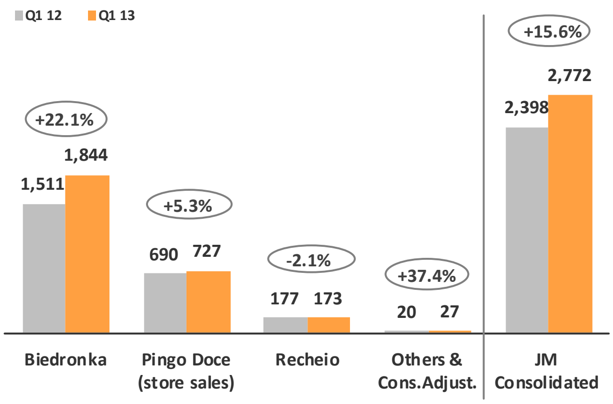
Net Sales and Services

(Million Euro)	Q1 13		Q1 12 (*)		Δ %	
		% total		% total	Pln	Euro
Biedronka	1,844	66.5%	1,511	63.0%	20.1%	22.1%
Pingo Doce (store sales)	727	26.2%	690	28.8%		5.3%
Recheio	173	6.3%	177	7.4%		-2.1%
Mkt. Repr. and Rest. Serv.	18	0.7%	18	0.8%		0.9%
Others & Cons. Adjustments	9	0.3%	2	0.1%		n.a.
Total JM	**2,772**	**100.0%**	**2,398**	**100.0%**		**15.6%**

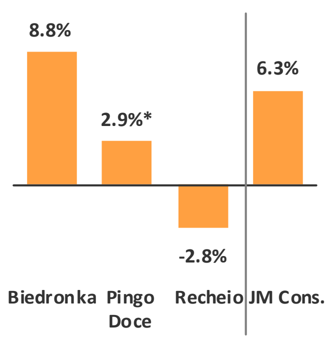
(*) Restated – see note 2 Chapter III

Consolidated sales reached €2,771.7m, a growth of 15.6% on the first three months of the previous year, as a result of the like-for-like (LFL) growth of 6.3%, the contribution from new stores and a small benefit from the appreciation of the zloty compared to 1st quarter of 2012. Excluding the effect of exchange rates, consolidated sales increased by 14.4%.

Sales (Million Euro)



LFL Growth (Q1 13/Q1 12)



* Ex-petrol LFL: 3.7%

In Poland food retail sales grew by 3.7% in the first quarter.

Biedronka achieved a strong LFL growth of 8.8% in the quarter, including a positive calendar impact estimated at 1p.p.. Both basket and number of visits contributed to this performance, with a basket growth of c.6%.

The new fresh focus rollout completed in September 2012 continues to drive the strong performance of the fruit, vegetables, delicatessen and bakery categories. Non-food campaigns, which were reduced during the store refurbishments in 2012, also contributed strongly to the top line growth.

Biedronka has maintained its price leadership and continued with the in&out campaigns re-started in 4th quarter of 2012.

Total sales of the Company grew 20.1% in local currency (+22.1% in Euro).

The expansion plan remains a top priority in Poland and, despite the bad weather that delayed some store openings, Biedronka opened 22 stores in the quarter and the plan remains to open 290 stores in 2013.

In Portugal the environment remained difficult and food retail sales continued to decline with a c.1% contraction in January and February 2013.

Pingo Doce continued with the promotional activity initiated in May 2012 which has reinforced the banner's competitive position. In the first quarter of 2013, Pingo Doce achieved a LFL sales growth of 3.7% (excl. fuel), with total store sales growing by 5.8% (excl. fuel). The sales growth registered in the quarter is a positive sign that the strategy implemented from May last year continues to work.

Recheio's sales were down by 2.1%, as a result of a strong contraction of the market, a trend that was already visible progressively during 2012.

In **Colombia**, Ara inaugurated its 5 initial stores and a distribution centre to support operations in the first region. It is too soon to draw too many conclusions after just a few weeks of operations, and the initial acceptance of the model by consumers is encouraging.

2. Results Analysis

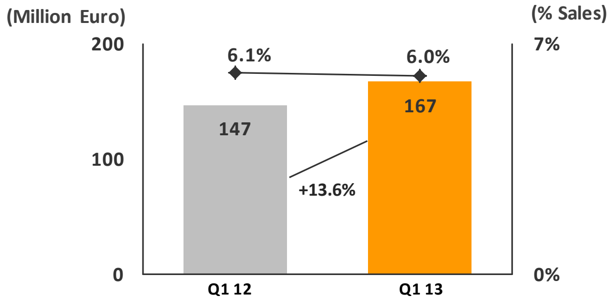
Net Consolidated Profit

(Million Euro)	Q1 13		Q1 12 (*)		Δ
Consolidated Sales	**2,772**		**2,398**		**15.6%**
Total Margin	595	21.5%	533	22.2%	11.5%
Operating Costs	-428	-15.4%	-387	-16.1%	10.7%
EBITDA	**167**	**6.0%**	**147**	**6.1%**	**13.6%**
Depreciation	-60	-2.2%	-55	-2.3%	9.1%
EBIT	**106**	**3.8%**	**91**	**3.8%**	**16.3%**
Financial Results	-11	-0.4%	-5	-0.2%	115.9%
Profit in Associated Companies	2	0.1%	3	0.1%	-9.2%
Non-Recurrent Items	-1	0.0%	-1	0.0%	0.1%
EBT	**97**	**3.5%**	**89**	**3.7%**	**10.1%**
Taxes	-20	-0.7%	-19	-0.8%	8.7%
Net Profit	**77**	**2.8%**	**70**	**2.9%**	**10.5%**
Non Controlling Interests	-2	-0.1%	-2	-0.1%	14.6%
Net Profit attributable to JM	**75**	**2.7%**	**68**	**2.8%**	**10.4%**
EPS (€)	0.12		0.11		10.4%

(*) Restated – see note 2 Chapter III

Operating Profit

Consolidated EBITDA grew by 13.6% to €166.8m, and the EBITDA margin was 6.0%, 10bps down on the previous year's quarter due to €10m of start-up costs in Ara and Hebe and to the price investment in Portugal that started in May 2012, almost fully offset by the increased profitability of Biedronka.



