Results
2016 FY
Lisbon, 22 February 2017

JERÓNIMO MARTINS

2016 FULL YEAR **Results**
Lisbon, 22 February 2017

JERÓNIMO MARTINS

Strong sales dynamic drives solid growth and profitability in 2016

+6.5% SALES
TO €14.6 BN
(+9.8% at constant exchange rate)

+7.8% EBITDA
TO €862 MN
(+11.0% at constant exchange rate)

+12.8% EPS
TO €0.62
(excl. non-recurrent)

- FOCUS ON THE CONSUMER increased Group's LFL sales by 7.2%, reinforcing the strong market positioning of all our banners
  - BIEDRONKA - sales grew 10.8% in local currency, with LFL at 9.5%
  - HEBE - sales in local currency grew 27.5%
  - PINGO DOCE - sales (excluding fuel) increased 4.7%, with LFL at 1.2%
  - RECHEIO – sales increased 5.9%, with LFL at 5.0%
  - ARA – sales in local currency grew 110.2%
- NET PROFIT TO JM was €593 mn. On a comparable basis[1], excluding Monterroio impact it was €361 mn, up 14.5% on previous year
- The CASH FLOW generated in the year was €718 mn, including the Monterroio's proceeds of sale
- NET CASH position of €335 mn at the year-end
- Focus on sales and efficiency raised PRE-TAX ROIC to 29.1% from 23.6% in 2015
- The Board of Directors will propose at the Shareholders' Meeting the payment of a DIVIDEND of €380.2 mn, corresponding to €0.605 per share (gross amount)

MESSAGE FROM CHAIRMAN AND CEO

PEDRO SOARES DOS SANTOS

2016 was a year of delivery of the demanding targets set by the Group.

In Poland, last year was one of achievements for Biedronka, which was able to improve its structure to better respond to the dynamics and opportunities of the market, maximizing the benefits of a more favourable consumption environment.

In Portugal, both Pingo Doce and Recheio, increased investment in the attractiveness of their value propositions driving further market share gains.

In Colombia, a better understanding of the market and of the different consumer-profiles across the regions of the country, led us to strengthen the Company's structure with the capacity required to start accelerating the pace of expansion.

The renewed focus on the consumer in all banners was accompanied by solid progression of the Group's profitability.

After a year of strong performance, we entered 2017 determined to continue to grow in a profitable and sustainable way, guaranteeing the efficiency of our models and our focus on cash generation.

OUTLOOK 2017

In 2017, all our banners will maintain a strong commercial dynamic that will support the focus on the consumer and sales growth. We do not anticipate a slowdown in promotional intensity in any of our markets, nor any relief in the pressure on costs, particularly on labour costs.

In Poland, we maintain a positive outlook on the consumption environment. Biedronka will keep focused in growing average basket and expects to add more than 100 locations (net) to its network, while Hebe will be consolidating a differentiated value proposition.

In Portugal, Pingo Doce will continue to improve the quality of its store operation while Recheio will give priority to the optimization of its multi-channel offer.

In Colombia, Ara will continue to strengthen its teams and logistics' infrastructure, to accelerate growth pace. In 2017, the number of store openings is expected to be at least 150.

Ara and Hebe's combined losses are expected to increase versus the previous year, following Ara's expansion plans.

With a view to capture the growth opportunities identified in the markets where we operate, the **Investment programme** for 2017 is expected to amount to c.€700 mn. The Group's logistics network will absorb a significant portion of capital expenditures, with the construction of several distribution centres: one in Poland, another in Portugal and three in Colombia.

We are prepared for another demanding year and confident in our ability to deliver further growth in 2017, keeping the focus where it has to be: in serving the consumer in the best possibly way.

[1] Excluding in both years the impact of Monterroio as presented in reconciliation note 5

