Unieuro S.p.A.

Investor Presentation

STAR Conference, 24 October 2018

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Italo Valenti, the manager in charge of preparing the corporate accounting documents, declares that, pursuant to art.154-bis, paragraph 2, of the Legislative Decree no. 58 of February 24, 1998, the accounting information contained herein correspond to document results, books and accounting records.

Summary

- **What's new**
- **Overview of Unieuro**
- **Q1 18/19 Financials**
- **Key Takeaways**

Keeping On Consolidating The Offline Market

Acquisition of 13 stores and 2 new openings in locations formerly belonging to competiting buying groups

- **8 former Trony stores** out of 35 belonging to bankrupt company DPS Group S.r.l.
  - Sales area: over 10,000 sqm, including the Milano San Babila flagship store
  - Closing date: 23 August
  - Reopening dates: 15 September (6 stores), 6 October (1 store)
  - Target: **at least 50 €m** of additional sales at run-rate within 12-18 months
  - Total consideration: **3.4 €m**

- **5 Euronics stores** out of 17 in the North East of Italy belonging to Galimberti S.p.A., in arrangement with creditors
  - Sales area: over 7,000 sqm
  - Auction date: 10 October
  - Reopening: planned within the beginning of the peak season
  - Target: **approx. 30 €m** of additional sales at run-rate within 12-18 months
  - Total consideration: **2.5 €m**

- **2 new stores** to be reopened in former DPS and Galimberti locations:
  - 2,000 sqm in Verona city centre, a former Trony flagship
  - 1,800 sqm in Trieste, managed under the Euronics banner until last July
  - Target: **approx. 20 €m** of additional sales at run-rate within 12-18 months
  - No key-money paid

x – Former DPS / TRONY stores acquired

x – Former Galimberti / euronics stores acquired

+100 €m
of expected additional sales, at run rate

Strategic Rationale

- **Reaching a leadership position in target regions vis-a-vis direct competitors**
- **Further consolidating the offline market, still fragmented and very competitive**
- **Avoiding overlaps with existing network through “cherry picking” approach**

New Logistics Hub Successfully Opened in Piacenza

New state-of-the-art platform, starting point of a far-reaching logistics strategy bringing Unieuro even closer to the customer

- Relocation successfully completed in late September without any operational disruption
- Piacenza, one of the main Italian logistics hubs, confirmed as the better location for Unieuro's centralised platform, being **over 90% of DOS within 600 km**
- **Approx. €11 million extraordinary capex** to be primarily allocated to automation and energy efficiency
- **Warehouse capacity more than doubled**:
  - grey goods stocking capacity +100%
  - white goods +50%
- **9+6 years renting agreement** with landlord Generali Real Estate, extending a long-term partnership dated 2007
- **Lower rental costs per sqm**, also thanks to evolved real estate market conditions
- **Focus on automatization**: picking productivity[1] +350%; errors -50%[2]
- Warehouse **outsourced staff growing to 250 units,** proportionally less than capacity

104,000 sqm total surface area
30,000 pallets of grey goods
60,000 major domestic appliances
69 loading and unloading bays
240 daily loadings + unloadings
275 externalised + direct employees
APE / A2 and **BREEAM GOOD** energy certifications

Strategic Rationale

- **Supporting current and future omnichannel growth**
- **Improving service level while cutting costs, thanks to automatization**
- **Reinforcing Unieuro's winning centralized business model**

Notes: (1) In terms of pickings per hour per operator. (2) Calculated as value of questioned deliveries on value of total deliveries.

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Unieuro at a glance

Established by the end of 1930s, Unieuro is Italy's leading omnichannel consumer electronics retailer by number of stores (approx. 500), with sales of about 1.9 €bn

Broad product range across multiple categories[1]

Grey goods (46.0%)
- Mobile, IT, accessories, photography, wearables

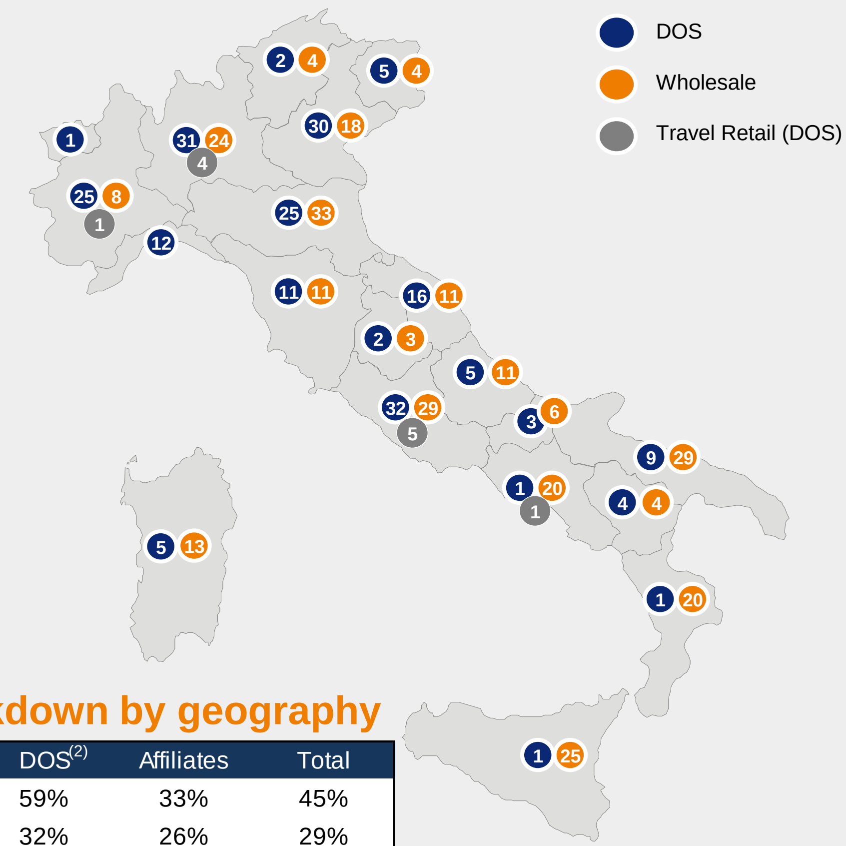
White goods (26.4%)
- MDA, e.g. washing machines, cooking appliances, dishwashers
- SDA, e.g. coffee machines, microwaves
- Home comfort, e.g. air conditioning

Brown goods (18.6%)
- TV, media storage, car accessories

Other Products (5.5%)
- Entertainment, e.g. consoles, videogames, music, movies
- Non electronic products, e.g. bicycles, drones, hover boards

Services (3.5%)
- Delivery and installation
- Extended warranties
- Brokerage for financial services
- Commissions from subscription to telecom contracts

Full nationwide coverage, as at 24 October 2018



Store breakdown by geography

	DOS[2]	Affiliates	Total
North	59%	33%	45%
Centre	32%	26%	29%
South	9%	41%	26%
Total	232	273	505

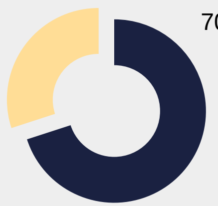
Notes: (1) Figures as at 28 February 2018; (2) Including 11 Travel Retail DOS.