In Poland, Biedronka's EBITDA margin improved due to operational leverage and tight cost management, driving the Company's EBITDA increase of 23.2% in local currency (+24.8% in Euros), reaching €132.3m.

EBITDA generated in Distribution in Portugal reached €46.5m, in line with the prior year's quarter, with the price investment in Pingo Doce offset by cost savings.

Financial Result

Financial charges for the Group were €10.6m, with the increase on the previous year's quarter mainly due to exchange rate differences which were positive in 1st quarter of 2012 and negative in this quarter, and lower interest income following the extraordinary dividend paid in December 2012.

Net Result

Net Profit attributable to Jerónimo Martins increased by 10.4% to €75.3m (+10.8% excluding non-recurring items).

3. Balance Sheet

(Million Euro)	Q1 13	2012 (**)	Q1 12 (**)
Net Goodwill	646	655	649
Net Fixed Assets	2,712	2,711	2,498
Total Working Capital *	-1,598	-1,615	-1,698
Others *	71	72	97
Invested Capital	**1,831**	**1,823**	**1,546**
Total Borrowings	648	660	676
Leasings	14	18	33
Accrued Interest	13	15	25
Marketable Sec. & Bank Deposits	-404	-372	-551
Net Debt	**271**	**321**	**182**
Non Controlling Interests	291	290	301
Share Capital	629	629	629
Reserves and Retained Earnings	639	582	433
Shareholders Funds	**1,560**	**1,502**	**1,364**
Gearing	*17.4%*	*21.4%*	*13.3%*

* Restated values - see details in consolidated management report appendix
** Restated - see note 2 Chapter III

Net consolidated debt reduced from €321m in December 2012 to €271m at the end of March 2013 and gearing was 17.4% (21.4% at the end of December 2012).

Investment Programme

The Group Capex was €99m in the quarter, of which 81% was invested in Biedronka.

Cash Flow

(Million Euro)	Q1 13	Q1 12
EBITDA	167	147
Net Interest Payment	-5	-3
Income Tax	-17	-9
Funds From Operations	**145**	**135**
Capex Payment	-119	-111
Working Capital Movement	28	-7
Others	0	0
Free Cash Flow	**54**	**17**

The cash flow generated in the period was €54m, well ahead of the previous year due to the growth of EBITDA and the positive working capital movement.

4. Outlook 2013

The strong start of 2013 confirms the competitive strength of our businesses in both Poland and Portugal.

Despite the fact that the environment is not improving in either market and competition remains intense, on the basis of our 1st quarter performance, we maintain the outlook for 2013 given in our 2012 results release, and expect double-digit sales growth for the Group (at constant currency) with EBITDA growing in line with sales.

Biedronka plans to open 290 stores and two Distribution Centres in the year. The new fresh focus layout together with the Company's strong commercial strategy are expected to support LFL growth ahead of the market.

In Portugal, Pingo Doce maintains its focus on increasing market share while at the same time advancing with a cost rationalisation programme in order to improve profitability progressively over the next few years. By the end of the year a new distribution centre will be completed.

In Colombia, we are on track to end the year with 30-40 stores.

The capex programme for 2013 is planned to be between €650-€700m, of which 70% is expected to be invested in Biedronka and c.€100m in Colombia.

Lisbon, 23rd April, 2013

The Board of Directors

II. CONSOLIDATED MANAGEMENT REPORT APPENDIX

1. Sales Growth

	Total Sales Growth Q1 13	LFL Sales Growth Q1 13
Biedronka		
Euro	22.1%	
PLN	20.1%	8.8%*
Pingo Doce	5.3%	2.9%**
Recheio	-2.1%	-2.8%

* Excluding days of closure for store layout conversion
** Ex-petrol LFL 3.7%

2. Stores Network

Number of Stores	2012	Openings Q1 13	Closings Q1 13	Network Q1 13	Network Q1 12
Biedronka	2,125	22	2	2,145	1,908
Pingo Doce	372	1	0	373	369
Recheio	41	0	0	41	41

Sales Area (sqm)	2012	Openings Q1 13	Closings/ Remodellings Q1 13	Network Q1 13	Network Q1 12
Biedronka	1,301,006	15,463	-1,310	1,317,779	1,136,315
Pingo Doce	452,588	1,183	0	453,771	449,024
Recheio	129,295	0	0	129,295	128,670

3. EBITDA Margin Breakdown

(% of sales)	Q1 13	% total	Q1 12	% total
Biedronka	7.2%	79.3%	7.0%	72.2%
Distribution Portugal	5.2%	27.9%	5.4%	32.0%
Others & Cons. Adjustments	n.a.	-7.2%	n.a.	-4.2%
JM Consolidated	**6.0%**	**100.0%**	**6.1%**	**100.0%**

4. Financial Costs Breakdown

(Million Euro)	Q1 13	Q1 12
Net Interest	-7	-5
Exchange Differences	-1	1
Others	-2	-1
Financial Results	**-11**	**-5**

5. Working Capital Adjustment

An adjustment was made in Working Capital eliminating the value of long-term assets that are not allocated to the operating units. In the Balance Sheet, these values are included in the line 'Others', keeping unchanged the Invested Capital value. Regarding the calculation of profitability ratios, the Operational Invested Capital (OIC) also reflects this adjustment.

6. Definitions

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);

Cash Flow per share: (Net Profit + Depreciation – Deferred tax – Non-recurrent items) / Number of Shares;

Gearing: Net Debt / Shareholder Funds.

7. Information Regarding Individual Financial Statements

In accordance with number 3 of article 10 of the Regulation number 5/2008 of the Portuguese Securities Market Commission (CMVM), the 1st Quarter Individual Financial Statements of Jerónimo Martins SGPS, S.A. will not be disclosed as they do not include significant information.

III. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT BY FUNCTIONS
FOR THE QUARTERS ENDED AT 31 MARCH 2013 AND 2012

Euro thousand

	Notes	2013	2012(*)
Sales and services rendered	3	2,771,701	2,397,682
Cost of sales	4	(2,177,000)	(1,864,250)
Gross profit		**594,701**	**533,432**
Distribution costs	5	(439,826)	(399,082)
Administrative costs	5	(48,557)	(42,936)
Exceptional operating profits/losses	8	(629)	(628)
Operating profit		**105,689**	**90,786**
Net financial costs	6	(10,606)	(4,913)
Profit in joint-ventures and associates		2,416	2,659
Profit before taxes		**97,499**	**88,532**
Income taxes	7	(20,168)	(18,555)
Profit before non-controlling interests		**77,331**	**69,977**
Attributable to:			
Non-controlling interests		2,077	1,813
Jerónimo Martins Shareholders		**75,254**	**68,164**
Basic and diluted earnings per share- Euros	15	0.1197	0.1085

To be read with the attached notes to the consolidated financial statements
(*) Restated – see note 2

JERÓNIMO MARTINS, SGPS, S.A.

CONSOLIDATED BALANCE SHEET AT 31 MARCH 2013, DECEMBER 2012 AND 1 JANUARY 2012

Euro thousand

	Notes	31 March 2013	31 December 2012 (*)	1 January 2012 (*)
Assets				
Tangible assets	9	2,573,015	2,571,705	2,276,309
Investment properties	9	49,320	49,336	52,128
Intangible assets	9	785,094	794,407	736,808
Investments in joint-ventures and associates	11	79,716	77,300	81,577
Available-for-sale financial assets	12	1,063	1,022	6,134
Trade debtors and deferred costs		96,220	96,351	85,393
Derivative financial instruments		-	-	10
Deferred tax assets		53,445	52,133	56,384
Total non-current assets		**3,637,873**	**3,642,254**	**3,294,743**
Inventories		501,497	474,056	370,210
Taxes receivable		24,080	47,652	27,784
Trade debtors, accrued income and deferred costs		206,496	232,677	151,589
Derivative financial instruments		220	-	-
Cash and cash equivalents	13	407,738	375,072	527,247
Total current assets		**1,140,031**	**1,129,457**	**1,076,830**
Total assets		**4,777,904**	**4,771,711**	**4,371,573**
Shareholders' equity and liabilities				
Share capital		629,293	629,293	629,293
Share premium		22,452	22,452	22,452
Own shares		(6,060)	(6,060)	(6,060)
Fair value and other reserves	14.1	34,053	52,125	(1,162)
Retained earnings		588,975	513,721	476,338
		1,268,713	**1,211,531**	**1,120,861**
Non-controlling interests		**290,910**	**290,395**	**300,824**
Total Shareholders' equity		**1,559,623**	**1,501,926**	**1,421,685**
Borrowings	16	535,198	570,781	385,452
Derivative financial instruments	10	8,955	10,977	8,785
Employee benefits		34,427	33,961	32,932
Deferred profits- state grants		879	885	910
Provisions for risks and contingencies	17	62,909	62,950	47,529
Deferred tax liabilities		113,304	118,285	104,528
Total non-current liabilities		**755,672**	**797,839**	**580,136**
Trade creditors, accrued costs and deferred income		2,210,768	2,232,472	1,932,835
Derivative financial instruments	10	2,620	4,958	4,038
Borrowings	16	127,236	107,406	328,320
Taxes payable		121,960	127,085	104,534
Deferred profits- state grants		25	25	25
Total current liabilities		**2,462,609**	**2,471,946**	**2,369,752**
Total Shareholders' equity and liabilities		**4,777,904**	**4,771,711**	**4,371,573**

To be read with the attached notes to the consolidated financial statements
(*) Restated – see note 2

JERÓNIMO MARTINS, SGPS, S.A.

CONSOLIDATED STATEMENT OF GAINS AND LOSSES RECOGNISED IN EQUITY

Euro thousand

	March 2013	March 2012(*)
Net profit	**77,331**	**69,977**
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Revaluation of fixed assets	-	-
Gain (loss) on joint-ventures and associates	-	-
	-	**-**
Items that may be reclassified to profit or loss		
Currency translation differences	(21,493)	50,641
Fair value of cash flow hedging	433	383
Fair value of available-for-sale financial assets	2,498	(4,911)
Fair value of hedging instruments on foreign operations	41	6
	(18,521)	46,119
Other comprehensive income	**(18,521)**	**46,119**
Total comprehensive income for the year	**58,810**	**116,096**
Attributable to:		
Non-controlling interests	1,628	1,857
Jerónimo Martins Shareholders	57,182	114,239
Total comprehensive income for the year	**58,810**	**116,096**

(*) Restated – see note 2

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Euro thousand

	Shareholders' equity attributable to Shareholders of Jerónimo Martins, SGPS, S.A.								
	Notes	**Share capital**	**Share premium**	**Own shares**	**Fair value and other reserves**	**Retained earnings**	**Total**	**Non-controlling interests**	**Shareholders' equity**
Balance sheet at 31 December 2011 (*)		**629,293**	**22,452**	**(6,060)**	**(1,162)**	**476,338**	**1,120,861**	**300,824**	**1,421,685**
Equity changes in 2012 (*)									
Currency translation differences in the 1st Quarter of 2012	14.1				50,641		50,641		50,641
Fair value of cash flow hedging	14.1				339		339	44	383
Fair value of hedging instruments on foreign operations	14.1				(4,911)		(4,911)		(4,911)
Fair value of available-for-sale financial assets	14.1				6		6		6
Other comprehensive income		-	-	-	46,075	-	46,075	44	46,119
Net profit in 1st Quarter of 2012		-	-	-	-	68,164	68,164	1,813	69,977
Total comprehensive income for the year		**-**	**-**	**-**	**46,075**	**68,164**	**114,239**	**1,857**	**116,096**
Dividends						(172,819)	(172,819)	(1,339)	(174,158)
Balance sheet at 31 March 2012 (*)		**629,293**	**22,452**	**(6,060)**	**44,913**	**371,683**	**1,062,281**	**301,342**	**1,363,623**
Balance sheet at 31 December 2012 (*)		**629,293**	**22,452**	**(6,060)**	**52,125**	**513,721**	**1,211,531**	**290,395**	**1,501,926**
Equity changes in 2013									
Currency translation differences in the 1st Quarter of 2013	14.1				(21,493)		(21,493)		(21,493)
Fair value of cash flow hedging	14.1				882		882	(449)	433
Fair value of hedging instruments on foreign operations	14.1				2,498		2,498		2,498
Fair value of available-for-sale financial assets	14.1				41		41		41
Other comprehensive income		-	-	-	(18,072)	-	(18,072)	(449)	(18,521)
Net profit in 1st Quarter of 2013		-	-	-	-	75,254	75,254	2,077	77,331
Total comprehensive income for the year		**-**	**-**	**-**	**(18,072)**	**75,254**	**57,182**	**1,628**	**58,810**
Dividends	14.2							(1,113)	(1,113)
Balance sheet at 31 March 2013		**629,293**	**22,452**	**(6,060)**	**34,053**	**588,975**	**1,268,713**	**290,910**	**1,559,623**

