Jerónimo Martins SGPS, S.A.

2015 Full Year Results

2015 was a good year for all Group banners which fully executed their plans, delivering strong sales and results:

- **Group sales grew 8.3% to 13.7 billion euros;**
- **Net results increased 10.5% to 333 million euros;**
- **Biedronka, Pingo Doce and Recheio outperformed their respective markets, reinforcing market shares;**
- **Ara successfully opened, in September, its second region, in the Caribbean Coast.**

Sound operational performance and strict management of both working capital and capex drove cash flow generated by the Group to increase 80% to 482 million euros in the year.

Pre-Tax ROIC improved to 23.6% (20.8% in 2014).

Net debt stood at 187 million euros and the gearing was 12%, already including the payment of 236 million euros of free reserves in December.

In addition, following the excellent cash flow performance recorded in late 2015 and without compromising the Group's investment plans, the Board of Directors will propose to the AGM a dividend payment amounting to 166,535,068.30 euros, corresponding to 0.265 euro per share (gross amount).

Lisbon, 2 March 2016

Message from the Chairman and CEO

Pedro Soares dos Santos

'2015 was a good year for all our banners, that fought in the market place for sales and market shares increases in line with the top priorities defined for the year.

Improving Biedronka's offer and reinforcing a consumer-centric approach to opportunities were key objectives, and we successfully delivered on both as confirmed by our results.

Pingo Doce and Recheio posted extremely sound sales performances, increasing market shares in a still tough context for Portuguese families.

In Colombia, Ara is steadily executing the plan and building up capacity to expand operating scale while it continues to improve its knowledge of the Colombian consumers' needs, habits and preferences.

All our main businesses were very efficient and strict in managing both cost structure and working capital, resulting in cash generation being ahead of our base expectations.

This, combined with a strong last quarter, motivates the Board of Directors to again propose to return the excess of liquidity back to our shareholders, by means of a further dividend payment.

After a good 2015, we began 2016 confident of our models' strength to continue outperforming in a context that has not yet consistently improved, and that will always require from us increased focus on consumers, and opportunities to make a difference in the marketplace.'

(Million Euro)	2015	2014	Δ% (Euro)	Δ% (w/o F/X)
Consolidated Sales	13,728.0	12,680.2	+8.3	+8.4
EBITDA	799.6	733.2	+9.1	+8.2
EBITDA Mg (%)	5.8	5.8		
Net Profit JM	333.3	301.7	+10.5	+7.8
w/o non-recurrent	348.1	306.7	+13.5	+10.8
EPS (€)	0.53	0.48	+10.5	
Net Debt	187.0	273.0		
Gearing (%)	11.7	16.7		

FINANCIAL CALENDAR

Field Trip to Colombia: 14, 15 & 16 March 2016

General Shareholders Meeting: 14 April 2016

Q1 2016 Results: 28 April 2016

H1 2016 Results: 27 July 2016

9M 2016 Results: 24 November 2016

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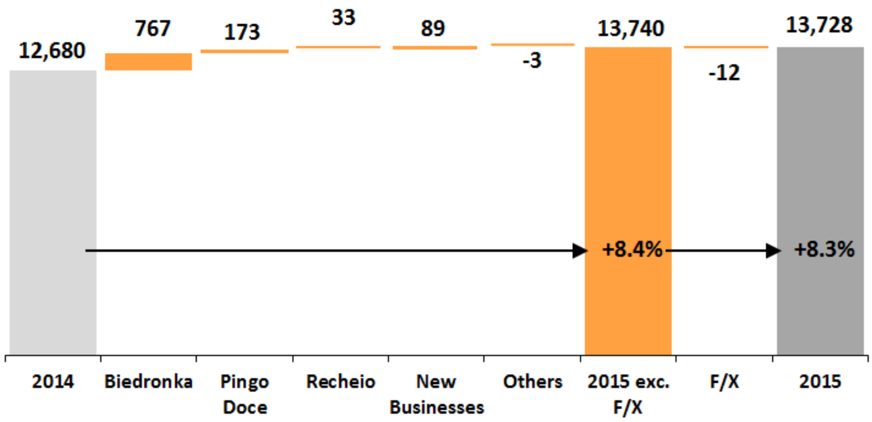
Key Performance Figures