Integrated omnichannel presence across offline and online

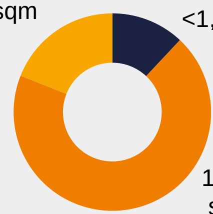
Contribution to FY 17/18 total sales

Summary Overview

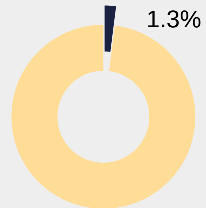
Retail: 221 DOS



- Focus on malls and city centre locations with store average size of c.1,500 sqm
- Wide range of store formats
- Modern, engaging store layout designed to maximise product visibility
- Favourable lease terms with short notice break clause permitting rapid response to local market trends



Travel Retail: 11 DOS



- Stores located in main Italian airports and in Torino train station
- Focus on “grey” and “brown” goods
- Exposure to favourable travel dynamics
- Reduced space (c. 100 sqm) allowing proximity to products
- On-the-go impulse purchases
- Marketing tool to increase brand visibility

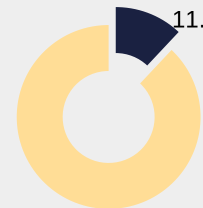
Rome Fiumicino) 5 stores

Milan (Malpensa, Linate, Bergamo) 4 stores

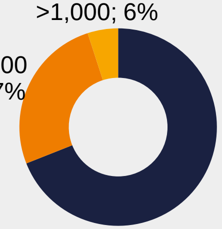
Turin (Porta Nuova Station) 1 store

Naples (Capodichino) 1 store

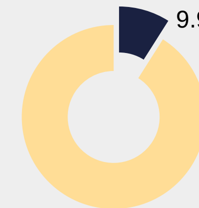
Wholesale: 273 stores



- Stores in smaller and more remote catchment areas
- Allows further penetration across whole Italian territory
- Unieuro brand / store format
- Exclusive supply
- Limited central costs, no capex and positive impact on profitability

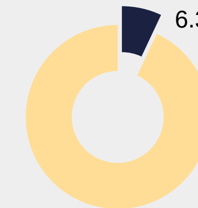


Online



- Digital platform launched in 2016:
  - new website optimised for mobile navigation with additional functionality (e.g. mirroring, smart assistant, instant search)
  - new native mobile App
- “Click & Collect” driving traffic to stores: 410 pick up points, 84% of total stores
- Integration of online and offline channels
- Pure player Monclick acquired

B2B



- Opportunistic business
- Includes agreements with companies producing vouchers to be used at Unieuro stores
- Direct bulk supply to:
  - Corporate customers
  - Electronics traders
  - Foreign customers
- Unieuro as a first mover in the B2B2C adjacent market segment, thanks to Monclick acquisition

Notes: Number of stores as at 24 October 2018. Other figures as at 28 February 2018.

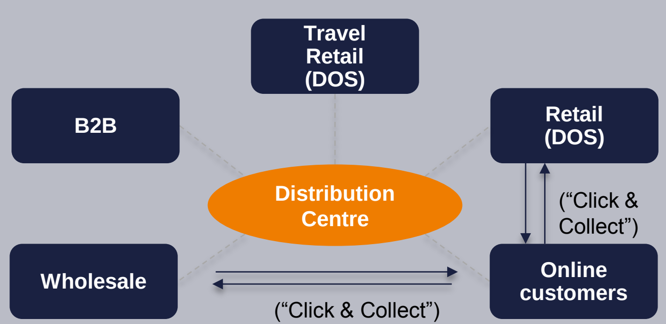
A successful business model, centralised and scalable

Centralised decision-making in the Forlì HQ

- **A lean organisational structure**
- **All corporate functions centralised and managed by 275 FTEs in the Forlì HQ**: Procurement, Supply Chain, Property, Security, CRM, ICT, Marketing, Administration, Finance, Legal, HR, Tax, Investor Relations, Communication, Business Development, M&A
- **3,743 FTEs in the stores and 10 agents**[(1)]: highly flexible workforce permitting Unieuro to preserve maximum productivity and adjust labour costs

One logistic platform serving all channels

- **Centralised warehouse located in Piacenza**, one of the main Italian logistics hubs
- **104,000 sqm** of total surface area, newly opened on 12 October 2018
- **over 90% of DOS within 600 km** from Piacenza



A unique business model within the Italian CE sector…

	unieuro	Main Competitor	Buying Groups
Approach	**Omnichannel**	Omnichannel	Mainly traditional
Store format	**All formats, from travel to flagship stores**	Large stores only	All formats
Headquarters	**One, centralised**	One, centralised	Many, one for each member
Purchasing	**Centralised at HQ level**	Mixed, both at HQ and at store level	Decentralised, at single member level
Warehouse	**One, in Piacenza**	Many, one for each store	Many, one or more at single member level

…providing synergies and allowing Unieuro to profitably manage all kind of store formats

Notes: Data as of 28 Feb. 2018; (1) two agents employed by Unieuro

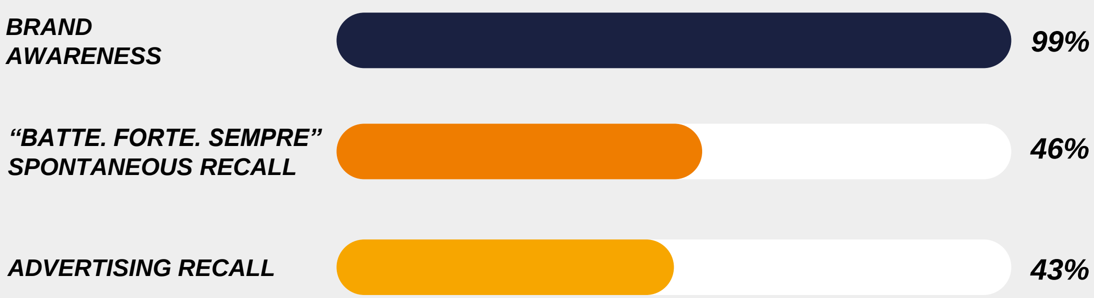
A strong brand supported by a future-facing marketing framework

An innovative, integrated & distinctive marketing ecosystem

- **Offline, Online, In-Store marketing activities** together with **Customer Insight** efforts to support **omnichannel strategic approach**
- **Digital and traditional marketing as a unique and future-facing framework,** covering all the core offline and online disciplines

One of the strongest brands in the retail sector

- **Successful rebranding in 2014** following UniEuro acquisition
- **One of the most recognisable brand** in the Italian landscape, empowered by a **unique and memorable claim** (“Batte. Forte. Sempre”), able to create a lasting value in the customer’s mind



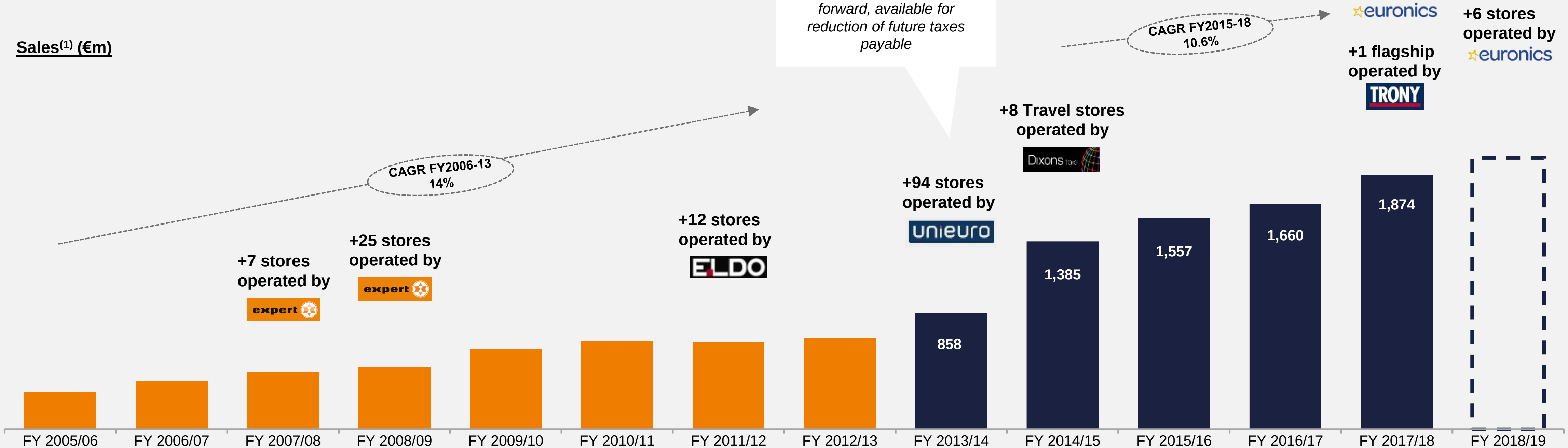
Innovative TV format in partnership with Samsung and RTI/Mediaset