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KEY FIGURES

CONSOLIDATED RESULTS

(Million Euro)	2016		2015		Δ	Q4 16		Q4 15		Δ
Net Sales and Services	**14,622**		**13,728**		**6.5%**	**3,884**		**3,553**		**9.3%**
Gross Profit	3,113	21.3%	2,937	21.4%	6.0%	838	21.6%	769	21.6%	9.0%
Operating Costs	-2,251	-15.4%	-2,138	-15.6%	5.3%	-603	-15.5%	-557	-15.7%	8.4%
EBITDA	**862**	**5.9%**	**800**	**5.8%**	**7.8%**	**235**	**6.0%**	**212**	**6.0%**	**10.7%**
Depreciation	-294	-2.0%	-294	-2.1%	-0.1%	-75	-1.9%	-74	-2.1%	1.2%
EBIT	**568**	**3.9%**	**505**	**3.7%**	**12.4%**	**160**	**4.1%**	**138**	**3.9%**	**15.8%**
Net financial costs	-17	-0.1%	-26	-0.2%	-34.5%	-5	-0.1%	-7	-0.2%	-26.9%
Gains in joint ventures and associates	10	0.1%	17	0.1%	n.a.	0	0.0%	2	0.1%	n.a.
Non-Recurrent Items	184	1.3%	-20	-0.1%	n.a.	-17	-0.4%	-13	-0.4%	n.a.
EBT	**744**	**5.1%**	**475**	**3.5%**	**56.7%**	**138**	**3.6%**	**121**	**3.4%**	**14.9%**
Income tax	-130	-0.9%	-117	-0.8%	11.5%	-44	-1.1%	-34	-1.0%	30.3%
Net Profit	**614**	**4.2%**	**358**	**2.6%**	**71.5%**	**94**	**2.4%**	**86**	**2.4%**	**8.8%**
Non Controlling Interests	-21	-0.1%	-25	-0.2%	-15.5%	-2	-0.1%	-5	-0.2%	-54.8%
Net Profit attributable to JM	**593**	**4.1%**	**333**	**2.4%**	**78.0%**	**92**	**2.4%**	**81**	**2.3%**	**13.0%**
EPS (€)	0.94		0.53		78.0%	0.15		0.13		13.0%
EPS without non-recurrent (€)	0.62		0.55		12.8%	0.16		0.14		12.7%

CONSOLIDATED BALANCE SHEET

(Million Euro)	2016	2015
Net Goodwill	630	640
Net Fixed Assets	3,180	3,060
Total Working Capital	-2,201	-2,001
Others	46	82
Invested Capital	**1,656**	**1,780**
Total Borrowings	335	658
Leasings	4	0
Marketable Sec. & Bank Deposits	-674	-471
Net Debt	**-335**	**187**
Non Controlling Interests	253	252
Share Capital	629	629
Reserves and Retained Earnings	1,109	712
Shareholders Funds	**1,991**	**1,593**
Gearing	*-16.8%*	*11.7%*

CASH FLOW

(Million Euro)	2016	2015
EBITDA	862	800
Interest Payment	-14	-29
Other Financial Items	3	14
Income Tax	-177	-108
Funds From Operations	**673**	**677**
Capex Payment	-433	-394
Working Capital Movement	193	212
Others	285	-12
Free Cash Flow	**718**	**482**

PERFORMANCE OF THE YEAR

The main banners of the Group - Biedronka, Pingo Doce and Recheio - began 2016 with an enhanced focus on competitiveness and LFL growth. This determination led to a strong performance throughout the year with LFL and total sales growth.

For 2016, clear targets were established to strengthen market positions in Poland and Portugal and to grow in Colombia, which resulted:

i. In Poland, in the consolidation of Biedronka's offer review and in a faster response to the consumers' needs and aspirations;

ii. In Portugal, both in Pingo Doce and in Recheio, in maintaining an intense promotional activity, while guaranteeing quality and innovation in their respective offers;

iii. In Colombia, in the entrance of Ara in the great region of Bogota, continuing to invest in the ongoing improvement of the value proposition.

i. Biedronka - consolidating the review of the offer

In 2015, Biedronka started a full review of its offer, which led to a redesign of the various categories and their composition and to an increase in the assortment. This was the starting point for a new way of approaching the polish consumer's needs and preferences.

In 2016, under new leadership, Biedronka focused on executing the organizational changes required to achieve an enhanced LFL performance via basket growth. This implied changes in the base assortment and greater focus on the relevance of promotional and in&outs campaigns.

In 2016, Biedronka benefited from a more favourable consumption environment, creating a dynamic of more assertive actions that surprised consumers incentivising them to complement their food basket.

ii. Pingo Doce and Recheio - quality and innovation in its overall value proposition

Pingo Doce and Recheio maintained their commercial strategy based on competitive prices and promotions while continuing to invest in a differentiated offer for the market.

Pingo Doce executed an ambitious remodelling plan, fundamental to make a difference in terms of shopping experience, and gave priority to its private brand with new launches and a campaign to celebrate its 25th anniversary.