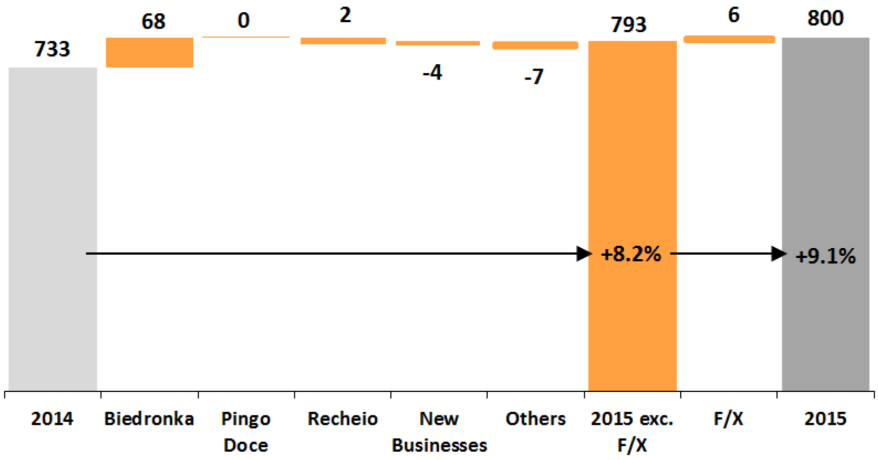
NET CONSOLIDATED PROFIT

(Million Euro)	2015		2014		Δ	Q4 15		Q4 14		Δ
Net Sales and Services	**13,728**		**12,680**		**8.3%**	**3,553**		**3,348**		**6.1%**
Total Margin	2,937	21.4%	2,692	21.2%	9.1%	769	21.6%	712	21.3%	8.0%
Operating Costs	-2,138	-15.6%	-1,958	-15.4%	9.2%	-557	-15.7%	-526	-15.7%	5.8%
EBITDA	**800**	**5.8%**	**733**	**5.8%**	**9.1%**	**212**	**6.0%**	**186**	**5.5%**	**14.2%**
Depreciation	-294	-2.1%	-277	-2.2%	6.4%	-74	-2.1%	-72	-2.1%	2.9%
EBIT	**505**	**3.7%**	**457**	**3.6%**	**10.7%**	**138**	**3.9%**	**114**	**3.4%**	**21.3%**
Financial Results	-26	-0.2%	-34	-0.3%	-22.8%	-7	-0.2%	-8	-0.2%	-16.7%
Profit in Associated Companies	17	0.1%	15	0.1%	9.4%	2	0.1%	1	0.0%	n.a.
Non-Recurrent Items	-20	-0.1%	-9	-0.1%	n.a.	-13	-0.4%	-7	-0.2%	n.a.
EBT	**475**	**3.5%**	**429**	**3.4%**	**10.7%**	**121**	**3.4%**	**99**	**3.0%**	**21.7%**
Taxes	-117	-0.8%	-104	-0.8%	12.4%	-34	-1.0%	-30	-0.9%	14.6%
Net Profit	**358**	**2.6%**	**325**	**2.6%**	**10.2%**	**86**	**2.4%**	**69**	**2.1%**	**24.8%**
Non Controlling Interests	-25	-0.2%	-23	-0.2%	6.4%	-5	-0.2%	-5	-0.1%	14.8%
Net Profit attributable to JM	**333**	**2.4%**	**302**	**2.4%**	**10.5%**	**81**	**2.3%**	**65**	**1.9%**	**25.5%**
EPS (€)	0.53		0.48		10.5%	0.13		0.10		25.5%