Singles’ Day (11/11), the Chinese born shopping festival, introduced in Italy for the first time by Unieuro

Multichannel, integrated, massive marketing campaign for the 2017 Black Friday

12 years of consistent long-term growth…

Consistent growth achieved despite a period of declining GDP, grasping the opportunity to grow as an M&A consolidator

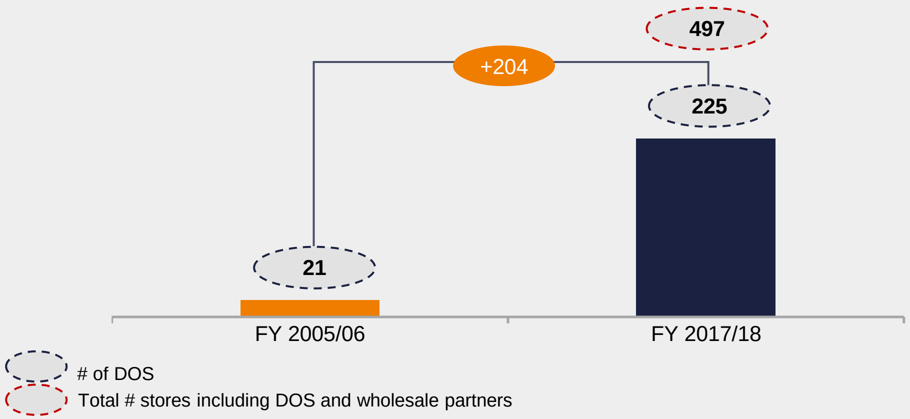


	FY 2005/06	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
GDP Growth (%)(3)	0.9%	2.0%	1.5%	(1.1%)	(5.5%)	1.7%	0.6%	(2.8%)	(1.7%)	0.1%	0.9%	1.1%	1.6%	
DOS	21	24	35	54	65	69	68	81	173	178	181	180	225	232(4)

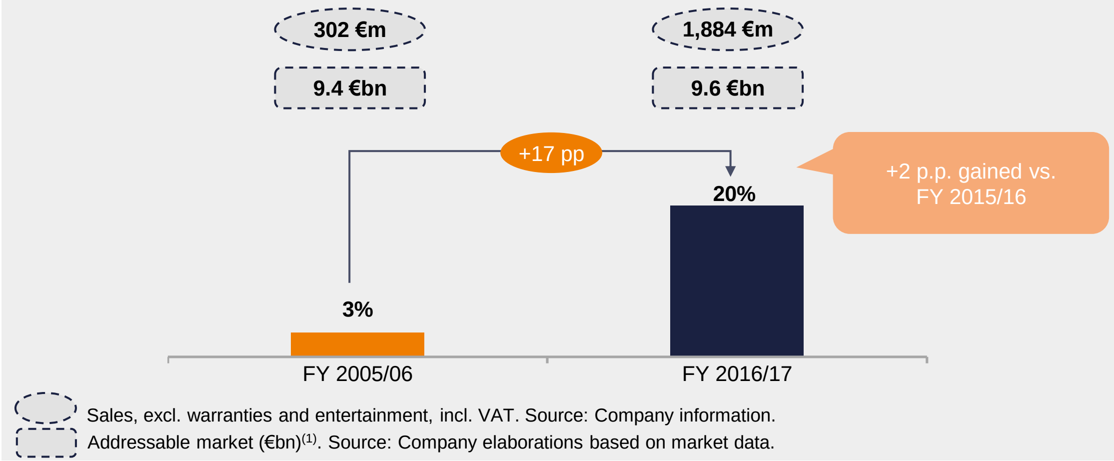
Notes: Source: Company information, Real GDP volume growth rate (% change on previous year) from Eurostat. FY ending in February; FY2014 figures include only 3 months of former UniEuro; (1) Sales pre FY2014 do not include "Other" sales; (2) Current amount of Net Operating Losses carried forward: 407.5 €m as of 30 November 2017; (3) Refers to the calendar year and not to the fiscal year of Unieuro; (4) Including 223 Retail DOS and 11 Travel Retail DOS, as at 24 October 2018.

…to reach a leading position in the market…

Expansion of DOS store network by over 10x since 2006 with total stores reaching 497 end of FY2017/18…



…and large share gains of 17pp at expense of competition…



…resulting in the leading company in the Italian CE market by number of stores

	Unieuro	Mediamarket	Butali	Bruno	SIEM	Galimberti[4]	Nova	Copre	DPS[5]	Papino	DGGroup	Pistone
2016 Sales (€m)	1,874[2]	2,052[3]	226	272	184	n.a.	196	186	n.a.	145	406	134
Current # of stores	497[2]	116[3]	51	48	37	32	27	55	43	36	NA	12

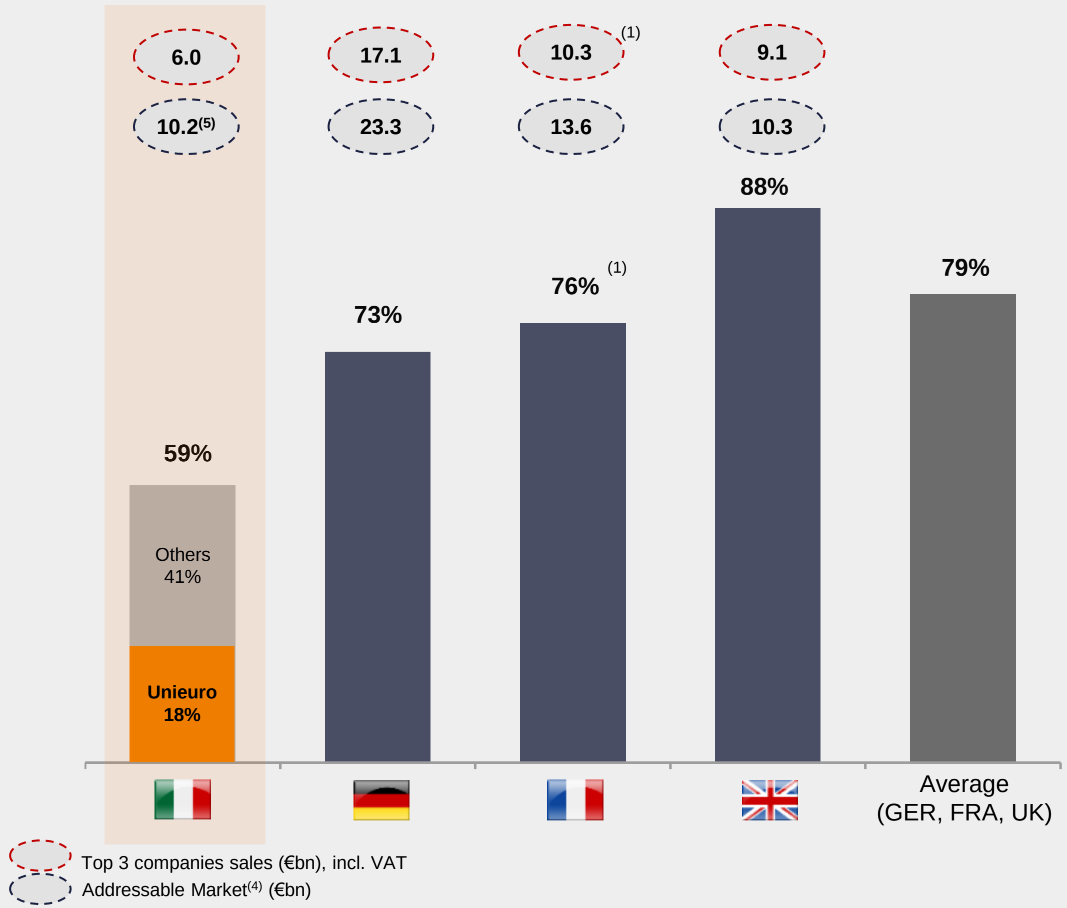
Member of Euronics buying group
Member of Trony buying group
Member of Expert buying group

Source: Company information (for Unieuro); companies' websites and companies' filings, Company elaborations based on market data. Notes: (1) Addressable market definition excludes sales from Entertainment category; (2) Unieuro sales and store number refer to FY 2017/18; (3) Mediamarket SpA sales and store number refers to FY 2016/17, ended on 30 Sept. 2017. (4) Galimberti has filed with the competent court petition for an arrangement with creditors ("concordato preventivo"). Petition is still pending. (4) DPS is in bankruptcy.

