



## 2019 Annual results

**Auchan Holding's profitability continues to improve (excluding exceptional items) thanks to confirmed improvement in the performance of Auchan Retail**

- Upturn in Auchan Retail's profitability indicators
- Rollout of the *Renaissance* initiative aimed at regaining financial leeway and the *Auchan 2022* project for an in-depth adaptation of Auchan Retail in light of new expectations from consumers and citizens
- Good operational and financial performance for Ceetrus
- Auchan Holding's operating profit for the period increased by 55%

*The consolidated financial statements for FY 2019 apply the following accounting principles:*

- *In accordance with standard IFRS 5, the results of Oney Bank, Auchan Retail Italy and Auchan Retail Vietnam are treated as "Net income from discontinued operations" for 2019 and 2018;*
- *Standard IFRS 16 is applied as of 1 January 2019, with no restatement of the comparative period in 2018 (method provided for by the standard);*
- *For a proper interpretation of performance, **the analyses below are based on the 2019 accounts pre-IFRS 16**. Post-IFRS 16 financial data are provided in the appendices.*

*All items and comments are based on continuing operations - 12 countries - i.e. excluding Auchan Retail Italy and Auchan Retail Vietnam for 2019 and 2018 and excluding IFRS 16 for 2019.*

**The momentum observed in the first half-year is confirmed by the ongoing upturn in profitability indicators**

Auchan Retail's results picked up in 2019, in line with the commitments made in March 2019.

- **Revenue: increased in nine countries, and declined in Russia and France**

**Auchan Retail's revenue** amounted to €45.8 billion in 2019, down 1.4% at current exchange rates.

At constant exchange rates and adjusted for the deconsolidation of in-store sales of electronic and household appliances (EEGP) following the concession agreement signed in China in 2018, revenues declined by 0.7%. Revenue increased in nine Auchan Retail countries, remained stable in Spain, and declined in Russia and France.

By geographical region, revenues declined in France by 2.0%. In "Southern Europe", they increased by 0.5%, with growth in Portugal and Luxembourg (opening of the Cloche d'Or *Lifestore* during 2019) and Spanish revenues remaining stable. Turnover in the "Central and Eastern Europe" zone declined by 1.2% at current exchange rates. This decrease was the result of declining revenues in Russia, masking the growth of all the other countries in the zone (Ukraine, Hungary, Romania and especially Poland).

Revenues in the "Asia" zone increased by 1.3% at constant exchange rates, excluding the deconsolidation of sales of electronic and household appliances (EEGP). With this deconsolidation, revenues declined by 1.9% at current exchange rates.

Finally, development in Senegal continues, with revenues up 27% in 2019.

62% of turnover is generated outside France.

- **Increase in EBITDA in all regions**

Auchan Retail's sales margin increased by €330 million. The sales margin rate thus improved by 1.1 percentage points to 23.6% due to the management of the product mix, promotions and markdowns.

Other operating expenses were down due to the initial effects of the *Renaissance* initiative (handling of loss-making operations, reduction of markdowns, operations and store expenses). Improved productivity has offset higher staff costs in some regions. Likewise, the fall in consumption has helped offset the rise in energy costs.

All in all, **Auchan Retail's EBITDA came to €1,831 million, up 14%** at current exchange rates compared with end-2018 (+9% on a like-for-like basis)<sup>1</sup>. The EBITDA rate reached 4.0%, compared with 3.0% at end-2018 (figures at that time included operations in Italy and Vietnam).

All regions contributed to this growth: EBITDA grew by 37% in France, 6% in Southern Europe, and 2% in Central and Eastern Europe. In Asia, EBITDA grew by 13% (+4% on a like-for-like basis) thanks in particular to the back office alignment of the two commercial retailers (RT-Mart and Auchan) of Sun Art, a subsidiary of Auchan Retail in China.