CONTRIBUTION TO SALES EVOLUTION

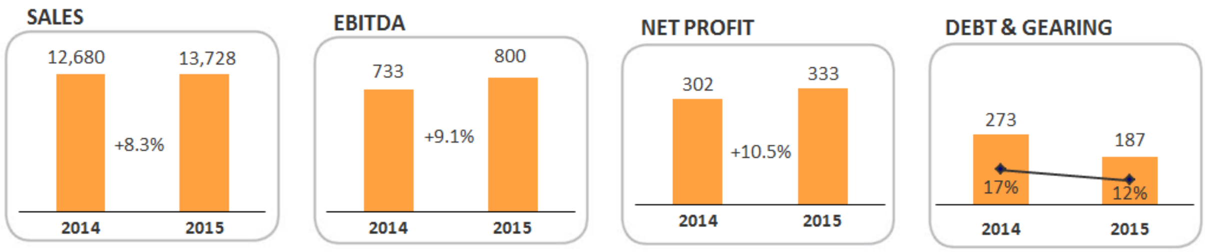


CONTRIBUTION TO EBITDA EVOLUTION



JERÓNIMO MARTINS

Performance of the Year 2015



The Group Companies in Poland and Portugal started 2015 anticipating very low food inflation and strong promotional dynamics to persist in the food retail sector. Aware of these market challenges, the Group assumed as top priorities to increase sales and market shares. On top of that we continued expanding in Colombia.

Therefore three key strategic objectives were set for the year and successfully delivered, strengthening the competitiveness of our banners for the future:

i. Executing the programme to improve Biedronka's offer while preserving efficiency at all levels;
ii. Strengthening of the strategic pillars of differentiation in both Pingo Doce and Recheio;
iii. Entering a new region in Colombia - the Caribbean Coast.

i. Executing the programme to improve Biedronka's offer

Biedronka reviewed its assortment in existing categories and developed new potential areas of offer in line with trends identified in the market, adjusting store layouts accordingly.

The programme was successfully executed while preserving the efficiency of the business model as well as allowing for the incorporation of some degree of flexibility in the management of urban versus non-urban stores.

ii. Strengthening of the strategic pillars of differentiation in both Pingo Doce and Recheio

Pingo Doce and Recheio started 2015 with good sales momentum, largely due to the strong promotional strategy.

Pingo Doce accelerated its store remodeling plan that included 29 stores, with a very significant investment in the shopping experience while reinforcing innovation in private brand with the launch of 214 new products.

Recheio invested in the improvement of store layout in two important locations, providing them with better operational processes for fresh products, a strategic category for the Company's positioning.

iii. Entering into a new region in Colombia

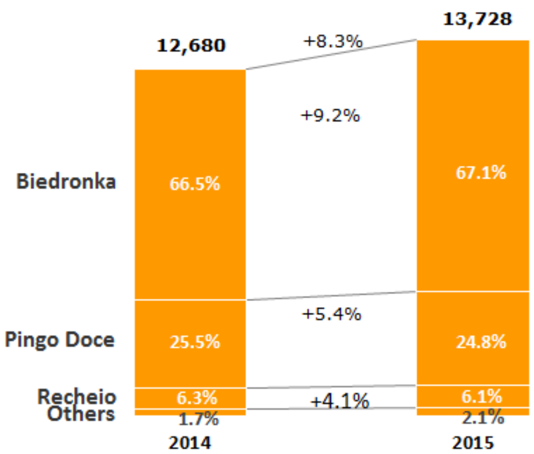
Following the good performance in the Coffee Growing region, Ara entered a second region – the Caribbean Coast – where it opened a new distribution centre in Barranquilla.

The new logistic centre was built while the Company prepared the store pipeline to operate in this region. The site was inaugurated in September and by the year-end Ara had 41 stores in the Coast, namely in Barranquilla, Cartagena and Santa Marta.