Recheio invested in strengthening its relationship with customers, anchored in the store manager's role, in a year marked by the opening of a new unit and a major remodelling, which gave greater prominence to the fresh areas that is today a distinctive factor of the banner.

iii. Ara – entrance in the great region of Bogota

Ara, with three years of operation in Colombia, validated its value proposition in the two initial regions (Coffee Growing Region and Caribbean Coast) and in 2016 inaugurated operations in Bogota.

This expansion movement got special attention from all areas of the Company: i. prospecting and negotiation of locations, ii. development of the regional component of the offer and iii. the creation and training of the teams for this new region, which opens doors to one of the most populated regions with one of the highest purchasing power in Colombia.

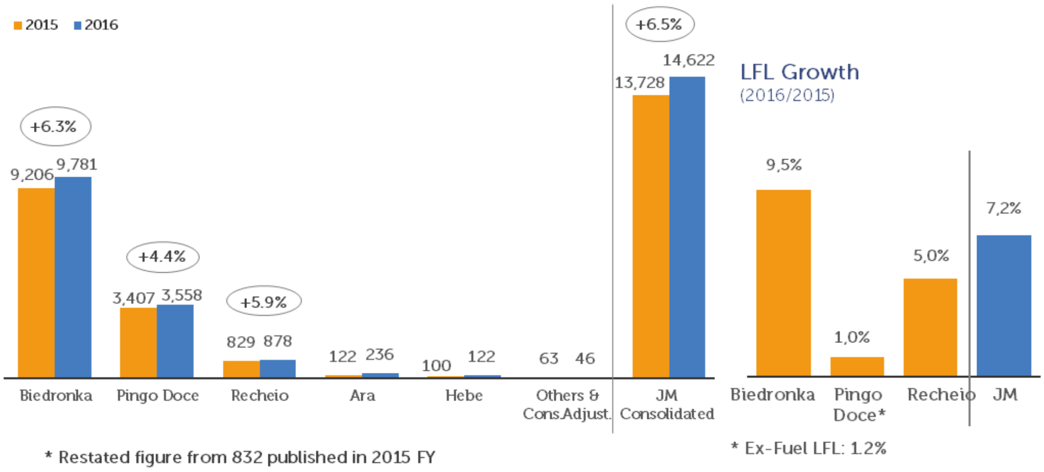
SALES PERFORMANCE

In 2016, the Group reached sales of €14.6 bn, 6.5% above the previous year (+9.8% at constant exchange rate).

The success of Biedronka's initiatives led to a remarkable increase in the Company's turnover which resulted in the Group achieving a 7.2% increase in LFL sales.

The growth registered in all banners confirms the appropriateness of our strategy to focus on the consumer, providing competitive prices, as well as reinforcing the attractiveness of our basket and of our shopping experience.

Sales (Million Euro)



In Poland, the competitive backdrop remained highly promotional, while the consumer environment proved to be more positive than anticipated, due to the increase in the country's minimum wage and the granting of a subsidy to families with more than one child.

This increase in disposable income coupled with the evolution of consumer habits have generated interesting opportunities for the evolution of the food basket in the country.

Biedronka, with an enhanced offer and a more assertive and innovative approach to commercial campaigns, took advantage of this favourable environment and recorded a 9.5% increase in its LFL sales, with total sales increasing by 6.3% in the year (+10.8% in local currency) to €9,781 mn.

The Company finished 2016 with 2,722 stores, 55 more than in the previous year.

During the year, Hebe showed a good sales performance, reaching €122 mn, up 22.2% (+27.5% at constant exchange rates). The network totalled 153 locations, 19 more than in 2015.

In Portugal, where food inflation was 0.5%, the food retail sector remained extremely competitive, with promotions playing a key role.

Pingo Doce maintained its strong promotional activity while ensuring quality and innovation in its private brand offer. The Company continued to execute its store remodelling programme, with a view to continuously improve the overall shopping experience.

With a demanding basis of comparison over 2015, LFL growth (excluding fuel) was 1.2% in 2016 and total sales reached €3,558 mn, an increase of 4.4% on the previous year.