To be read with the attached notes to the consolidated financial statements

(*) Restated – see note 2

CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTERS ENDED AT 31 MARCH 2013 AND 2012

Euro thousand

	Notes	2013	2012 (*)
Operating activities			
Cash received from customers		3,127,060	2,672,362
Cash paid to suppliers and employees		(2,931,725)	(2,532,091)
Cash generated from operations		195,335	140,271
Interest paid		(5,922)	(6,718)
Income taxes paid		(16,828)	(8,822)
Cash flow from operating activities		**172,585**	**124,731**
Cash flow from investment activities		**(117,861)**	**(107,357)**
Cash flow from financing activities		**(17,136)**	**(9,819)**
Net changes in cash and cash equivalents		**37,588**	**7,555**
Cash and cash equivalents changes			
Cash and cash equivalents at the beginning of 1st Quarter		375,072	527,247
Net changes in cash and cash equivalents		37,588	7,555
Effect of currency translation differences		(4,922)	19,119
Cash and cash equivalents at the end of 1st Quarter	13	**407,738**	**553,921**

To be read with the attached notes to the consolidated financial statements
(*) Restated – see note 2

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1 Activity

Jerónimo Martins, SGPS, S.A. (JMH), is the parent Company of Jerónimo Martins Group (Group) and has its head office in Lisbon.

Jerónimo Martins Group is devoted to the production, distribution and sale of food and other fast moving consumer goods products. The Group operates in Portugal, Poland and Colombia.

Head Office: Largo Monterroio Mascarenhas, n.º1 – 9.º andar - 1099-081 Lisbon

Share Capital: 629,293,220 euros

Registered at the Commercial Registry Office of Lisbon and Tax Number: 500 100 144

JMH has been listed on Euronext Lisbon (ex-Lisbon and Oporto Stock Exchange) since 1989.

The Board of Directors approved these consolidated financial statements on 23rd April 2013.

2 Accounting policies

All amounts are shown in thousand euros (EUR thousand) unless otherwise stated.

The JMH consolidated financial statements were prepared in accordance with the interim financial reporting standard (IAS 34), and all other International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) and with the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Union.

The consolidated financial statements were prepared in accordance with the same standards and accounting policies adopted by the Group on the elaboration of the annual financial statements, including mainly an explanation of the events and relevant changes for the understanding of variations in the financial position and Group performance since the last annual report. Thus, some of the notes from the 2012 annual report are omitted because no changes occurred or they are not materially relevant for the understanding of the interim financial statements.

As mentioned in the Corporate Governance chapter of the 2012 Annual Report, the Company, as a result of its normal activity, is exposed to several risks which are monitored and mitigated throughout the year. During the first three months of 2013, there were no material changes in addition to these notes that could significantly change the assessment of the risks that the group is exposed to.

In relation to 2012, the European Union issued the following Regulations:

i) Regulation no. 183/2013, which adopted some improvements to IFRS 1 - First-time Adoption of International Financial Reporting Standards. The changes relate to the form of classification of loans received from governments. Their application is mandatory for financial years beginning on or after January 1, 2013;

ii) Regulation no. 301/2013, which adopted some improvements to standards IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34. Their application is mandatory for financial years beginning on or after January 1, 2013;

iii) Regulation no. 313/2013, which adopted some improvements to standards IFRS 10, IFRS 11 and IFRS 12, regarding Transition Guidance, providing transition relief. This improvement shall be applied at the latest, as from the commencement date of its first financial year starting on or after January 1, 2014.

The Group has adopted the above improvements during the year 2013, with no material impact on the Group's financial statements.

In 2012 the European Commission adopted several changes to International Accounting Standards issued by the IASB and Interpretations issued by the IFRIC.

In the new standard IFRS 11 'Joint arrangements', joint ventures are accounted for using the equity method, in accordance with IAS 28. The existing policy choice of proportional consolidation for jointly controlled entities has been eliminated. As consequence, the Group decided to adopt this standard and consolidate its interest in Unilever Jerónimo Martins and Gallo Worldwide using the equity method from 1 January, 2013 forward.