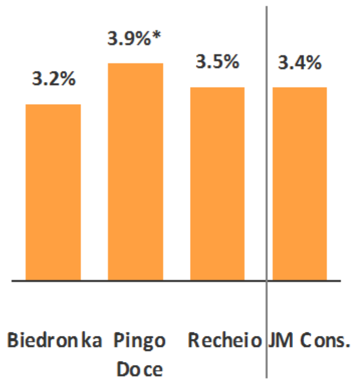
Sales and Results Analysis

Sales Performance

Consolidated Sales



LFL Sales Performance



* Ex-Fuel LFL: 4.6%

Group sales were 13.7 billion euros, a 8.3% increase over the previous year with LFL reaching a solid 3.4% in the year.

This strong performance was the result of the focus from all banners on top line and market share increases.

In Poland, the competitive environment continued to be dominated by promotions, reflecting consumers' value-orientation and price sensitiveness.

Food inflation in the country was negative (-1.7%), having softened towards the end of the year.

In 2015, Biedronka was essentially focused on getting better value from its store network, mainly through improving its offer. Despite basket deflation registered in the Company, LFL sales growth was of 3.2% for the full year. This performance, combined with the execution of a selective expansion programme, led total sales at Biedronka to increase by 9.2% for the full year (+9.1% in local currency) to 9,205.7 million euros.

In Portugal, the environment in the food retail sector remained highly competitive throughout the year. The market continued to be strongly driven by promotions.

Food inflation in the country was slightly positive at 1.0%.

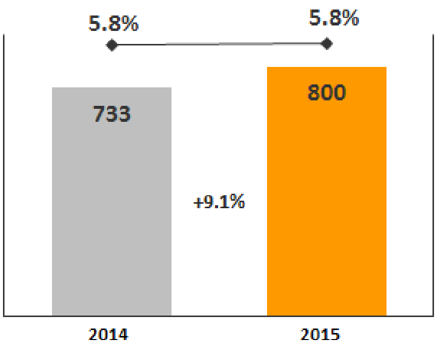
Pingo Doce continued to invest in reinforcing its competitiveness while improving the shopping experience. These actions and the strong sales momentum coming from the previous year resulted in a LFL growth of 4.6% (excl. fuel). Total sales increased 5.4% to 3,407.3 million euros.

In Recheio, sales increased by 4.1% to 832.2 million euros. Improved trends in the HoReCa channel and the strong commercial position of the Company fuelled a 3.5% LFL growth.

In what concerns new businesses, Ara, in Colombia, achieved sales of 122.5 million euros and Hebe, in Poland, ended the year with sales of 100.2 million euros.

Results Performance

Consolidated EBITDA



EBITDA Margin

	2015	% total	2014	% total
Biedronka	7.0%	80.2%	6.8%	78.2%
Pingo Doce	5.5%	23.5%	5.8%	25.6%
Recheio	5.3%	5.5%	5.2%	5.7%
Others & Cons. Adjustments	n.a.	-9.2%	n.a.	-9.4%
JM Consolidated	**5.8%**	**100%**	**5.8%**	**100%**

The sound sales performance and cost discipline in Poland and Portugal led to strong operational results with Group EBITDA growing 9.1% to 799.6 million euros.

Despite the basket deflation, the Group EBITDA margin was 5.8%, in line with the previous year.

Biedronka registered an EBITDA of 641.1 million euros, up 11.9% on the previous year, representing 80% of the EBITDA generated by the Group.

The EBITDA margin in this Company improved to 7.0%, from 6.8% in 2014. This improvement reflected the strong increase in sales, the cost discipline, and the positive impact on the margin mix of the reviewed offer.

The strong evolution of Biedronka's EBITDA margin in Q4 2015 reflected the good sales performance in the period and the softer comparison with Q4 2014, when the Company opened two distribution centres and 62 new stores.

Pingo Doce's EBITDA was 187.9 million euros, in line with previous year. The respective margin was 5.5% of sales, a decrease from 5.8% in 2014 as a result of the Company's determination to strengthen its competitive position while preserving cash EBITDA.

Recheio's EBITDA reached 43.9 million euros, an increase of 5.7% over the previous year, with EBITDA margin at 5.3% (+10bps versus 2014).

Ara and Hebe had combined losses of 55.5 million euros at the EBITDA level, 2.2 million euros less than the previous year. These losses were lower than expected as a result of the devaluation of the Colombian peso.