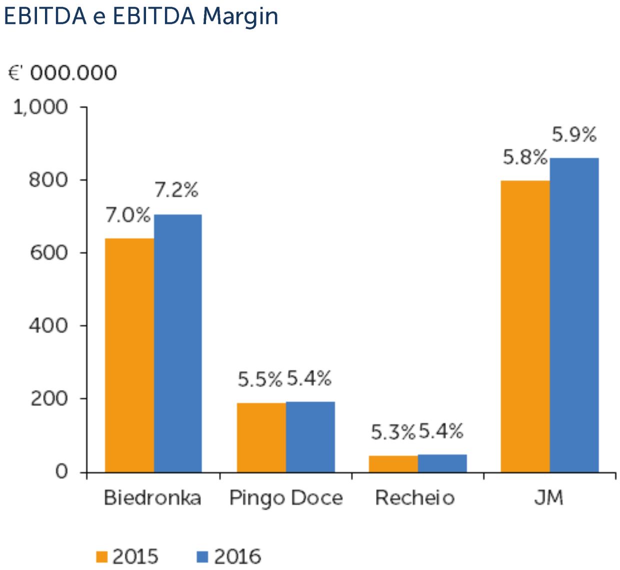
Recheio's sales increased 5.9% to €878 mn, benefiting from a solid competitive position in the context of an improvement in the HoReCa segment. LFL growth in the year was 5.0%.

Ara ended the year with 221 stores in three regions of Colombia. Sales performance reflects the interest and receptivity to the value proposition by Colombian consumers in all regions. The banner achieved sales of €236 mn in 2016, having more than doubled in turnover in local currency versus 2015.

RESULTS PERFORMANCE

The priority focus on LFL growth coupled with the maintenance of strict cost management led the main business areas to record EBITDA growth during the year.

Consolidated EBITDA reached €862 mn, an increase of 7.8% compared to 2015 (+11.0% at constant exchange rate).



Although basket inflation remained slightly negative in Biedronka and in Pingo Doce, both banners registered a LFL sales growth enough to mitigate the evolution of operating costs. These, in particular the level of labour costs, registered a significant increase in Poland and in Portugal. Thus, the Group's EBITDA margin increased to 5.9%, from 5.8% in 2015.

Biedronka registered an EBITDA of €707 mn, 10.3% more than in 2015 (+15.1% at constant exchange rate). This performance was a result of strong LFL growth together with rigorous cost management. Biedronka's EBITDA margin was 7.2% (vs. 7.0% in 2015).

Pingo Doce generated EBITDA of €192 mn, 2.0% above the previous year. The EBITDA margin was 5.4%, a reduction from the 5.5% registered in 2015, as a result of the intense promotional dynamic and of the investment in the shopping experience.

Recheio's EBITDA reached €47 mn euros, an increase of 7.4% compared to 2015, with the respective margin at 5.4%, rising from 5.3% in previous year, driven by the strong sales growth.

Ara and Hebe together recorded losses of €62 mn euros at the EBITDA level, with Ara accounting for 76% of the total.

The increase in losses generated at Ara was mainly a consequence of the decision taken by the Company to strengthen its organizational structure in order to accelerate the growth. Hebe, as expected, reduced the level of losses generated.

Net financial costs were €17 mn, €9 mn lower than in the previous year due to the reduction of the average level of net debt throughout the year, as well as the decrease in average cost of debt.

The Group's net profit reached €593 mn. Excluding Monterroio's contribution, net profit was €361 mn, a 14.5% increase over the same period of the previous year.

Non-recurrent items, apart from the gain of €221 mn related to the sale of Monterroio, included restructuring costs in Portugal and Poland, impairment of assets in Portugal and the extension of the Group's seniority bonus plan to Poland.

The strong growth in the net profit was a consequence of good sales growth, effective cost control and the soundness of the balance sheet.

The cash flow generated in the year reached €718 mn, which reflect, besides the proceeds of the Monterroio sale, the strong sales performance with operational discipline and strict management of working capital.

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BALANCE SHEET PRE-TAX ROIC

At the end of 2016, the Group recorded a net cash position of €335 mn.

The strength of the balance sheet was kept in a year in which the dividend payment to Group's shareholders was €167 mn and the capex was €482 mn.

Of the total capex, 44% was allocated to expansion (new stores and distribution centres), aligned with its strategic role for the growth of the Group. In the remaining investment programme, refurbishing has been gaining relevance, being crucial in guaranteeing the quality of the shopping experience, the efficiency of the operation and the innovation of value propositions, playing also a key role in the LFL growth of each banner.