…with the ambition to create Italy's #1 CE retailer

Italy considerably less consolidated than other Western European markets…

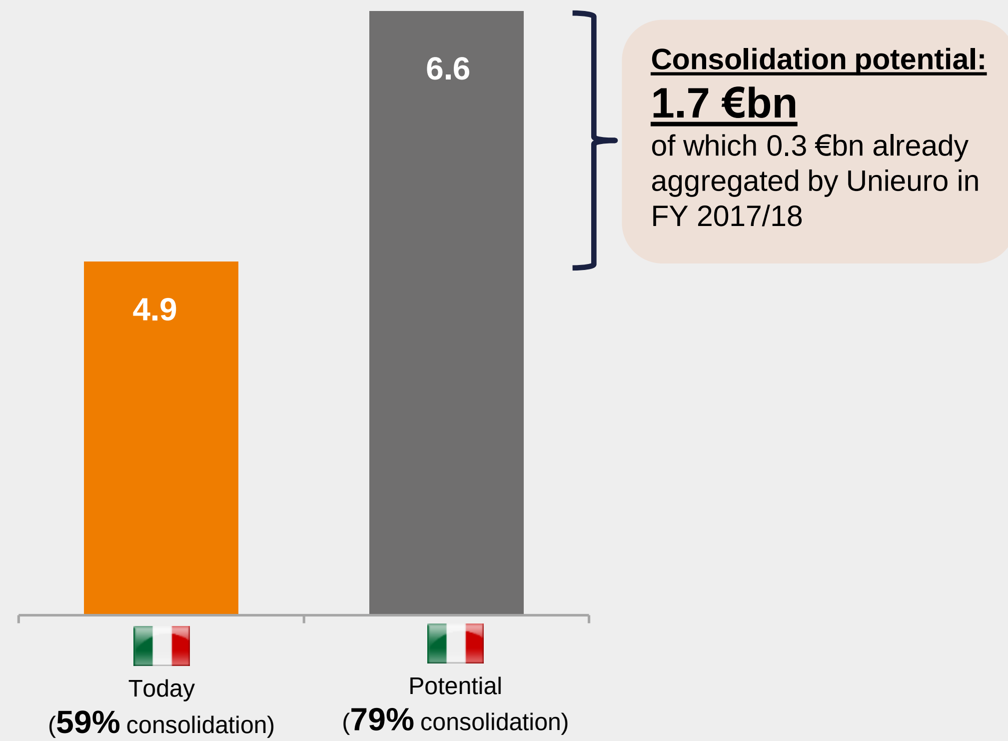
Combined addressable market share of top 3 companies (2015)



Source: Planet Retail and Company information (Top 3 companies sales), Company elaborations based on market data (addressable market).

…presenting a €1.7bn consolidation opportunity

Italy consolidation potential:
Top 3 companies combined sales today vs. potential based on average of Germany, France and UK markets (€bn)[2][3]



Source: Company information, Planet Retail, Company elaborations based on market data.

Notes: (1) Pro-forma for the acquisition of Darty by Fnac; (2) Excluding VAT; (3) This is meant to illustrate the consolidation potential in the Italian market and is by no means a market consolidation projection; (4) In order to present addressable market size on a comparable basis for international markets the addressable market perimeter in Italy is calculated on a modified basis

The only listed omnichannel CE retailer in Italy

IPO (April 2017)

- Listing venue: Italian Stock Exchange, **STAR Segment**
- Offer size: **6.9 million shares**, equal to 34,5% of the Company's issued share capital, sold to institutional investors Price: **11.00 €** per share
- Total consideration: **76 €m**
- Market capitalization at IPO: **220 €m**

Placement (September 2017)

- Offer size: **3.5 million shares**, equal to 17.5% of the Company's issued share capital, sold to institutional investors
- Price: **16.00 €** per share
- Total consideration: **56 €m**
- Market capitalization at Placement price: **320 €m**

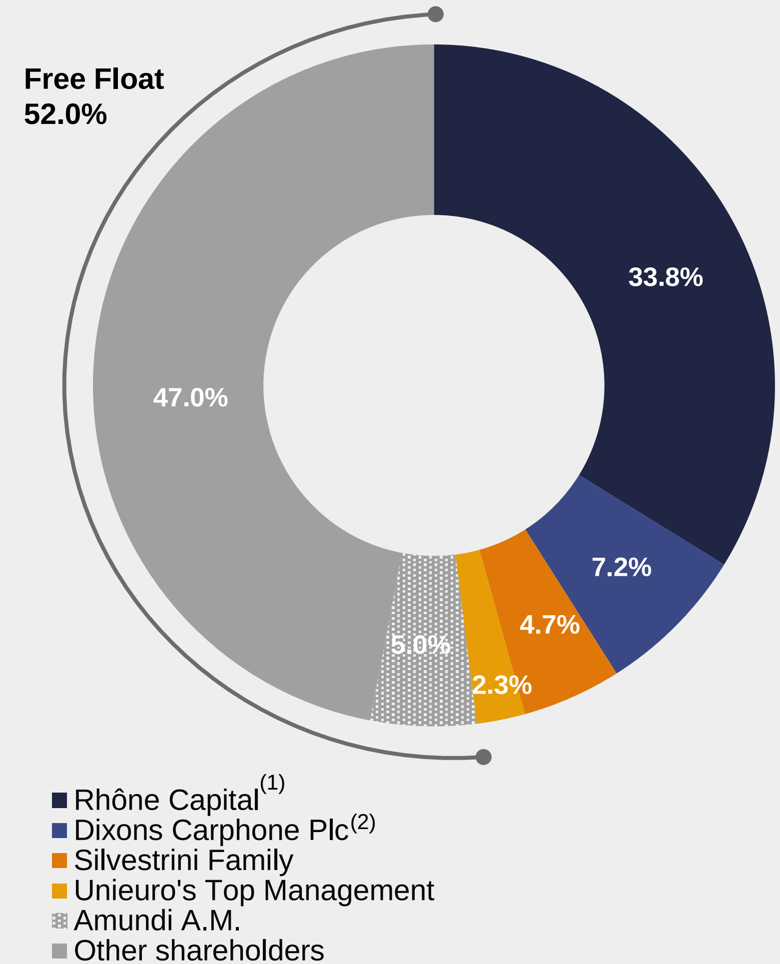
Demerger of IEH (October 2017)

- Non-proportional demerger of majority shareholder
- Improved **transparency** of Unieuro chain of control
- **Direct involvement of the Top Management** in the shareholding structure

Free float evolution

- Amundi Asset Management slightly over 5.0% of the share capital (24 October 2018)
- Top 3 institutional investors holding around 10%

Updated shareholding structure



Notes: (1) Through Italian Electronics Holdings S.à.r.l (2) Through DSG European Investments Limited