The financial charges amounted to 26.5 million euros, 7.8 million euros less than in 2014 as a result of both a lower average debt over the year and the lower cost of debt.

Profit in associated companies, reflecting the consolidation of the results generated by the Group's partnership with Unilever in Portugal, amounted to 16.6 million euros (15.2 million euros in 2014).

Non recurrent items stood at 20.5 million euros and included, besides provisions and write-offs, restructuring costs in both Biedronka and Hebe.

Net profit attributable to Jerónimo Martins was 333.3 million euros, an increase of 10.5% over 2014.

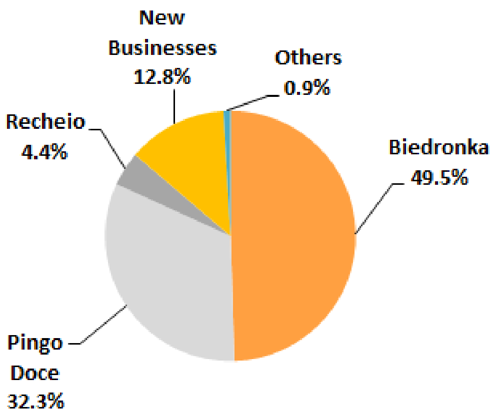
JERÓNIMO MARTINS

Balance Sheet and Return on Invested Capital

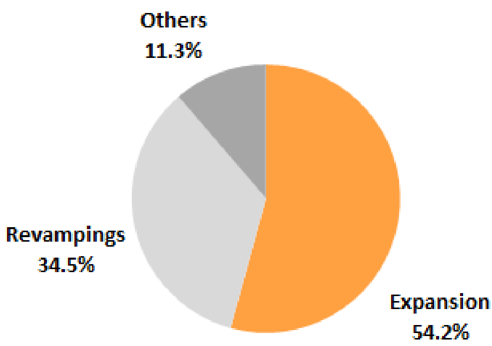
(Million Euro)	2015	2014
Net Goodwill	640	640
Net Fixed Assets	3,060	2,940
Total Working Capital	-2,001	-1,778
Others	82	111
Invested Capital	**1,780**	**1,912**
Total Borrowings	658	714
Leasings	0	1
Accrued Interest	0	4
Marketable Sec. & Bank Deposits	-471	-446
Net Debt	**187**	**273**
Non Controlling Interests	252	243
Share Capital	629	629
Reserves and Retained Earnings	712	767
Shareholders Funds	**1,593**	**1,639**
Gearing	*11.7%*	*16.7%*
Pre-Tax ROIC	*23.6%*	*20.8%*

The balance sheet strength is reflected in the gearing of 11.7% at the year end, after the dividend paid in May in line with the dividend policy for the year, and also the distribution of free reserves in December 2015. In 2015, a total of 389.6 million euros was returned to Shareholders.

Investment by Business Area



Investment breakdown



The Group invested a total of 412.3 million euros, 54.2% of which was allocated to expansion.

Biedronka opened 102 stores, executing its expansion plan and continuing to strengthen its market position.

Pingo Doce intensified its store opening effort, having inaugurated 21 new stores, eight of which are managed by third parties.

Ara added 56 stores and a new distribution centre to its network. Hebe opened 15 stores, ending the year with 134 units in the Polish market.

Store revamping absorbed a significant part of 2015 capex, following Biedronka's offer improvement programme and the accelerated refurbishment in Pingo Doce. This investment represented 34.5% of the total Group capex.

The pre-tax return on invested capital increased from 20.8% in 2014 to 23.6% in 2015.

This healthy performance was mainly the result of increased capital turnover that benefited from the LFL performance (+3.4% at Group level) and the disciplined management of working capital and investments.

Cash Flow Generation

(Million Euro)	2015	2014
EBITDA	800	733
Interest Payment	-29	-32
Other Financial Items	14	20
Income Tax	-108	-109
Funds From Operations	**677**	**612**
Capex Payment	-394	-486
Working Capital Movement	212	146
Others	-12	-5
Free Cash Flow	**482**	**267**

Free cash flow amounted to 482.2 million euros, 215 million euros higher than the previous year.