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<sup>1</sup> Including the real estate reporting scope in mainland China and Taiwan from 2019

## **Renaissance initiative: a confirmed pathway for 2022, initial results from 2019**

The Renaissance initiative, launched in early 2019, aims to restore Auchan Retail's financial leeway. In 2019, Auchan Retail implemented the following:

- the sale or closure of sites that had no realistic prospect of returning to profitability (21 stores in France, 30 in Russia, 17 in Spain, 5 in China, 1 in Ukraine, and 1 in Poland);
- the sale of the operations of Auchan Retail Italy and Auchan Retail Vietnam in the second half of 2019, with heavy losses, as announced and already reflected in the accounts for the first half of 2019;
- The launch of numerous optimisation projects and process reviews. In particular, many store-level initiatives were implemented, including a reduction in markdowns and operational optimisation measures (reducing energy bills and maintenance costs, increased workstation versatility, etc.).

These actions had a positive impact of €239 million on EBITDA compared with 2018, one-third of which came from the sale of operations in Italy and Vietnam.

This initiative is being expanded: 134 projects are currently listed across all Auchan Retail countries (excluding China) for the various challenges of dealing with loss-making operations, reducing markdowns, store operations and expenses, merchandise logistics and back-office efficiency. These measures have enabled Auchan Retail to confirm its target of 6% EBITDA by 2022 (compared with 3.0% at end-2018 and 4.0% at end-2019) thanks to €1.1 billion in savings made.

## **The Auchan 2022 project is being implemented to drive an in-depth adaptation of the company to the new expectations of consumers and citizens**

The Auchan 2022 business plan, announced on 14 January 2020, has been launched in all countries and aims to make Auchan Retail:

- a benchmark player for what is good, healthy and local through the selection and the design of a unique, fair and responsible offer,
- a creator of relationships and experiences to improve inhabitant's quality of life.

### **A benchmark player for what is good, healthy and local through the selection and the design of a unique, fair and responsible offer**

- At the end of 2019, Auchan Retail included 500 responsible agricultural supply channels worldwide, of which 70% were outside of France. Spain, Portugal and Poland in particular contributed to the growth in the number of channels in 2019. Auchan Retail will develop 250 new responsible agricultural channels in 2020 (accelerated growth in Russia, launch in Taiwan and Senegal) and aims to reach 1,500 channels worldwide by 2022 ;
- Traceability lies at the heart of the responsible agricultural sector initiative. **Blockchain** has already been launched in four countries (France, Russia, Italy and Vietnam) and five other countries will follow suit in 2020 (Spain, Portugal, Poland, Romania and Hungary);
- In 2019, as part of its transparency initiative, Auchan Retail France signed the *Call for Food Product Origin Labelling in France* aimed at providing better and more honest information for consumers about the origin of food products. The first visible benefits of this commitment (provenance of ingredients clearly marked, place of preparation explicitly stated, etc.) will be displayed on Auchan products during 2020;

- The Nutri-score rollout is ongoing. Nutri-score ratings are now shown on 100% of own-brand products (MDD) sold online (and on nearly 3,000 packagings). The initiative has been implemented in Portugal, and more recently in Spain;
- In the same vein, Auchan Retail is one of France’s five founding members of the “**La Note Global**” rating system. This initiative, which has been co-constructed over the past two years with all players in the French agri-food production chain (from the field to the mouth), aims to help consumers improve their consumption habits and allow economic players to improve their production by ranking products according to six criteria (environment, nutrition and health, origin, fairness and contribution to the French economy, transparency and traceability, corporate social responsibility, and animal welfare). Nineteen Auchan products (16 for chicken and 3 for ham) already display a *La Note Global* rating.

All these actions are a continuation of Auchan Retail’s historic commitment to working exhaustively and with a long-term purpose to promote good nutrition through its systemic vision and a belief in its capacity to lead the way for all players in the production chain.

As a designer, Auchan Retail is also expanding its range of exclusive products that are better for both human health and for the planet:

- **Cosmia** products, Auchan Retail’s health and beauty brand, have better Yuka ratings than national brands,<sup>2</sup> and the organic range is rated “risk-free” with scores between 79 and 100;
- 700 recipes were revised in 2019 for Auchan brand products in France to remove undesirable substances and improve their nutritional profile;
- Auchan Retail has strengthened its partnership with the Nutrition Department at the Institut Pasteur in Lille, an expert advisor that helps on one hand with the redesign of recipes for Auchan products, and on the other provides better education for customers and employees, as well as offering support for the Auchan Youth Foundation with initiatives related to good nutrition and health.