Dividends

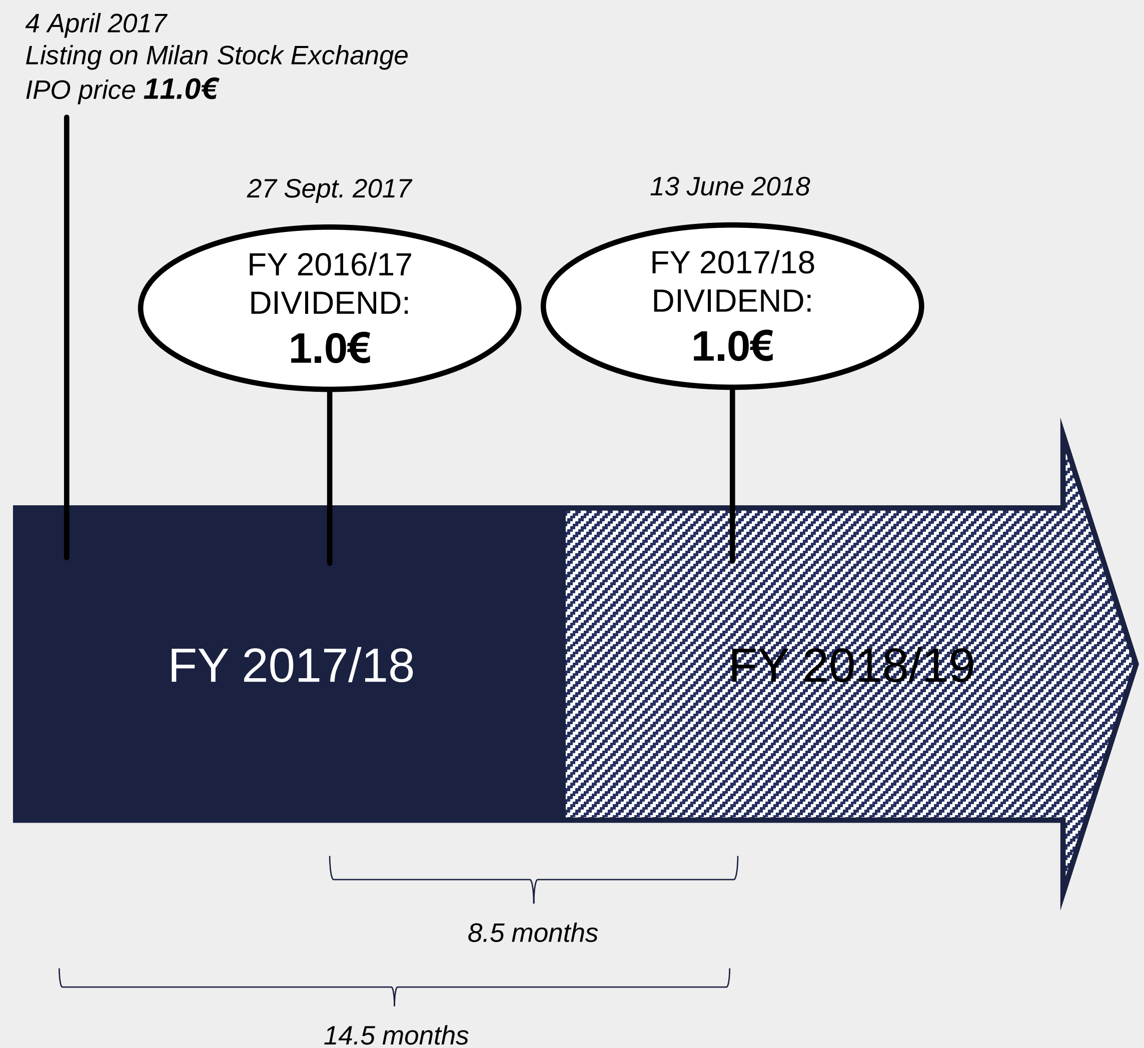
Dividend policy[1]

- Stating the distribution of a dividend of **not less than 50% of Unieuro's Adjusted net profit**[2]
- Approved by the Board of Directors on 1st March 2017

Dividend history

- **1.0 € per share** dividend paid out **twice since the IPO**
- Total dividend distribution equal to **40 €m over 18 months**
- Strong payout allowed by Unieuro's robust business and financial performance
- Pay-out ratio consistent with the dividend policy
- **High dividend yield** registered at the record dates (25 September 2017 and 11 June 2018)

Clear commitment to shareholders remuneration



Notes: (1) The declaration, amount and payment of cash dividends in future years will depend on earnings, financial condition, capital requirements, general business conditions and the conditions in the markets in which Unieuro operates. The Company's ability to distribute dividends in future years may be restricted due to changes to applicable laws or the decision to use profits and distributable reserves to support our growth and investment policy. (2) The adjusted net profit (loss) for the period is calculated as the profit (loss) for the period adjusted (i) for adjustments incorporated in adjusted EBITDA (ii) non recurring financial expenses and (iii) for the theoretical tax impact of those adjustments.

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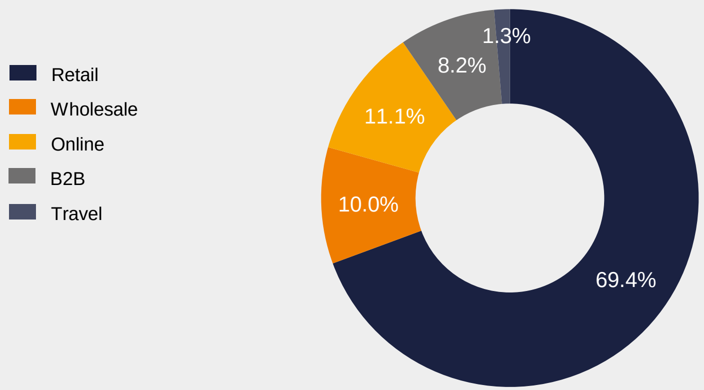
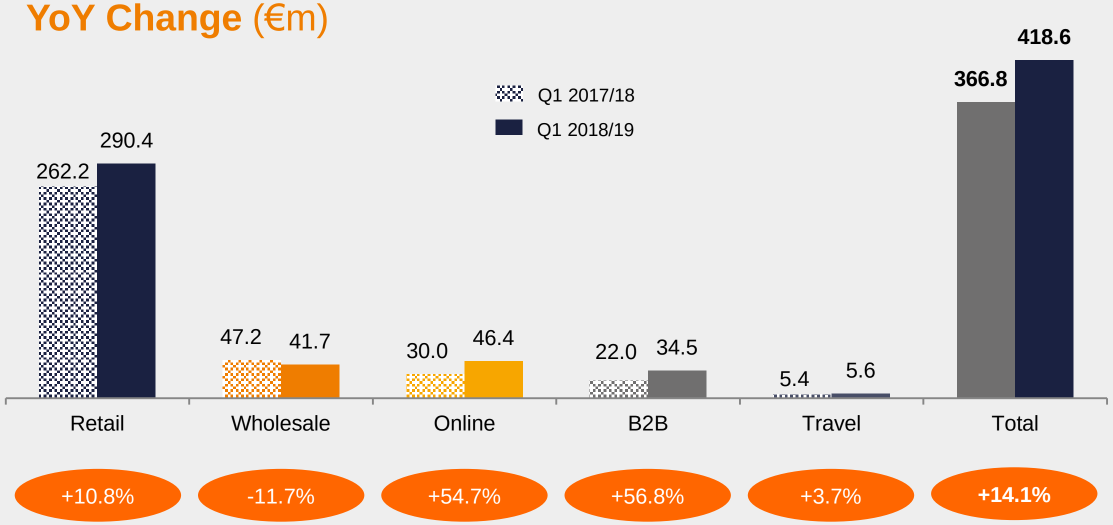
Sales by Channel

Q1 2018/19 Breakdown



YoY Change (€m)



- **Retail boosted by store network expansion**, started in Q2 17/18
  - Channel store base increased by 43 DOS vs. Q1 17/18
  - Negative like-for-like sales performance (-4.9%) due to:
    - tough market environment, especially in April and May, influenced by political uncertainties
    - Important promotional campaigns postponed to June, in order to leverage on World Cup
    - new stores effect on pre-existing network
  - Like-for-like sales -1.1% excluding new stores and different promotion calendar effects

- **Wholesale under rationalization**
  - Decrease by 9 stores vs. Q1 17/18
  - New DOS effect on pre-existing affiliates network