The excellent cash flow generation recorded in 2015 led net debt at 31 December to remain at very low levels.

Dividend Distribution Proposal

The Board of Directors, at its meeting of 1 March, 2016, decided to propose to the Annual General Meeting, that will take place next 14 April, the distribution of a further dividend of 166,535,068.30 euro (equivalent to a gross amount of 0,265 euro per share) to be distributed to the Shareholders proportionally to their holdings, excluding own shares.

This payment will in no way compromise the Group’s investment plans, neither its financial flexibility.

Outlook for 2016

In 2016 we believe the Food Retail Market, both in Poland and in Portugal, will remain very competitive and promotions driven.

Food inflation in these countries should remain very low even if some estimates point to an improvement from the levels registered in 2015.

Top line performance will remain our key priority in order to maximise profitability and cash generation.

In Poland, Biedronka will keep committed to being the first choice of food store for the Polish consumers. That will require a mind-set ever more focused on anticipating trends and growth opportunities without hampering the efficiency that is the base of our business model.

In Colombia, Ara will move forward with its expansion plan, now focused on validating the model in the recently opened region while preparing the entrance into the next region.

Losses in Ara and Hebe, at the EBITDA, are expected to be below 2015 level (55.5 million euros), excluding F/X.

We are confident that our businesses will deliver their targets, focusing on top line growth. As such, in 2016, the Group plans to invest 550-650 million euros, with Biedronka absorbing c.45% of this value.

Disclaimer

Statements in this release that are forward-looking statements are based on current expectations of future events and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. The risks and uncertainties relate to factors that are beyond Jerónimo Martins' ability to control or estimate precisely, such as general economic conditions, credit markets, foreign exchange fluctuations and regulatory developments.

Except as required by any applicable law or regulation, Jerónimo Martins assumes no obligation to update the information contained in this release or to notify a reader in the event that any matter stated herein changes or becomes inaccurate.

Appendix

INCOME STATEMENT BY FUNCTIONS

(Million Euro)	2015	2014
Net Sales and Services	**13,728**	**12,680**
Cost of Sales	-10,790	-9,989
Total Margin	**2,937**	**2,692**
Distribution Costs	-2,210	-2,021
Administrative Costs	-223	-214
Exceptional Operating Profit/Loss	-19	-7
Operating Profit	**486**	**449**
Net Financial Costs	-26	-34
Gains/Losses in other Investments	-1	-1
Profit in Associated Companies	17	15
Profit Before Taxes	**475**	**429**
Income Taxes	-117	-104
Profit Before Non Controlling Interests	**358**	**325**
Non Controlling Interests	-25	-23
Net Profit attributable to JM	**333**	**302**

Note: 'Non Recurrent Items' in the 'Net Consolidated Profit' table in page 2 of this report include the values in 'Exceptional Operating Profit/Loss' and in 'Gains/Losses in other investments' shown in the table above.

SALES BREAKDOWN

(Million Euro)	2015		2014		Δ %		Q4 15		Q4 14		Δ %	
		% total		% total	Pln	Euro		% total		% total	Pln	Euro
Biedronka	9,206	67.1%	8,432	66.5%	9.1%	9.2%	2,370	66.7%	2,241	66.9%	7.1%	5.8%
Pingo Doce	3,407	24.8%	3,234	25.5%		5.4%	896	25.2%	844	25.2%		6.2%
Recheio	832	6.1%	799	6.3%		4.1%	201	5.7%	196	5.9%		2.7%
Mkt. Repr. and Rest. Serv.	81	0.6%	79	0.6%		2.6%	24	0.7%	23	0.7%		6.6%
Others & Cons. Adjustments	202	1.5%	137	1.1%		n.a	62	1.7%	45	1.3%		n.a
Total JM	**13,728**	**100%**	**12,680**	**100%**		**8.3%**	**3,553**	**100%**	**3,348**	**100%**		**6.1%**