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<sup>2</sup> Based on internal surveys for the entire product range on offer in the Leers hypermarket

## A creator of relationships and experiences to improve inhabitant's quality of life

Stores become local platforms for exchanges with partners. They establish themselves as locations in which people living nearby can enjoy positive experiences or encounters:

- producers are invited to set up permanent stands and sell directly to customers in French stores (as happened recently in Villeneuve d'Ascq, Orleans, Aubagne and Noyelles-Godault) and in stores around the world (Ukraine, Hungary, etc.). These initiatives will be expanded across all countries in 2020;
- in the non-food sector, trial hosting for specialised partners was launched in 2019 and is ongoing in France (Cultura, Electrodepôt, Boulanger), Ukraine (Décathlon) and Romania (Altex, a consumer appliances and electronics (EEGP) specialist), with other trials scheduled for 2020.
- Our stores are redesigning their spaces and building the customer experience around food (in-store catering, cooking classes, tastings, nutritionists, etc.), product testing areas (urban mobility, handling electronic equipment, etc.) or second-hand product areas, etc.

New digital proximity is starting to emerge. The hypermarket plays a major role in deploying so-called "phygital" services **to make life easier for inhabitants.**

- In China, the *Online to Offline* service, which allows customers to receive (carbon-free) deliveries in 45 minutes within a 5 km radius of the store, saw strong growth in 2019, with more than 100 million orders placed. This profitable operation saw a growth in turnover of more than 150% compared to 2018;
- In other Auchan Retail countries, ultra-rapid delivery is developing in partnership (Glovo in Ukraine, Pyszne in Poland, Ubereats in Romania and Wedely in Luxembourg).
- the home delivery service in France will expand to 23 new cities in 2020. The 18 cities that already benefit from it will see the service improved through the use of "click and collect" (so-called "drives") as an order preparation platform;
- New points of contact supplied by hypermarkets are emerging in the heart of residents' living spaces, including pedestrian click-and-collect services in France and Ukraine, "Auchan Minute" in China, France and Taiwan, and three-temperature lockers in France, Spain and Poland.

The rollout of this new types of digital proximity will be expanded in each country from 2020, depending on the specific lifestyle features of each area.

- The "*laisser-caddie*<sup>(R)</sup>" ("leave your cart") service, where the customer goes shopping in the store and entrusts a professional or private third party with the home delivery of their purchases, is currently being tested in France and Spain (where 72 stores offer environment-friendly, carbon-free delivery). A new trial is planned in France in March 2020 with a third provider.

Lastly, as a retailer committed to environmental issues, Auchan Retail prioritised the following key action areas for 2019:

- **The fight against the use of plastics.**

Auchan Retail is a signatory to the Plastic Pact in France in 2019 and the European Plastic Pact on 6 March 2020. It is thus committed to combating the use of plastic with no recycling possibilities, or to finding virtuous alternatives.

In 2019, two years ahead of European regulations, Auchan Retail developed an alternative range of single-use crockery (based on wood, bagasse, etc.), thereby saving more than 880 tonnes of plastic per year.

Following all stores in Poland, Spain, Portugal, Luxembourg, and Taiwan, France is now offer washable and reusable net bags for fruit and vegetables. Auchan Retail is also working to develop alternatives to plastic film or packaging for organic fruit and vegetables (labels, rings, ribbons, laser engraving), as well as recyclable and reusable packaging for their own-brand products (e.g., removing plastic packaging film for vegetable drinks or removing plastic from light bulb packs).

Practical actions are being implemented in all countries, including alternatives to checkout plastic bags in 100% of countries; a plastic-free day in Ukraine; the option for customers to bring their own container to food stalls in Poland, France, Luxembourg, etc. By 2022, Auchan Retail has set itself the goal of having 100% reusable, recyclable or compostable packaging for its own-brand products, and getting rid of all plastic packaging for food professions and fruit and vegetables.

- **The fight against food waste**

In addition to all donations made to associations, Auchan Retail's fight against food waste has involved 300 stores in France, Spain and Portugal logging into the *Too Good To Go* application. In 2019, 400,000 food baskets were saved. Auchan Retail also signed the Consumption Deadlines Pact in February 2020.