Biedronka invested a total of €233 mn (48% of the Group's total capex) and opened 83 stores in the year, having refurbished 221 (155 in 2015).

Also in Poland, Hebe added 26 locations to its store network.

At Pingo Doce, the capex reached €137 mn, including one new distribution centre and 14 new locations, of which five stores are managed through an agency contract and two under the innovative PingoDoce&Go convenience concept. In 2016, 21 stores were fully refurbished in the context of the remodelling programme of the Company.

Recheio opened a store in Sines, guaranteeing presence in a market where the opportunity of sales is relevant and the Company was not yet present.

In Colombia, Ara opened 79 stores, accelerating from 56 openings in 2015 and continued to invest to increase its pace of new stores in the future. Of the total number of openings, 22 were in the new region - Bogota.

LFL sales growth at the Group's level (+7.2%), disciplined management of capital expenditure and working capital justified the improvement in capital turnover and allowed a positive evolution of the return on invested capital that, calculated as Pre-Tax ROIC, was at 29.1% (23.6% in 2015).

The increase in the capital turnover of the three main business areas - Biedronka, Pingo Doce and Recheio - combined with the increase in Biedronka's EBIT margin were the drivers of this performance.

As regards the evolution of the debt structure, the Group's preference, in line with its risk management policy, for using local currency to finance its operations in each country should continue to be reflected in the higher weight of the debt in Colombian pesos.

DIVIDEND PROPOSAL

The Board of Directors, at its meeting of 21 February, 2017, decided to propose to the Annual General Meeting, that will take place next 6 April, 2017, the distribution of a dividend (resulting from the distribution of profits and free reserves) of €380.2 mn (equivalent to a gross amount of €0.605 per share) to be paid to the Shareholders proportionally to their holdings, excluding own shares.

Despite the significant increase in this year dividend, taking into account the current net cash position and the expectation to continue generating strong free cash flow, not only the Group investment plans are kept unchanged, as it maintains the flexibility to take advantage of any expansion opportunity that could arise in the short term.

FINANCIAL CALENDAR

General Shareholders Meeting: 6 April 2017
Q1 2017 Results: 20 April 2017
H1 2017 Results: 26 July 2017
9M 2017 Results: 25 October 2017

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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.

APENDIX

INCOME STATEMENT BY FUNCTIONS

(Million Euro)	2016	2015
Net sales and services	**14,622**	**13,728**
Cost of sales	-11,509	-10,790
Gross profit	**3,113**	**2,937**
Distribution costs	-2,308	-2,210
Administrative costs	-238	-223
Exceptional operating profits/losses	-32	-19
Operating profit	**536**	**486**
Net financial costs	-17	-26
Gains/losses in other investments	-5	-1
Gains in disposal of business		
Gains in joint ventures and associates	10	17
Profit before taxes	**744**	**475**
Income tax	-130	-117
Profit before non controlling Interests	**614**	**358**
Non controlling interests	-21	-25
Net profit attributable to JM	**593**	**333**

SALES BREAKDOWN

(Million Euro)	2016		2015		Δ %		Q4 16		Q4 15		Δ %	
		% total		% total	w/o FX	Euro		% total		% total	w/o FX	Euro
Biedronka	9,781	66.9%	9,206	67.1%	10.8%	6.3%	2,618	67.4%	2,370	66.7%	13.4%	10.5%
Pingo Doce	3,558	24.3%	3,407	24.8%		4.4%	930	23.9%	896	25.2%		3.7%
Recheio	878	6.0%	829*	6.0%		5.9%	215	5.5%	201	5.7%		7.2%
Ara	236	1.6%	122	0.9%	110.2%	92.5%	73	1.9%	39	1.1%	79.8%	86.5%
Hebe	122	0.8%	100	0.7%	27.5%	22.2%	38	1.0%	28	0.8%	36.1%	32.3%
Others & Cons. Adjustments	46	0.3%	63	0.5%		n.a.	9	0.2%	19	0.5%		n.a.
Total JM	**14,622**	**100%**	**13,728**	**100%**	**9.8%**	**6.5%**	**3,884**	**100%**	**3,553**	**100%**	**11.2%**	**9.3%**

* Restated figure from 832 published in 2015 FY.