SALES GROWTH

	Total Sales Growth							LFL Sales Growth						
	Q1 15	Q2 15	H1 15	Q3 15	9M 15	Q4 15	2015	Q1 15	Q2 15	H1 15	Q3 15	9M 15	Q4 15	2015
Biedronka														
Euro	11.2%	12.1%	11.7%	8.1%	10.4%	5.8%	9.2%							
PLN	11.4%	9.8%	10.6%	8.4%	9.8%	7.1%	9.1%	2.9%	2.4%	2.6%	3.5%	2.9%	3.8%	3.2%
Pingo Doce	3.9%	4.7%	4.3%	6.4%	5.0%	6.2%	5.4%	3.4%	4.2%	3.8%	4.5%	4.1%	3.4%	3.9%
Ex-Fuel	*4.7%*	*5.2%*	*4.9%*	*7.1%*	*5.6%*	*7.1%*	*6.1%*	*4.2%*	*4.7%*	*4.5%*	*5.2%*	*4.7%*	*4.1%*	*4.6%*
Recheio	4.1%	5.8%	5.0%	3.9%	4.6%	2.7%	4.1%	4.7%	4.1%	4.4%	3.9%	4.2%	1.3%	3.5%

STORE NETWORK

Number of Stores	2014	Openings				Closings	2015
		Q1 15	Q2 15	Q3 15	Q4 15	2015	
Biedronka	2,587	58	25	9	10	22	2,667
Pingo Doce	380	2	4	13	2	2	399
Recheio	41	0	0	0	0	0	41

Sales Area (sqm)	2014	Openings				Closings/ Remodellings	2015
		Q1 15	Q2 15	Q3 15	Q4 15	2015	
Biedronka	1,649,889	40,870	17,991	6,250	8,218	5,273	1,717,944
Pingo Doce	460,863	1,252	4,540	12,486	990	1,018	479,113
Recheio	128,665	0	0	0	0	524	128,141

JERÓNIMO MARTINS

FINANCIAL COSTS BREAKDOWN

(Million Euro)	2015	2014
Net Interest	-22	-30
Exchange Differences	0	-1
Others	-4	-3
Financial Results	**-26**	**-34**

CAPEX

(Million Euro)	2015		2014	
Biedronka	204	50%	361	77%
Distribution Portugal	151	37%	65	14%
Others	57	14%	45	10%
Total CAPEX	**412**	**100%**	**470**	**100%**

WORKING CAPITAL

(Million Euro)	2015	2014
Inventories	639	572
in days of sales	17	16
Customers	52	49
in days of sales	1	1
Suppliers	-2,320	-2,134
in days of sales	-62	-61
Trade Working Capital	**-1,628**	**-1,513**
in days of sales	**-43**	**-44**
Others	-373	-265
Total Working Capital	**-2,001**	**-1,778**
in days of sales	**-53**	**-51**

DEBT BREAKDOWN

(Million Euro)	2015	2014
Long Term Debt	**534**	**374**
as % of Total Borrowings	*81.2%*	*52.4%*
Average Maturity (years)	*2.4*	*2*
Bond Loans	150	0
Commercial Paper	100	0
Other Debt	284	374
Short Term Debt	**123**	**340**
as % of Total Borrowings	*18.8%*	*47.6%*
Total Borrowings	**658**	**714**
Average Maturity (years)	*1.9*	*1.5*
Leasings	0	1
Accrued Interest & Hedging	0	4
Marketable Securities & Bank Deposits	-471	-446
Net Debt	**187**	**273**
% Debt in Euros (Total Borrowings + Leasings)	*47.4%*	*31.6%*
% Debt in Zlotys (Total Borrowings + Leasings)	*40.4%*	*57.3%*
% Debt in Pesos (Total Borrowings + Leasings)	*12.2%*	*11.1%*

1. Definitions

NOTES

Like For Like (LFL): 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).

Gearing: Net Debt / Shareholder Funds