In order to have comparable financial information, the financial statements of the previous year were restated, as shown below:

CONSOLIDATED BALANCE SHEET

	1 January 2012		
	Published	**Change in consolidation method**	**Restated**
Assets			
Tangible assets	2,300,501	(24,192)	2,276,309
Investment properties	52,128	-	52,128
Intangible assets	830,620	(93,812)	736,808
Investments in joint-ventures and associates	1,052	80,525	81,577
Other non-current assets	149,531	(1,610)	147,921
Total non-current assets	**3,333,832**	**(39,089)**	**3,294,743**
Inventories	388,262	(18,052)	370,210
Other current assets	229,034	(49,661)	179,373
Cash and cash equivalents	530,155	(2,908)	527,247
Total current assets	**1,147,451**	**(70,621)**	**1,076,830**
Total assets	**4,481,283**	**(109,710)**	**4,371,573**
shareholders' equity and liabilities			
Attributable to Jerónimo Martins shareholders	**1,120,861**	**-**	**1,120,861**
Non-controlling interests	300,824	-	300,824
Total shareholders' equity	**1,421,685**	**-**	**1,421,685**
Borrowings	385,553	(101)	385,452
Other non-current liabilities	198,401	(3,717)	194,684
Total non-current liabilities	**583,954**	**(3,818)**	**580,136**
Borrowings	354,672	(26,352)	328,320
Other current liabilities	2,120,972	(79,540)	2,041,432
Total current liabilities	**2,475,644**	**(105,892)**	**2,369,752**
Total shareholders' equity and liabilities	**4,481,283**	**(109,710)**	**4,371,573**

	31 December 2012		
	Published	**Change in consolidation method**	**Restated**
Assets			
Tangible assets	2,600,230	(28,525)	2,571,705
Investment properties	49,336	-	49,336
Intangible assets	888,217	(93,810)	794,407
Investments in joint-ventures and associates	1,049	76,251	77,300
Other non-current assets	150,950	(1,444)	149,506
Total non-current assets	**3,689,782**	**(47,528)**	**3,642,254**
Inventories	495,661	(21,605)	474,056
Other current assets	331,378	(51,049)	280,329
Cash and cash equivalents	376,152	(1,080)	375,072
Total current assets	**1,203,191**	**(73,734)**	**1,129,457**
Total assets	**4,892,973**	**(121,262)**	**4,771,711**
shareholders' equity and liabilities			
Attributable to Jerónimo Martins shareholders	1,211,531	-	1,211,531
Non-controlling interests	290,395	-	290,395
Total shareholders' equity	**1,501,926**	**-**	**1,501,926**
Borrowings	570,825	(44)	570,781
Other non-current liabilities	230,387	(3,329)	227,058
Total non-current liabilities	**801,212**	**(3,373)**	**797,839**
Borrowings	**146,246**	**(38,840)**	**107,406**
Other current liabilities	**2,443,589**	**(79,049)**	**2,364,540**
Total current liabilities	**2,589,835**	**(117,889)**	**2,471,946**
Total shareholders' equity and liabilities	**4,892,973**	**(121,262)**	**4,771,711**

CONSOLIDATED INCOME STATEMENT BY FUNCTIONS

	31 March 2012		
	Published	**Change in consolidation method**	**Restated**
Sales and services rendered	2,439,935	(42,253)	2,397,682
Cost of sales	(1,888,301)	24,051	(1,864,250)
Gross profit	**551,634**	**(18,202)**	**533,432**
Distribution costs	(406,045)	6,963	(399,082)
Administrative costs	(49,832)	6,896	(42,936)
Exceptional operating profits/losses	(1,192)	564	(628)
Operating profit	**94,565**	**(3,779)**	**90,786**
Net financial costs	(5,223)	310	(4,913)
Profit in joint-ventures and associates	2	2,657	2,659
Profit before taxes	**89,344**	**(812)**	**88,532**
Income taxes	(19,367)	812	(18,555)
Profit before non-controlling interests	**69,977**	**-**	**69,977**
Attributable to:			
Non-controlling interests	1,813	-	1,813
Jerónimo Martins Shareholders	**68,164**	**-**	**68,164**

CONSOLIDATED CASH FLOW STATEMENT

	31 March 2012		
	Published	**Change in consolidation method**	**Restated**
Cash flow from operating activities	116,427	8,304	124,731
Cash flow from investment activities	(109,415)	2,058	(107,357)
Cash flow from financing activities	(1,227)	(8,592)	(9,819)
Net changes in cash and cash equivalents	5,785	1,770	7,555

2.1. Transactions in foreign currencies

Transactions in foreign currencies are translated into Euros at the exchange rate prevailing on the transaction date.

On the balance sheet date, monetary assets and liabilities expressed in foreign currencies are translated at the exchange rate prevailing on that date, and exchange differences arising from this conversion are recognised in the income statement. When qualifying as hedges on investments in foreign subsidiaries the exchange differences are deferred in equity.

The main exchange rates applied on the balance sheet date are those listed below:

Euro foreign exchange reference rates (foreign exchange units per 1 Euro)	**Rate on 31 March 2012**	**Average rate for the year**
Polish Zloty (PLN)	4.1804	4.1563
US Dollar (USD)	1.2822	-
Swiss Franc (CHF)	1.2195	-
Colombian Peso (COP)	2,335.2000	2,365.3000

3 Segment reporting

Management monitors the performance of the business based on a geographical and business nature. Due to the fact that the business units in the distribution area in Portugal share a set of competences, the Group analyses, on a quarterly basis, its segments in an aggregate performance perspective. In addition, the Group also separates the distribution business unit in Poland. Apart from these, there are also other businesses, but due to their low materiality they are not reported separately.

Business segments:

- Portugal Distribution: comprises the business unit of JMR (Pingo Doce supermarkets), the wholesale business unit Recheio;
- Poland Distribution: the business unit using the brand Biedronka;
- Others, eliminations and adjustments: includes i) the business units with low materiality (Marketing Services and Representations, Restaurants, Pharmacies and Drugstores in Poland and retail business in Colombia), ii) the Holding companies and iii) the Group's consolidation adjustments.

Management evaluates the performance of segments based on the Earnings Before Interest and Taxes (EBIT). This indicator excludes the effects of exceptional operating profits/losses.