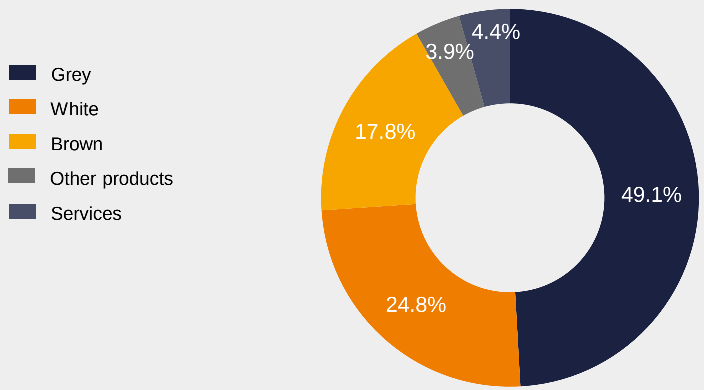
- **Online still running**
  - +20.3% at constant perimeter
  - Monclick B2C contribution, not present in Q1 17/18: 10.3 €m

- **B2B strong increase**
  - Opportunistic business posting a +29% performance on a comparable basis
  - Monclick B2B2C contribution: 6.1 €m

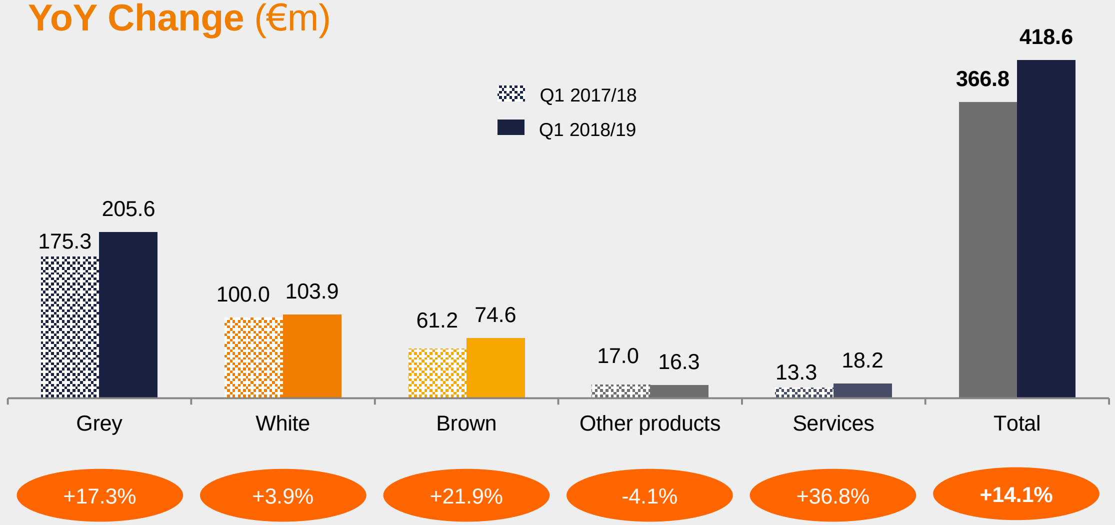
Notes: Consolidated results. Unieuro Q1 ends on 31 May. Data in millions of Euro, unless otherwise stated.

Sales by Product Category

Q1 2018/19 Breakdown



YoY Change (€m)

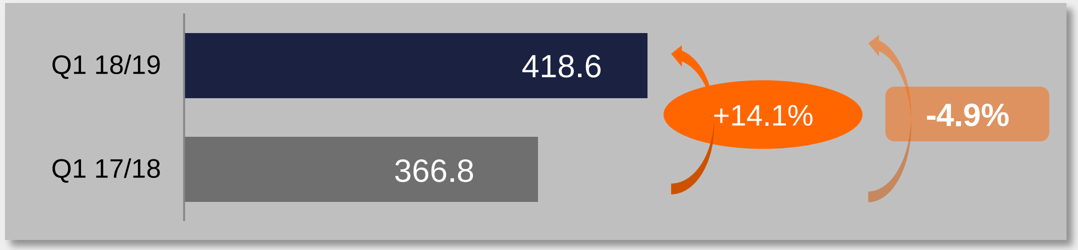


- **Grey boosted by smartphones growth**
  - Mix moving towards high-end products
  - Good performance for some new models (i.e. Huawei P20)
- **White impacted by different promotion calendar**
  - Important commercial activity anticipated to February 2018
  - Keeping commitment on White products to improve profitability
- **Brown posting a strong performance**
  - Success for high-end models, especially Ultra HD and OLED
  - World Cup effect on sales
- **Other products influenced by promotions shift**
- **Services growth led by consumer credit and extended warranties**

Notes: Consolidated results. Unieuro Q1 ends on 31 May. Data in millions of Euro, unless otherwise stated.

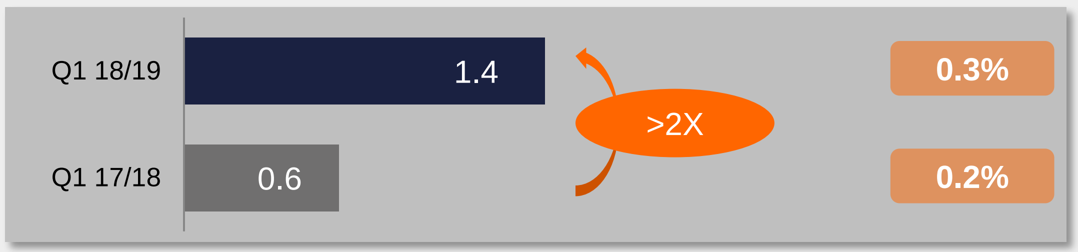
Key Financials /1

Sales (€m) ***Like-for-like growth*** [(1)]



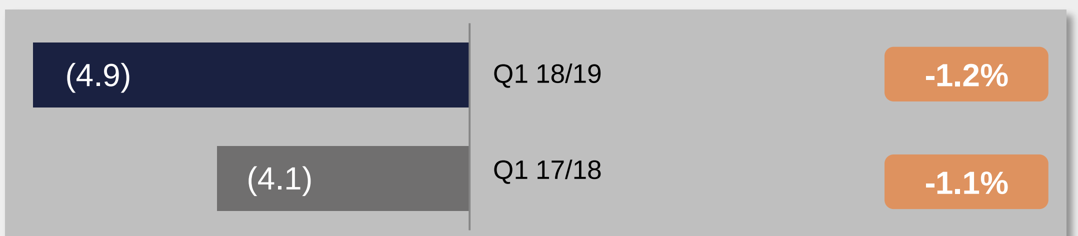
- LY acquisitions and new openings effect on perimeter
- Like-for-like sales -4.9%, affected by new stores effect on pre-existing network and different promotion calendar. Net of these phenomena, **LFL sales -1.1%**
- Different promotion calendar significantly impacting on a single quarter
- Online and B2B positive contribution on a comparable basis

Adj. EBITDA[(2)] (€m) ***Adj. EBITDA margin***



- Q1 not meaningful from a profitability point of view, due to **seasonality effect** (lower revenues, constant fixed costs)
- Adj. EBITDA more than doubled and slight improve in Adj. EBITDA margin thanks to:
  - Gross profit increase
  - Shift in marketing costs connected to promotions

Adj. Net Income/(Loss)[(3)] (€m) ***Adj. Net margin***

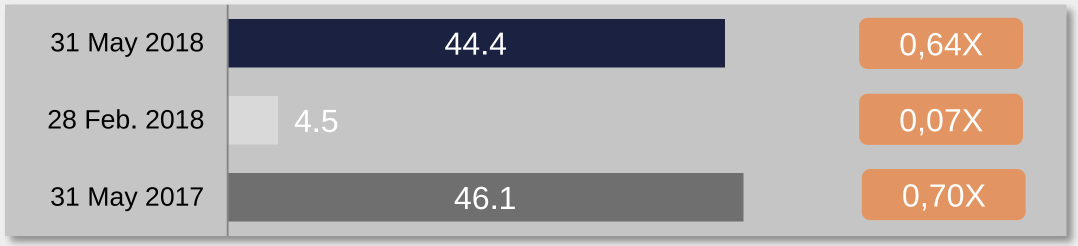


- Higher D&A and tax temporary impact
- Financial interest reduction deriving from December 2017 credit lines total redefinition

Notes: Consolidated results. Unieuro Q1 ends on 31 May. Data in millions of Euro, unless otherwise stated. (1) Like-for-like growth: method for comparing sales of direct points of sale including click-and-collect sales for the current year, with sales for the previous period for the same number of points of sale and, thus, in accordance with the criterion of being operational for at least 26 months. (2) Adjusted EBITDA is EBITDA adjusted for: (i) non-recurring expenses/(income) and (ii) the impact from the adjustment of revenues for extended warranty services net of related estimated future costs to provide the assistance service, as a result of the change in the business model for directly managed assistance services. (3) Adjusted Result is calculated as the Profit (Loss) adjusted by (i) the adjustments incorporated in the Adj. EBITDA, (ii) the adjustments of the non-recurring financial expenses/(income) and (iii) the theoretical tax impact of these adjustments.