- **Controlling the carbon footprint.** Auchan Retail achieved its target of reducing its electricity consumption per square metre by 20% compared to 2014, in line with the commitments made at COP21. This reduction target has been increased to 25% by 2022. Fifty percent of the supply is also set to come from carbon-free electricity.

*"These annual results confirm the momentum observed during the half-year results and demonstrate that the actions taken by Auchan Retail's teams are on the right track to achieve the short-term turnaround of our company. We met our objectives. We have also had to take difficult decisions on certain subjects, and the initiative aimed at restoring financial leeway is being implemented according to the planned timetable. As of 2019, we have started to see the first positive impacts of these measures.*

*At the same time, while our bases undergo this rehabilitation process, we will commit to a deep, long-term change that aims to restore the unique features of our product offering and put meaning back into our stores, starting with our hypermarkets. This work will be carried out with the help of all our stakeholders (employees, customers, producers, manufacturers, start-ups, NGOs, etc.)", said **Edgard Bonte, CEO of Auchan Retail.***

**Ceetrus' actions to reinvent its shopping centers and co-construct new living quarters with the regions are grounded in a desire to provide support for people's lifestyle changes, in terms of both consumption and city living.**

Ceetrus recorded revenue of €612 million in 2019, up 7.9% at constant exchange rates and on a like-for-like basis<sup>3</sup>. This momentum reflects the implementation of an ambitious growth plan in terms of acquisitions, new shopping centers and expansions (+7.6%), as well as the policy of improving existing premises (+1.5%). The sales of two French site portfolios had a negative impact of 1.2% on business activity. The fair value of assets reached €8.3 billion at 31 December 2019, up 2.8% compared with end-2018.

EBITDA grew by 7.1%. This increase can be explained by the good performance of rents and by the acquisitions and expansions carried out.

Ceetrus is always keen to **create living spaces and shopping centers that are tailored to meet the needs of each region**. In 2019, it opened or acquired several shopping centers. First, in Luxembourg, where it opened Cloche d'or, a shopping mall with an "Excellent" BREEAM rating (Auchan Lifestore, 130 retailers, medical practice, wellness centre) in a developing neighbourhood (250 housing units planned). On the outskirts of Moscow, in Pushkino, the Aquarelle shopping centre also opened its doors after being awarded best commercial development for 2019 in Russia (30,500 m<sup>2</sup>, 100 stores, BREEAM In-Use rating "Very good"). In Milan, Italy, Ceetrus acquired part of a project to develop the so-called "Cascina Merlata" shopping centre (70,000 m<sup>2</sup> of shops, more than 160 stores, 40 restaurants, cinema, housing, opening planned for 2022).

**Ceetrus has also continued its dynamic renovation and expansion policy.** In addition to the renovation of the Belpò shopping mall in Piacenza in Italy (65 stores, i.e. double the previous number, opening of a medical clinic and a gym), Aushopping Noyelles Godault in France began the second phase of its expansion. It is currently home to the "Quartier Godault", which, with its seven restaurants grouped around a "neighbourhood square", is a conducive location for community interaction and shared life events.

**To meet local needs, Ceetrus is also developing innovative and customised leisure facilities in the immediate vicinity of its shopping centers.** In Spain, for example, Ceetrus has opened two leisure, catering and retail park facilities: the Sant Boi Xperience near Barcelona (14,500 m<sup>2</sup>) and Parque Rioja Xperience, in Logroño (9,500 m<sup>2</sup>). In France, the Aushopping shopping center in Avignon Nord and Bordeaux Lac have also seen their offer diversified and their attractiveness enhanced by the introduction of catering hubs.

**Ceetrus is committed to co-building the cities of tomorrow.** The so-called "StatioNord" project to transform the Gare du Nord by 2024 in partnership with SNCF Gares & Connexions is already underway. The project aims to meet the expectations of travellers and visitors by rethinking flows, spaces and services. In Vigo, Spain, work has begun on a shopping centre (BREEAM In-Use rating "Very Good" – design phase) and the construction of a hotel as part of a project to revitalise the train station district. In Brasov, Romania, the Coresi district continues to develop around the shopping centre that opened in 2015. At the end of 2019, the site made up of offices, housing, shops and services saw the completion of 1,560 homes, a hotel under construction (completion

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<sup>3</sup> Real estate reporting scope in mainland China and Taiwan included in Auchan Retail operations in 2019

by end-2020), as well as an additional commercial programme, with leisure facilities under development covering 40,000 m<sup>2</sup> (opening at the beginning of 2022).