Detailed information by segment at March 2013 and 2012

	Portugal Distribution		**Poland Distribution**		**Others, eliminations and adjustments**		**Total JM consolidated**	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Net sales and services	**901,177**	**868,368**	**1,844,415**	**1,510,755**	**26,109**	**18,559**	**2,771,701**	**2,397,682**
Inter-segments	49	42	337	180	(386)	(222)	-	-
External customers	901,128	868,326	1,844,078	1,510,575	26,495	18,781	2,771,701	2,397,682
Operational cash-flow (EBITDA)	**46,503**	**47,005**	**132,291**	**106,007**	**(11,999)**	**(6,163)**	**166,795**	**146,849**
Depreciations and amortisations	(27,589)	(28,197)	(31,792)	(26,654)	(1,096)	(583)	(60,477)	(55,434)
Operational result (EBIT)	**18,914**	**18,809**	**100,500**	**79,352**	**(13,096)**	**(6,747)**	**106,318**	**91,414**
Financial results							**(8,190)**	**(2,254)**
Net result attributable to JM							**75,254**	**68,164**
Total assets (1)	**2,268,761**	**2,248,157**	**2,353,163**	**2,363,014**	**155,980**	**160,540**	**4,777,904**	**4,771,711**
Total liabilities (1)	**1,611,841**	**1,577,916**	**1,531,125**	**1,589,349**	**75,315**	**102,520**	**3,218,281**	**3,269,785**
Investments in fixed assets	4,499	10,516	80,408	79,328	14,476	119	99,383	89,963

(1) The comparable amounts of total assets and liabilities are reported to 31 December 2012

Reconciliation between EBIT and the operational result of the income statement by functions

	March 2013	March 2012
EBIT	106,318	91,414
Exceptional operating profits/losses	(629)	(628)
Operational Result	**105,689**	**90,786**

Information by geographical segments at March 2013 and 2012

	Net sales and services	
	2013	**2012**
Portugal	914,016	881,446
Poland	1,856,448	1,516,236
Colombia	1,237	-
Total	**2,771,701**	**2,397,682**

4 Cost of sales

	March 2013	March 2012
Net cost of products sold	2,170,471	1,860,069
Net cash discount and interest paid to suppliers	1,714	(954)
Electronic payment commissions	3,262	3,968
Other supplementary costs	1,553	1,167
	2,177,000	**1,864,250**

5 Distribution and administrative costs

	March 2013	March 2012
Supplies and services	107,373	93,071
Advertising costs	13,222	13,189
Rents	65,133	56,376
Staff costs	206,306	190,664
Depreciations, amortisations and assets profit/loss	60,433	55,494
Transportation costs	34,065	31,705
Other operational profit/loss	1,851	1,519
	488,383	**442,018**

6 Net financial costs

	March 2013	March 2012
Interest expense	(7,618)	(7,743)
Interest received	479	2,865
Net foreign exchange	(1,001)	1,429
Other financial costs and gains	(2,466)	(1,462)
Fair value of financial investments held for trade:		
Derivative instruments	-	(2)
	(10,606)	**(4,913)**

The interest expense heading includes the interests regarding loans measured at amortised cost, as well as interest on fair value and cash flow hedging instruments (note 10).

Other financial costs and gains include costs with debt issued by the Group.

7 Income tax recognised in the income statement

	March 2013	March 2012
Current income tax		
Current tax of the year	(26,275)	(16,206)
Adjustment to prior year estimation	(102)	(51)
	(26,377)	**(16,257)**
Deferred tax		
Temporary differences created and reversed	6,057	(2,559)
Change to the recoverable amount of tax losses and temporary differences from previous years	8	261
	6,065	(2,298)
Other gains/losses related to taxes		
Impact of changes in estimates for tax litigations	144	-
	144	**-**
Total income taxes	**(20,168)**	**(18,555)**

8 Exceptional operating profits/losses

	March 2013	March 2012
Costs related with restructuring plans	(379)	(60)
Impairment of assets and write-off's	-	(439)
Others	(250)	(129)
	(629)	**(628)**

9 Fixed assets and investment property

	Tangible assets	Investment property	Intangible assets	Total
Net value at 31 December 2012	**2,571,705**	**49,336**	**794,407**	**3,415,448**
Foreign exchange differences	(34,042)	-	(11,138)	(45,180)
Increases	94,270	-	5,113	99,383
Disposals and write-offs	(1,650)	-	(1)	(1,651)
Transfers	1	-	(47)	(46)
Depreciation and impairment losses	(57,269)	-	(3,240)	(60,509)
Fair value changes	-	(16)	-	(16)
Net value at 31 March 2013	**2,573,015**	**49,320**	**785,094**	**3,407,429**

As a consequence of the currency translation adjustment of the assets in the Group's businesses in Poland:

- the Goodwill related to Poland business (Biedronka), totalling PLN 1,282,278 thousand, was updated negatively by EUR 8,011 thousand;
- the Goodwill related to Poland Pharmacies business (Bliska), totalling PLN 38,796 thousand, was updated negatively by EUR 242 thousand.

No valuations were made on the land allocated to operational activities, which are recognised at their market value.

10 Derivative financial instruments

	March 2013					December 2012				
	Notional	Assets		Liabilities		Notional	Assets		Liabilities	
		Current	Non current	Current	Non current		Current	Non current	Current	Non current
Derivatives held for trading										
Interest rate swap	10 millions EUR	-	-	-	197	10 millions EUR	-	-	-	197
Fair value hedging derivatives										
USD loan hedging	96 millions USD	-	-	-	657	96 millions USD	-	-	-	2,931
Cash flow hedging derivatives										
Interest rate swap (EUR)	550 millions EUR	-	-	525	8,101	315 millions EUR	-	-	526	7,849
Interest rate swap (PLN)	135 millions PLN	-	-	273	-	135 millions PLN	-	-	332	-
Investments in foreign entities hedging derivatives										
Interest rate swap (PLN)	1,173 millions PLN	220	-	1,822	-	918 millions PLN	-	-	4,100	-
Total derivatives held for trading		-	-	-	**197**		-	-	-	**197**
Total hedging derivatives		**220**	**-**	**2,620**	**8,758**		-	**-**	**4,958**	**10,780**
Total assets/liabilities derivatives		**220**	**-**	**2,620**	**8,955**		-	**-**	**4,958**	**10,977**

In March 2013 the values shown include interest receivable or payable related with these financial instruments that are due. The net payable amount is EUR 2,709 thousand.