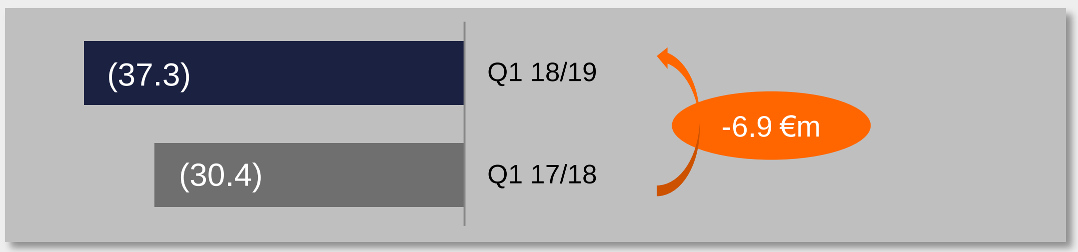
Key Financials /2

Net Financial Debt (€m)



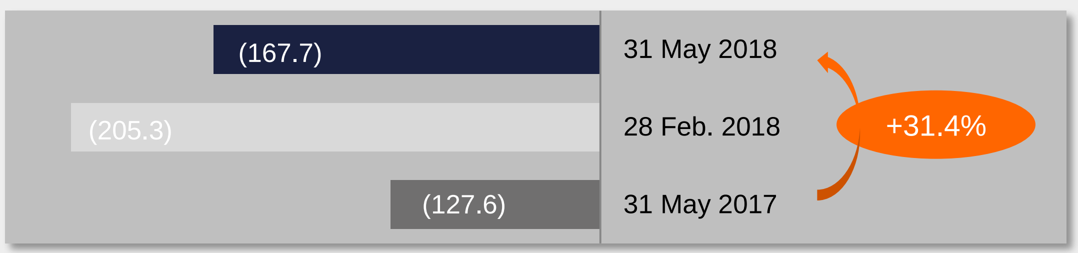
- **Seasonality effect** boosting cash absorption at operating level
- Improved **leverage ratio** vs. Q1 17/18

Adj. Levered Free Cash Flow[(2)] (€m)



- **Operating cash flow** influenced by the different promotion calendar, which led to a change in sourcing planning
- **6.7 €m capex**, including a first portion of extraordinary investments related to the new logistics hub

Net Working Capital (€m)



- **Net Working Capital** strong improvement compared to 31 May 2017 underpinned by network expansion and extended warranties
- Quarterly change negatively influenced by seasonality

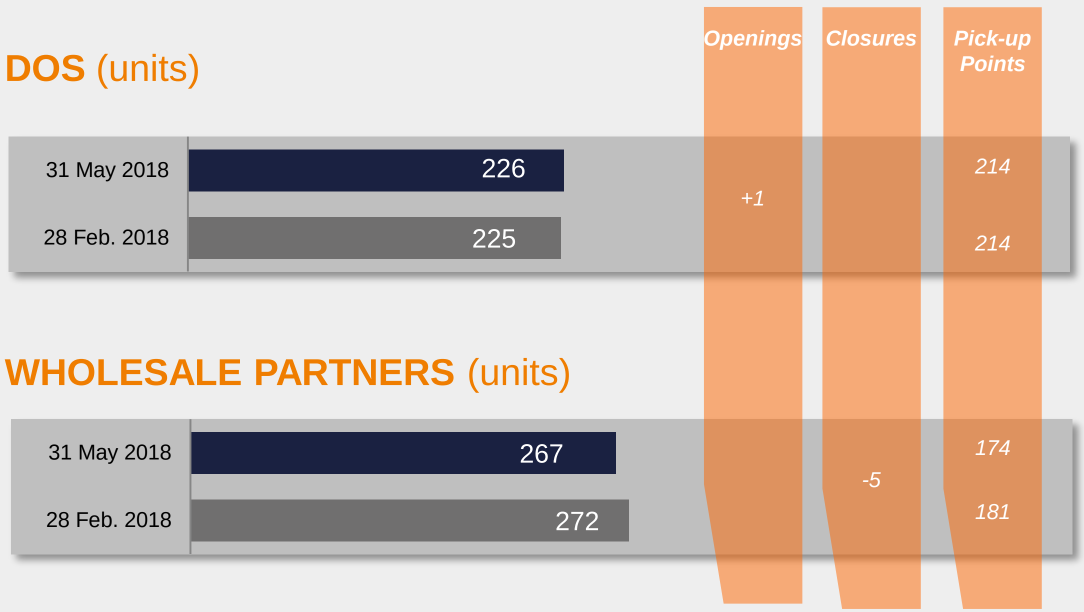
Notes: Consolidated results. Unieuro Q1 ends on 31 May. Data in millions of Euro, unless otherwise stated. (1) Leverage ratio is calculated as Net Financial Debt divided by Last Twelve Month Adjusted EBITDA. (2) Adjusted Levered Free Cash Flow is defined as cash flow generated/absorbed by operating activities net of investment activities adjusted for non-recurring investments and other non-recurring operating flows and including adjustments for non-recurring expenses (income) and net of their non-cash component and the related tax impact.

Key Operational Data

Unieuro's Retail Network: 493 stores

- DOS (units)

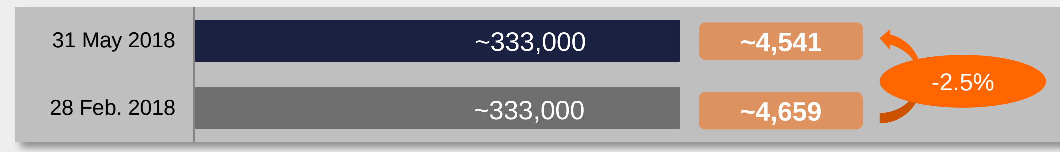
- WHOLESALE PARTNERS (units)



- Cagliari new opening
- Ongoing affiliates network rationalisation, also due to DOS network expansion
- **Pick-up points: 388** (79% of total stores)

Total Retail Area (sqm DOS only)

Sales density (€/sqm, LTM)



- Stable retail area in the quarter
- Like-for-like sales effect on sales density

Active Loyalty Cards[(1)] (thousands)