In May 2019, Ceetrus co-inaugurated the launch of work on Quai 22, a new living district in Saint-André-lez-Lille in the North of France (700 housing units, 14,000 m<sup>2</sup> of managed residences, 10,000 m<sup>2</sup> of offices, 17,000 m<sup>2</sup> of shops and services, with completion scheduled for 2022) alongside the commune of Saint-André-lez-Lille, the “European Metropolis of Lille”, SEM Ville Renouvelée, and LinkCity. Not far away, in the centre of Tourcoing, Ceetrus is working in partnership with Eiffage Immobilier to create 52 housing units, 1,400 m<sup>2</sup> of shops and 2,200 m<sup>2</sup> of offices (completion scheduled for the first quarter of 2022).

Finally, 2019 was marked by the French government’s abandonment of the EuropaCity project, led by Ceetrus (50%) and the Wanda Group.

***According to Benoît Lheureux, Ceetrus Leader in charge of general management:***

*“In its quest to achieve the goals set out in its 2016 corporate vision, Ceetrus’ 2019 featured the opening up and transformation of retail spaces into living spaces. These results were marked by strong revenue growth, notably driven by expansion in Luxembourg, despite the disposal of 19 non-strategic assets in France.”*

## **Oney Bank**



On 22 October 2019, Auchan Holding and BPCE signed a partnership agreement for BPCE to acquire a 50.1% share in Oney Bank.

In 2018 and until 22 October 2019, the net income of Oney Bank was recorded under Auchan Holding’s “Net income from assets held for sale and discontinued operations”.

From 22 October 2019, the share of net income held by Auchan Holding in Oney Bank is recorded under “Share of net income of associates”.



## AUCHAN HOLDING

### Earnings growth excluding exceptional items due to the improved performance of Auchan Retail and Ceetrus

Key figures for 2019

<i>In € millions</i>	2019 Pre-IFRS 16 IFRS 5	2018 Pre-IFRS 16 IFRS 5	Change at current exchange rates	2019 Post-IFRS 16 IFRS 5	2018 published
<b>Income from ordinary operations</b>	<b>46,415</b>	<b>47,169</b>	<b>- 1.6%</b>	<b>46,415</b>	<b>50,986</b>
EBITDA <sup>4</sup>	<b>2,260</b>	<b>2,084</b>	<b>8.4%</b>	<b>2,913</b>	<b>1,999</b>
<i>EBITDA margin rate</i>	<i>4.9 %</i>	<i>4.4 %</i>	<i>+ 0.5 pt</i>	<i>6.3 %</i>	<i>3.9 %</i>
<b>Current operating income</b>	<b>929</b>	<b>601</b>	<b>54.6 %</b>	<b>1,042</b>	<b>397</b>
Operating profit	838	(183)	na	863	(857)
<b>Net income from continuing operations</b>	<b>432</b>	<b>(331)</b>	<b>na</b>	<b>274</b>	<b>(997)</b>
Net income from discontinued operations	(1,523)	(614)	na	(1,529)	51
<b>Net income</b>	<b>(1,091)</b>	<b>(946)</b>	<b>-15.3%</b>	<b>(1,255)</b>	<b>(946)</b>
of which attributable net income	(1,286)	(1,145)	<b>- 12.3 %</b>	(1,463)	(1,145)
<b>“Normalised” net income</b>	<b>534</b>	<b>313</b>	<b>+ 221</b>		
“Normalised” net attributable income	318	71	<b>+ 247</b>		

In 2019, Auchan Holding reported **revenue of €46.4 billion for ordinary operations**, down 1.6% compared to 2018. This includes the deconsolidation of sales of the electronic and household appliance sections granted in China, and a positive exchange rate effect (favourable changes in the rouble, the yuan and the hryvnia).

Excluding these effects, Auchan Holding’s revenue declined by 0.9%.

Auchan Holding’s **sales margin increased significantly to 24.6%**; i.e. +1.0 percentage point compared to 2018 due to the increase in Auchan Retail’s sales margin.