SALES GROWTH

	Total Sales Growth							LFL Sales Growth						
	Q1 16	Q2 16	H1 16	Q3 16	9M 16	Q4 16	2016	Q1 16	Q2 16	H1 16	Q3 16	9M 16	Q4 16	2016
Biedronka														
Euro	5.1%	3.0%	4.0%	6.3%	4.8%	10.5%	6.3%							
PLN	9.3%	10.2%	9.8%	10.2%	9.9%	13.4%	10.8%	7.6%	9.9%	8.8%	8.5%	8.7%	11.9%	9.5%
Pingo Doce	5.8%	2.2%	3.9%	6.0%	4.7%	3.7%	4.4%	1.9%	-1.5%	0.1%	2.4%	0.9%	1.4%	1.0%
Ex-Fuel	*6.3%*	*2.5%*	*4.3%*	*6.3%*	*5.0%*	*3.8%*	*4.7%*	*2.1%*	*-1.4%*	*0.3%*	*2.6%*	*1.1%*	*1.3%*	*1.2%*
Recheio	4.4%*	4.1%	4.2%	7.6%	5.5%	7.2%	5.9%	3.8%	3.4%	3.6%	5.9%	4.4%	6.8%	5.0%

* Restated figure from 4.3% published in Q1 16.

STORE NETWORK

Number of Stores	2015	Openings Q1 16	Q2 16	Q3 16	Q4 16	Closings 2016	2016
Biedronka	2,667	26	14	10	33	28	2,722
Pingo Doce	399	3	2	1	8	0	413
Recheio	41	0	1	0	0	0	42
Ara	142	8	11	22	38	0	221
Hebe	134	1	5	6	14	7	153

Sales Area (sqm)	2015	Openings Q1 16	Q2 16	Q3 16	Q4 16	Closings/ Remodellings 2016	2016
Biedronka	1,721,897*	19,329	10,743	6,077	21,551	11,303	1,768,293
Pingo Doce	479,113	3,500	1,850	1,489	7,137	-1	493,089
Recheio	128,141	0	2,696	0	0	240	130,597
Ara	43,891	2,732	3,683	7,404	12,959	0	70,669
Hebe	30,955	225	1,282	1,219	3,773	1,974	35,479

* Restated figure from 1,717,944 published in 2015 FY.

EBITDA MARGIN

(% of sales)	2016	% total	2015	% total
Biedronka	7.2%	82.1%	7.0%	80.2%
Pingo Doce	5.4%	22.2%	5.5%	23.5%
Recheio	5.4%	5.5%	5.3%	5.5%
Others & Cons. Adjustments	n.a.	-9.8%	n.a.	-9.2%
JM Consolidated	**5.9%**	**100%**	**5.8%**	**100%**

FINANCIAL RESULTS

(Million Euro)	2016	2015
Net Interest	-11	-22
Exchange Differences	-3	0
Others	-3	-4
Financial Results	**-17**	**-26**

CAPEX

(Million Euro)	2016	% total	2015	% total
Biedronka	233	48%	204	50%
Distribution Portugal	158	33%	151	37%
Others	92	19%	57	14%
Total CAPEX	**482**	**100%**	**412**	**100%**

WORKING CAPITAL

(Million Euro)	2016	2015
Inventories	720	639
in days of sales	18	17
Customers	45	52
in days of sales	1	1
Suppliers	-2,514	-2,320
in days of sales	-63	-62
Trade Working Capital	**-1,749**	**-1,628**
in days of sales	**-44**	**-43**
Others	-452	-373
Total Working Capital	**-2,201**	**-2,001**
in days of sales	**-55**	**-53**

NET DEBT

(Million Euro)	2016	2015
Long Term Debt	**112**	**534**
as % of Total Borrowings	*33.3%*	*81.2%*
Average Maturity (years)	*3.5*	*2.4*
Bond Loans	0	150
Commercial Paper	0	100
Other Debt	112	284
Short Term Debt	**224**	**123**
as % of Total Borrowings	*66.7%*	*18.8%*
Total Borrowings	**335**	**658**
Average Maturity (years)	*1.6*	*1.9*
Leasings	4	0
Marketable Securities & Bank Deposits	-674	-471
Net Debt	**-335**	**187**
% Debt in Euros (Total Borrowings + Leasings)	*44.2%*	*47.4%*
% Debt in Zlotys (Total Borrowings + Leasings)	*27.8%*	*40.4%*
% Debt in Pesos (Total Borrowings + Leasings)	*27.9%*	*12.2%*

NOTES

1. 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)