11 Investments in joint-ventures and associates

During the 1st Quarter of 2013, the movement under this heading was as follows:

	March 2013
Opening balance	**77,300**
Equity method:	
Net result	2,416
Dividends received	-
Other comprehensive income	-
Closing balance	**79,716**

12 Available-for-sale financial assets

Regarding the financial assets available-for-sale, the increase of EUR 41 thousand relates to changes in the fair value of listed equity holdings, at the reporting date of these financial statements.

13 Cash and cash equivalents

	March 2013	December 2012
Bank deposits	297,240	250,523
Short-term investments	106,912	121,107
Cash and cash equivalents	3,586	3,442
	407,738	**375,072**

14 Capital and reserves

14.1 Fair value and other reserves

	Land revaluation reserves	Cash-flow hedging	Available-for-sale financial assets	Ajust. in joint--ventures and associates	Currency translation reserve	Total
Balance as at 1 January 2013	**85,197**	**(4,097)**	**(1,437)**	**4,248**	**(31,786)**	**52,125**
Fair value adjustment of financial investments:						
- Gross value		583			2,498	3,081
- Deferred tax		(150)				(150)
- Non-controlling interests		449				449
Fair value adjustment of available-for-sale financial instruments:						
- Gross value			41			41
Currency translation differences:						
- In the year	(765)	8			(21,114)	(21,871)
- Deferred tax	145	(2)			235	378
Balance as at 31 March 2013	**84,577**	**(3,209)**	**(1,396)**	**4,248**	**(50,167)**	**34,053**

	Land revaluation reserves	Cash-flow hedging	Available-for-sale financial assets	Ajust. in joint--ventures and associates	Currency translation reserve	Total
Balance as at 1 January 2012	**86,255**	**(5,114)**	**(1,313)**	**4,144**	**(85,134)**	**(1,162)**
Fair value adjustment of financial investments:						
- Gross value		488			(6,548)	(6,060)
- Deferred tax		(105)			1,637	1,532
- Non-controlling interests		(44)				(44)
Fair value adjustment of available-for-sale financial instruments:						
- Gross value			6			6
Currency translation differences:						
- In the year	2,288	(182)			49,426	51,532
- Deferred tax	(435)	35			(491)	(891)
Balance as at 31 March 2012	**88,108**	**(4,922)**	**(1,307)**	**4,144**	**(41,110)**	**44,913**

14.2 Dividends

Dividends in the amount of EUR 1,113 thousand were distributed and paid to non-controlling interests in the Group companies.

15 Basic and diluted earnings per share

	March 2013	March 2012
Ordinary shares issued at the beginning of the year	629,293,220	629,293,220
Own shares at the beginning of the year	859,000	859,000
Shares issued during the year	-	-
Weighted average number of ordinary shares	**628,434,220**	**628,434,220**
Diluted net result attributable to ordinary shares	75,254	68,164
Basic and diluted earnings per share – Euros	**0.1197**	**0.1085**

16 Borrowings

On March 2013, Jerónimo Martins,SGPS,S.A. exercised the early redemption call on the Commercial Paper in the amount of EUR 50.000 thousand, which was due to mature in March 2014.

16.1 Current and non-current loans

	March 2013	December 2012
Non-current loans		
Bank loans	50,000	85,000
Bond loans	481,396	480,029
Financial lease liabilities	3,802	5,752
	535,198	**570,781**
Current loans		
Bank overdrafts	9,215	2,774
Bank loans	55,327	39,987
Bond loans	52,500	52,500
Financial lease liabilities	10,194	12,145
	127,236	**107,406**

16.2 Financial debt

The net consolidated financial debt at the balance sheet date is as follows:

	March 2013	December 2012
Non-current loans (note 16.1)	535,198	570,781
Current loans (note 16.1)	127,236	107,406
Derivative financial instruments (note 10)	11,355	15,935
Interest on accruals and deferrals	1,638	(1,366)
Bank deposits (note 13)	(297,240)	(250,523)
Short-term investment (note 13)	(106,912)	(121,107)
	271,275	**321,126**

17 Provisions and adjustments to the net realisable value

	Opening balance	Set up and reinforced	Unused and reversed	Foreign exchange difference	Used	Closing balance
Doubtful debtors	18,689	618	(102)	(75)	(161)	18,969
Inventories	11,588	296	(590)	(139)	-	11,155
Available-for-sale financial investments	3,552	(41)	-	-	-	3,511
Short terms investments	57	-	-	-	-	57
Total fair value adjustments	**33,886**	**873**	**(692)**	**(214)**	**(161)**	**33,692**
Employee benefits	33,961	870	-	-	(404)	34,427
Provisions for risks and contingencies	62,950	800	(775)	(66)	-	62,909
Total of provisions	**96,911**	**1,670**	**(775)**	**(66)**	**(404)**	**97,336**

18 Contingencies

Following the contingencies mentioned in the 2012 Annual Report, changes occurred on the headings **a)**, **b)**, **d)**, **m)**, **r)** and **s)**, as well as a new one - **t)**, described below:

a) In 1999, as a result of the acquisition of two companies that held establishments previously owned by former franchisees of ITMI Norte-Sul Portugal – Sociedade de Desenvolvimento e Investimento, S.A., which together with Regional de Mercadorias – Sociedade Central de Aprovisionamento, S.A., filed a case against various Group companies, holding them liable for those ex-franchisees' alleged non-compliance with the contract they had signed with ITMI, demanding an indemnity payment of EUR 14,600 thousand. The court ruled in favour of the defendants, denying the plaintiff's claim. The plaintiff appealed to the Court of Appeal, which confirmed the ruling of the court. Subsequently the plaintiff filed an appeal to the Supreme Court of Justice, which decided that the Court of Appeal should look into the case again. The Court of Appeal re-analysed the case and decided again in favour of the defendants. The plaintiff filed a new appeal to the Supreme Court of Justice. The Board of Directors maintains its belief that the amount requested will probably not be granted;