<sup>4</sup> EBITDA: Current operating income excluding other operating income and expenses and excluding depreciation, amortisation and provisions, and excluding exceptional items

Excluding IFRS 16, Auchan Holding's **EBITDA increased by 8.4% to €2,260 million** due to the initial effects of Auchan Retail's Renaissance initiative and the growth in Ceetrus' EBITDA rate of 7.1%. Overall, **the EBITDA rate was 4.9%** compared with 3.9% at end-2018 (including Auchan Retail's operations in Italy and Vietnam).

**Overall, Auchan Holding's current operating income increased by 55%** to €929 million, compared with €601 million at end-2018 and €876 million in 2017.

**Operating income came to €838 million** compared to an operating loss of €183 million in 2018. In 2019, this includes *Other operating income and expenses* of -€90 million (mainly related to asset impairments in Russia, China and Ukraine), compared with -€784 million in 2018, when significant impairments were recorded in France, Russia, China and Poland.

The net cost of financial debt was €59 million (compared with €26 million in 2018) due to the increase in average debt.

Tax expenses were €264 million, an increase of €182 million.

**Net income from continuing operations** was €432 million compared with a loss of €331 million in 2018.

Net income from assets held for sale and discontinued operations (Auchan Retail's operations in Italy and Vietnam and 50.1% of Oney Bank's capital) was -€1,523 million compared with -€614 million in 2018.

Auchan Holding's net income totalled a loss of €1,091 million compared with a loss of €946 million in 2018. Net income attributable to the Group was -€1,286 million compared with -€1,145 million in 2018.

"Normalised net income", calculated excluding Net income from assets held for sale and discontinued operations and Other operating income and expenses net of tax, came to €534 million, an increase of €221 million compared to 2018.

### **Debt under control in 2019**

At 31 December 2019, **net financial debt stood at €3,870 million**, a slight increase of €141 million over the year.

A 50% reduction in net current investments in 2019 and the absence of a 2019 dividend payment to the Mulliez Family Association helped to control the level of debt. The debt/EBITDA ratio improved.

### **Outlook**

Auchan Holding companies met their 2019 targets.

Auchan Holding reaffirms its desire to reduce its debt via improvements in its business operations, asset disposals already underway, and the support of its shareholders, who have agreed to waive dividend payments for 2020 and 2021. Economic progress is, however, dependent on the impact of COVID-19 on the Chinese economy and the earnings of Sun Art Retail, which it is still too early to assess. The same applies to other countries in which Auchan Retail and Ceetrus have a presence.

### **Changes in Auchan Holding's governance**

On 13 February 2020, Auchan Holding's mode of governance changed from a Public Limited Company (*Société Anonyme*) with a Supervisory Board and Management Board to a Public Limited Company (*Société Anonyme*) with a Board of Directors and Executive Management.

Auchan Holding's executive management is headed by Edgard Bonte, former Chairman of the Management Board.