Gearing: Net Debt / Shareholder Funds

2. INCOME STATEMENT RECONCILIATION NOTE

Following ESMA guidelines on Alternative Performance Measures from October 2015

Income Statement	Income Statement by Functions in the Consolidated Report & Accounts -2016
Net Sales and Services	Net sales and Services
Gross Profit	Gross Profit
Operating Costs	Includes headings of Distribution costs; Administrative costs; Other operating costs and excludes Depreciations of €-294.2m
EBITDA	
Depreciation	Value reflected in the Segments reporting note. The difference to the operating costs note or the tangible and intangibles assets note is related with the non-recurrent depreciations (€78.0m)
EBIT	
Net financial costs	Net financial costs
Gains in joint ventures and associates	Gains (losses) in joint ventures and associates
Non-Recurrent Items	Includes headings of Exceptional operating profits/losses; Gains in disposal of business and Gains/Losses in other investments
EBT	
Income tax	Income tax
Net Profit	
Non-controlling Interests	Non-controlling interests
Net Profit attributable to JM	

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3. BALANCE SHEET RECONCILIATION NOTE

Following ESMA guidelines on Alternative Performance Measures from October 2015

Balance Sheet in this Release	Balance Sheet in the Consolidated Report & Accounts - 2016
Net Goodwill	Included in the heading of Intangible assets and detailed in the Intangible assets note
Net Fixed Assets	Includes the headings Tangible and Intangible assets excluding the net goodwill value (€629.9m)
Total Working Capital	Includes the headings Current trade debtors, accrued income and deferred costs; Inventories; Biological assets; Trade creditors, accrued costs and deferred income; Employee benefits; the value of €3.6m Cash and cash equivalents (note - Cash and cash equivalents) and the value of €7.2m related to 'Others' due to its operational nature. Excludes the value of €-1.0m related to interest accruals and deferrals (note - Financial debt)
Others	Includes the headings Investment property; Investments in joint ventures and associates; Available-for-sale financial assets; Non-current trade debtors, accrued income and deferred costs; Deferred tax assets and liabilities; Income tax receivable and payable; and Provisions for risks and contingencies. Excludes the value of €34.4m related to Collateral deposits associated to financial debt (note - Trade debtors, accrued income and deferred costs); and also the value of €7.2m related to Others due its operational nature
Invested Capital	
Total Borrowings	Includes the heading Borrowings excluding leasings
Leasings	Value reflected in Borrowings note
Accrued Interest & Hedging	Includes the heading Derivative financial instruments and the value of €1.0m related to Interest accruals and deferrals (value reflected in note - Financial debt)
Marketable Sec. & Bank Deposits	Includes the heading Cash and cash equivalents and the value of €34.4m related to Collateral deposits associated to financial debt (reflected in Trade debtors note) and excludes the value of €3.6m in Cash and cash equivalents (reflected in note - Cash and cash equivalents)
Net debt	
Non-Controlling Interests	Non-controlling interests
Share Capital	Share capital
Reserves and Retained Earnings	Includes the heading Share premium, Own shares, Other reserves and Retained earnings
Shareholders' Funds	

4. CASH FLOW RECONCILIATION NOTE

Following ESMA guidelines on Alternative Performance Measures from October 2015

Cash Flow in this Release	Cash Flow in the Consolidated Report & Accounts - 2016
EBITDA	Included in the heading of Cash generated from operations
Interest Payment	Includes the headings of Interest paid and Interest received
Other Financial Items	Dividends received
Income Tax	Income tax paid
Funds From Operations	
Capex Payment	Includes the headings Disposal of tangible assets; Disposal of Intangible assets; Disposal of financial assets and investment property; Acquisition of tangible assets; Acquisition of intangible assets; Acquisition of financial assets and investment property
Working Capital Movement	Included in the heading of Cash generated from operations
Others	Includes the headings Disposal of business, being the remaining amount Included in the heading Cash generated from operations
Free Cash Flow	

5. NET PROFIT ON A COMPARABLE BASIS

	2016	2015
Net Profit attributable to JM	593	333
Deducted from the impact of discontinued businesses:		
Gains in joint ventures and associates (sold)	10	17
Net Profit Mkt. Repr. and Rest. Serv. (sold)	1	1
Non-Recurrent Items - Monterroio sale	221	0
Taxes - Monterroio sale	0	0
Net Profit on a comparable basis	**361**	**315**