b) Proherre Internacional, Lda. claimed an indemnity payment of EUR 2,500 thousand from Pingo Doce – Distribuição de Produtos Alimentares, S.A., alleging the termination of a lease agreement by Pingo Doce, without the minimum period agreed between the parties having elapsed. Pingo Doce contested this claim based on the fact that the lease was terminated through mutual agreement. The court has decided that Pingo Doce should indemnify the plaintiff in an amount slightly below the claimed amount (EUR 2,300 thousand), from which should be deducted the amounts meanwhile received by Proherre from the new tenants. The amount due has to be determined in new judicial proceedings. Pingo Doce filed an appeal the Court of Appeal;

d) The Portuguese Tax Authorities claim from Recheio, SGPS, S.A. (Recheio SGPS) the amount of EUR 2,503 thousand concerning an additional assessment of Value Added Tax (VAT). Tax Authorities are challenging the VAT deduction method adopted by Recheio SGPS. The Board of Directors, supported by their tax consultants, believe that they are entirely right concerning this matter, this being reinforced by recent judgements ruled by the Lisbon Tax and Administrative Court regarding this matter. Meanwhile, the Lisbon Tax Court ruled in favour of Recheio, regarding years 1998/2001, amounting to EUR 1,753 thousand, consequently, the amount in dispute is now of EUR 750 thousand, for part of 2001 and for 2002, which reinforces the Board of Directors understanding that they are entirely right on this matter;

m) The Portuguese Tax Authorities assessed Feira Nova, Pingo Doce and Recheio the amounts of EUR 1,305 thousand, EUR 1,855 thousand and EUR 518 thousand, respectively. These additional assessments were issued because the Tax Authorities argue that some goods were sold at a lower VAT rate, and solely on Feira Nova they do not agree with the VAT treatment of the discount sales coupons. These assessments relate to the years of 2005 to 2010. The Board of Directors, supported by their tax consultants, have challenged these assessments, believing that the Tax Authorities have no valid arguments to request these payments;

r) At the beginning of September 2011, Néstle initiated judicial proceedings against Unilever Jerónimo Martins, Lda., claiming a compensation of EUR 2,100 thousand for alleged similarity and confusion in the packaging of competing products. The defendant filed its statement of defense. Meanwhile the parties reached an agreement to terminate the judicial proceedings, which was confirmed by the court.

This lawsuit followed the injunction proceedings filed by Néstle, which was ruled in its favour by the court and confirmed by the Court of Appeal. Pursuant to the decision of the Court of Appeal, the plaintiff commenced the enforcement proceedings of the injunction decreed against Unilever Jerónimo Martins, Lda., which was also settled by agreement, which has been confirmed by the court in April 2013;

s) Tengelmann KG filed arbitration proceedings against Jerónimo Martins, SGPS, S.A. before the German Institute of Arbitration, in Cologne. The plaintiff argues that Jerónimo Martins, SGPS, S.A. is liable for the non-payment of rents and contractual penalties, plus accrued interests, by Dystrybucja Integrator Sp. Z o.o. (previously Plus Discount Sp. z o.o. – Plus Poland), in the amount of EUR 2,716 thousand, under the guarantee granted by Jerónimo Martins, SGPS, S. A. in the SPA regarding Plus Discount Sp. z o.o.. Jerónimo Martins, SGPS, S.A. considers the allegations ungrounded, therefore presented its statement of defense in the arbitral proceedings. Tengelmann KG presented its response and expanded the amount claimed to EUR 5.640 thousand, plus accrued interest from June 1, 2012. Jerónimo Martins presented a rejoinder. Meanwhile, court hearings have taken place and the post hearing briefs by the parties have been presented. On 8 April 2013, the parties reached an agreement regarding the resolution of their respective disputes. The settlement foresees, amongst other things, the payment of a compensation in the amount of EUR 7,000 thousand by Jerónimo Martins Polska, SA. The settlement agreement, however, is awaiting confirmation by the Arbitral Tribunal. Jerónimo Martins is reviewing the possibility of seeking recourse against third parties as a result of this indemnity;

t) At the end of 2012, DST, SGPS, S.A. initiated judicial proceedings against Pingo Doce – Distribuição Alimentar, S.A., claiming that Pingo Doce breached a promissory share purchase agreement, dated 2000, regarding a company that owns real estate in Barcelos. The plaintiff, promissory seller, claims to be entitled to keep part of the purchase price paid by the defendant, promissory buyer, in the amount of EUR 5,000 thousand, as indeminty. Pingo Doce presented a counterclaim, alleging that the contract was no longer in force and asking for the reimbursement of the amount paid, plus interest accrued in a total amount of EUR 6,062 thousand. The parties await the judicial hearings.

19 Related parties

56.14% of the Group is owned by the Sociedade Francisco Manuel dos Santos and no transactions occurred between this Company and any company of the Group in the 1st Quarter of 2013, neither were there any amounts payable or receivable between them on March 31st, 2013.

Balances and transactions of Group companies with related parties are as follows:

	Sales and services rendered		Stocks purchased and services supplied	
	March 2013	**March 2012**	**March 2013**	**March 2012**
Joint-ventures and associates	25	107	18,789	17,500

	Trade debtors, accrued income and deferred costs		Trade creditors, accrued income and deferred costs	
	March 2013	**December 2012**	**March 2013**	**December 2012**
Joint-ventures and associates	1,772	622	15,297	6,550

All the transactions with the jointly controlled companies (joint ventures) and associated companies were made under normal market conditions, i.e. the transaction value corresponds to prices that would be applicable between non-related parties.

Outstanding balances between Group companies and related parties, being a result of a trade agreement, are settled in cash, and are subject to the same payment terms as those applicable to other agreements celebrated between Group companies and their suppliers.

The amounts receivable are not covered by insurance and no guarantees are given or received, as the Group holds a relevant influence over these companies.

There are no provisions for doubtful debts and no costs were recognised during the year related with bad debts or doubtful debts with these related parties.

20 Events after the balance sheet date

On April 10th 2013, the amount of EUR 185,388 thousand was approved in the Shareholders Meeting and, will be distributed to shareholders on May 8th 2013.

Lisbon, 23rd April, 2013

The Certified Accountant **The Board of Directors**