## 2019 consolidated income statement

In € millions	31/12/2019 IFRS 5 Pre-IFRS 16	31/12/2018 IFRS 5 Pre-IFRS 16	Change at current exchange rates	31/12/2019 IFRS 5 IFRS 16	31/12/2018 Published
Revenue from ordinary operations	46,415	47,169	- 1.6%	46,415	50,986
Cost of sales	(35,036)	(36,037)	- 2.8%	(35,018)	(38,917)
<b>Commercial margin</b>	<b>11,379</b>	<b>11,132</b>	<b>2.2%</b>	<b>11,397</b>	<b>12,069</b>
<i>Commercial margin rate</i>	24.5%	23.6%	+ 0.9 pt	24.6%	23.7%
Staff expenses	(5,816)	(5,712)	1.8%	(5,816)	(6,351)
External expenses	(3,201)	(3,310)	- 3.3%	(2,638)	(3,680)
Depreciation, amortisation and impairment	(1,464)	(1,496)	- 2.1%	(1,932)	(1,630)
Other operating income and expenses	31	(12)	na	31	(11)
<b>Income from continuing operations</b>	<b>929</b>	<b>601</b>	<b>54.6%</b>	<b>1,042</b>	<b>397</b>
<i>Current operating margin rate</i>	2.0%	1.3%	+ 0.7 pt	2.2%	0.8%
Other operating income and expenses	(90)	(784)	- 88.5%	(179)	(1,254)
<b>Operating income</b>	<b>838</b>	<b>(183)</b>	<b>na</b>	<b>863</b>	<b>(857)</b>
Net cost of financial debt	(59)	(26)	na	(59)	(37)
Other financial income and expenses	(61)	(38)	60.5%	(279)	(43)
Tax expenses	(264)	(82)	na	(229)	(57)
Share of net profit/(loss) of associates	(21)	(3)	na	(22)	(3)
<b>Net income from continuing operations</b>	<b>432</b>	<b>(331)</b>	<b>na</b>	<b>274</b>	<b>(997)</b>
Net income from assets held for sale and discontinued operations	(1,523)	(614)	na	(1,529)	51
<b>Net income</b>	<b>(1,091)</b>	<b>(946)</b>	<b>15.3%</b>	<b>(1,255)</b>	<b>(946)</b>
Net income attributable to the Group	(1,286)	(1,145)	12.3%	(1,463)	(1,145)
Net income attributable to non-controlling interests	195	200	- 2.5%	208	200
<b>EBITDA</b>	<b>2,260</b>	<b>2,084</b>	<b>+ 8.4%</b>	<b>2,913</b>	<b>1,999</b>
<i>EBITDA margin</i>	4.9%	4.4%	+ 0.5 pt	6.3%	3.9%

## Consolidated balance sheet as at 31 December 2019

ASSETS (in € millions)	31/12/2019 excluding IFRS 16	31/12/2018	Change 2019/2018	31/12/2019 IFRS 16
Goodwill	3,021	2,992	29	3,021
Other intangible assets	1,069	1,036	33	1,069
Tangible assets	9,475	10,941	(1,466)	11,768
Investment property	4,740	5,265	(525)	5,099
Investments in equity affiliates	485	222	263	485
Customer loans – credit operations	0	0	0	0
Other non-current financial assets	575	436	139	565
Derivatives assets (non-current)	124	126	(2)	124
Deferred tax assets	386	342	44	438
<b>NON-CURRENT ASSETS</b>	<b>19,875</b>	<b>21,359</b>	<b>(1,484)</b>	<b>22,569</b>
Stocks	4,875	4,797	78	4,875
Customer loans – credit operations	0	136	(136)	0
Trade receivables	542	498	44	542
Tax receivables	148	158	(10)	148
Other current receivables	2,059	2,444	(385)	1,957
Derivatives assets (current)	80	123	(43)	80
Cash and cash equivalents	3,674	3,420	254	3,674
Assets held for sale	642	3,001	(2,359)	642
<b>CURRENT ASSETS</b>	<b>12,020</b>	<b>14,576</b>	<b>(2,556)</b>	<b>11,918</b>
<b>TOTAL ASSETS</b>	<b>31,895</b>	<b>35,935</b>	<b>(4,040)</b>	<b>34,487</b>

LIABILITIES (in € millions)	31/12/2019 excluding IFRS 16	31/12/2018	Change 2019/2018	31/12/2019 IFRS 16
Share capital	578	591	(13)	578
Share premium account	1,914	1,673	241	1,914
Attributable reserves and income	4,049	5,674	(1,625)	3,813
<b>ATTRIBUTABLE EQUITY</b>	<b>6,540</b>	<b>7,939</b>	<b>(1,399)</b>	<b>6,305</b>
Non-controlling interests	3,592	3,509	83	3,548
<b>TOTAL EQUITY</b>	<b>10,133</b>	<b>11,448</b>	<b>(1,315)</b>	<b>9,853</b>
Provisions	249	265	(16)	248
Non-current loans and financial liabilities	6,390	4,198	2,192	6,390
Debts financing credit activity	0	462	(462)	0
Derivatives liabilities (non-current)	18	17	1	18
Other non-current liabilities	596	458	138	3,041
Deferred tax liabilities	518	531	(13)	509
<b>NON-CURRENT LIABILITIES</b>	<b>7,771</b>	<b>5,931</b>	<b>1,840</b>	<b>10,206</b>
Provisions	393	284	109	415
Current loans and financial liabilities	1,313	3,162	(1,849)	1,313
Debts financing credit activity	0	399	(399)	0
Derivatives liabilities (current)	29	22	7	29
Trade payables	7,578	8,457	(879)	7,572
Tax liabilities	115	119	(4)	115
Other current liabilities	4,535	4,375	160	4,955
Liabilities associated with assets held for sale	28	1,738	(1,710)	28
<b>CURRENT LIABILITIES</b>	<b>13,992</b>	<b>18,557</b>	<b>(4,565)</b>	<b>14,428</b>
<b>TOTAL LIABILITIES</b>	<b>31,895</b>	<b>35,935</b>	<b>(4,040)</b>	<b>34,487</b>

## Cash flow statement 2019 – Auchan Holding

€m	31/12/2019 excluding IFRS 16	31/12/2018	Change 2019/2018	31/12/2019 IFRS 16
Consolidated net income (including non-controlling interests)	(1,091)	(946)	(145)	(1,255)
Income from equity affiliates	21	3	18	22
Dividends received (non-consolidated securities)	(5)	(4)	(1)	(5)
Net cost of financial debt and lease interest <sup>(1)</sup>	86	37	49	318
Tax expenses (including deferred taxes)	291	70	221	256
Net depreciation, amortisation and impairment charges (except those relating to current assets)	1,665	2,801	(1,136)	2,336
Income and expenses related to share-based payments with no cash consideration	1	1	0	1
Capital gains and losses on disposals, net of tax, and goodwill	1,133	35	1,098	1,133
<b>Cash flow before net cost of financial debt and tax</b>	<b>2,102</b>	<b>1,997</b>	<b>105</b>	<b>2,806</b>
Tax paid	(326)	(257)	(69)	(326)
Financial interest paid and lease interest <sup>(2)</sup>	(195)	(153)	(42)	(427)
Other financial items	109	116	(7)	109
<b>Cash flow after net cost of financial debt and tax<sup>(3)</sup></b>	<b>1,690</b>	<b>1,703</b>	<b>(13)</b>	<b>2,161</b>
Change in working capital requirement	(456)	(74)	(382)	(452)
Changes in items relating to the credit activity	114	(28)	142	114
<b>Net cash flow from operating activities</b>	<b>1,348</b>	<b>1,601</b>	<b>(253)</b>	<b>1,824</b>
Outflows linked to acquisitions of tangible and intangible assets and investment property	(1,181)	(1,999)	818	(1,181)
Proceeds from sales of tangible and intangible assets and investment property	218	82	136	218
Outflows linked to non-consolidated investments including investments in associates	(54)	(69)	15	(54)
Proceeds from investments in non-consolidated companies, including investments in associates	352	4	348	352
Outflows linked to business combinations net of cash acquired	(7)	(434)	427	(7)
Disposal of activities net of cash disposed	(262)		(262)	(262)
Dividends received (non-consolidated securities)	11	31	(20)	11
Change in loans and advances granted <sup>(3)</sup>	(213)	2	(215)	(213)
<b>Net cash flow from investing activities</b>	<b>(1,136)</b>	<b>(2,383)</b>	<b>1,247</b>	<b>(1,136)</b>
Purchase and proceeds from disposal of treasury shares	(196)	(251)	55	(196)
Dividends paid during the financial year	(120)	(313)	193	(120)
Acquisitions and disposals of interests without gain or loss of control	(67)	(27)	(40)	(67)
Payments of lease liabilities	(12)		(12)	(472)
Change in net financial debt	790	2,022	(1,232)	790
<b>Net cash flow from financing activities</b>	<b>395</b>	<b>1,431</b>	<b>(1,036)</b>	<b>(65)</b>
Impact of changes in foreign exchange rates <sup>(4)</sup>	(25)	35	(60)	(40)
<b>Change in net cash position</b>	<b>582</b>	<b>683</b>	<b>(101)</b>	<b>582</b>
Opening net cash position	2,987	2,304	683	2,987
Closing net cash position	3,569	2,987	582	3,569
<b>CHANGE IN NET CASH POSITION</b>	<b>582</b>	<b>683</b>	<b>(101)</b>	<b>582</b>



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