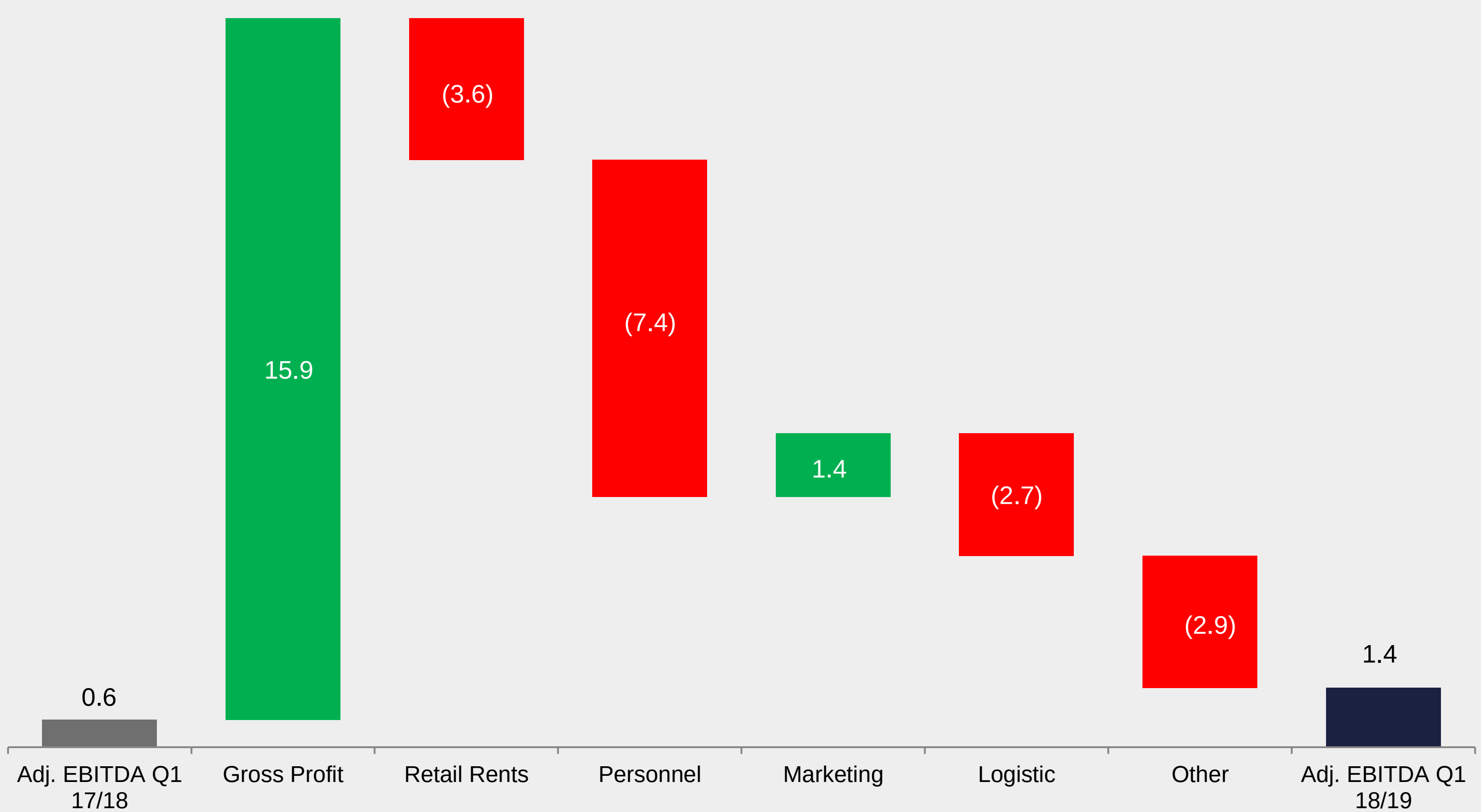
- Moving focus from total loyalty cards to active ones
- Active loyalty cards increasing QoQ, on a running basis

Workforce (FTEs)

- Staff optimization at store level, also due to enhanced extensiveness of the store network

Notes: Consolidated results. Unieuro Q1 ends on 31 May. Data in millions of Euro, unless otherwise stated. (1) Active loyalty customers defined as customers who made at least a transaction within the last 12 months.

Adjusted EBITDA[1] Walk

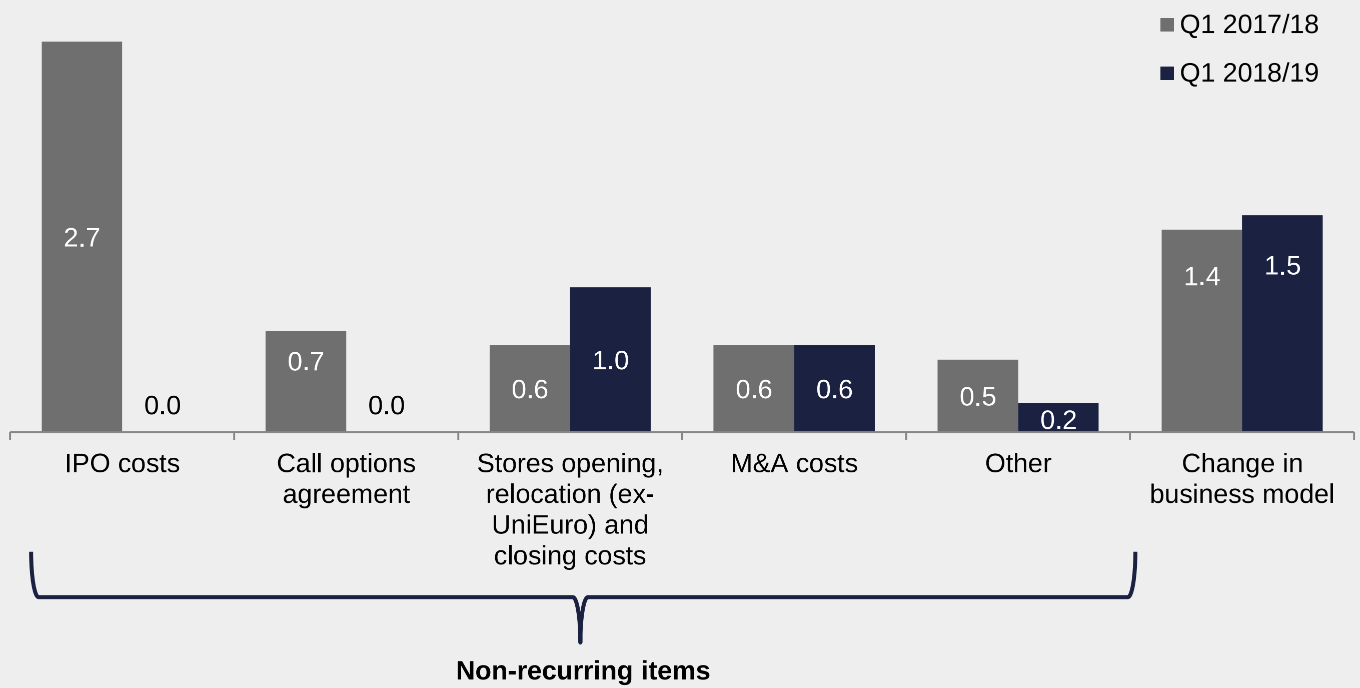


- **Strong increase in Gross Profit**, from 21.5% to 22.6% thanks to a lighter pressure deriving from promotions, both at company and market level
- **Retail rents up,** following the store network expansion, reflecting on a different comparison basis
- **Personnel costs up**:
  - acquisitions and new openings
  - Long term incentive plans
  - Strengthening of central functions
- **Reduction in Marketing costs** (-10.7%) in light of the different promotion calendar
- **Significant increase in Logistics costs** led by increase in revenues and home delivery
- **Other costs up** pushed by G&A, consultancies and insurance premiums

Notes: Consolidated results. Unieuro Q1 ends on 31 May. Data in millions of Euro, unless otherwise stated. (1) Adjusted EBITDA is EBITDA adjusted for: (i) non-recurring expenses/(income) and (ii) the impact from the adjustment of revenues for extended warranty services net of related estimated future costs to provide the assistance service, as a result of the change in the business model for directly managed assistance services.

Explaining EBITDA adjustments

Adjustments breakdown



- Exceptional costs related to IPO and Call options agreement definitely ended
- **Stores opening, relocations (ex-UniEuro) and closing costs**, accounted in view of upcoming store closures
- **M&A costs** mostly related to reorganization of Monclick corporate structure
- **Change in business model** impacting slightly more QoQ. Extended warranties adjustments increase related to the impact of Andreoli and Cerioni acquisition

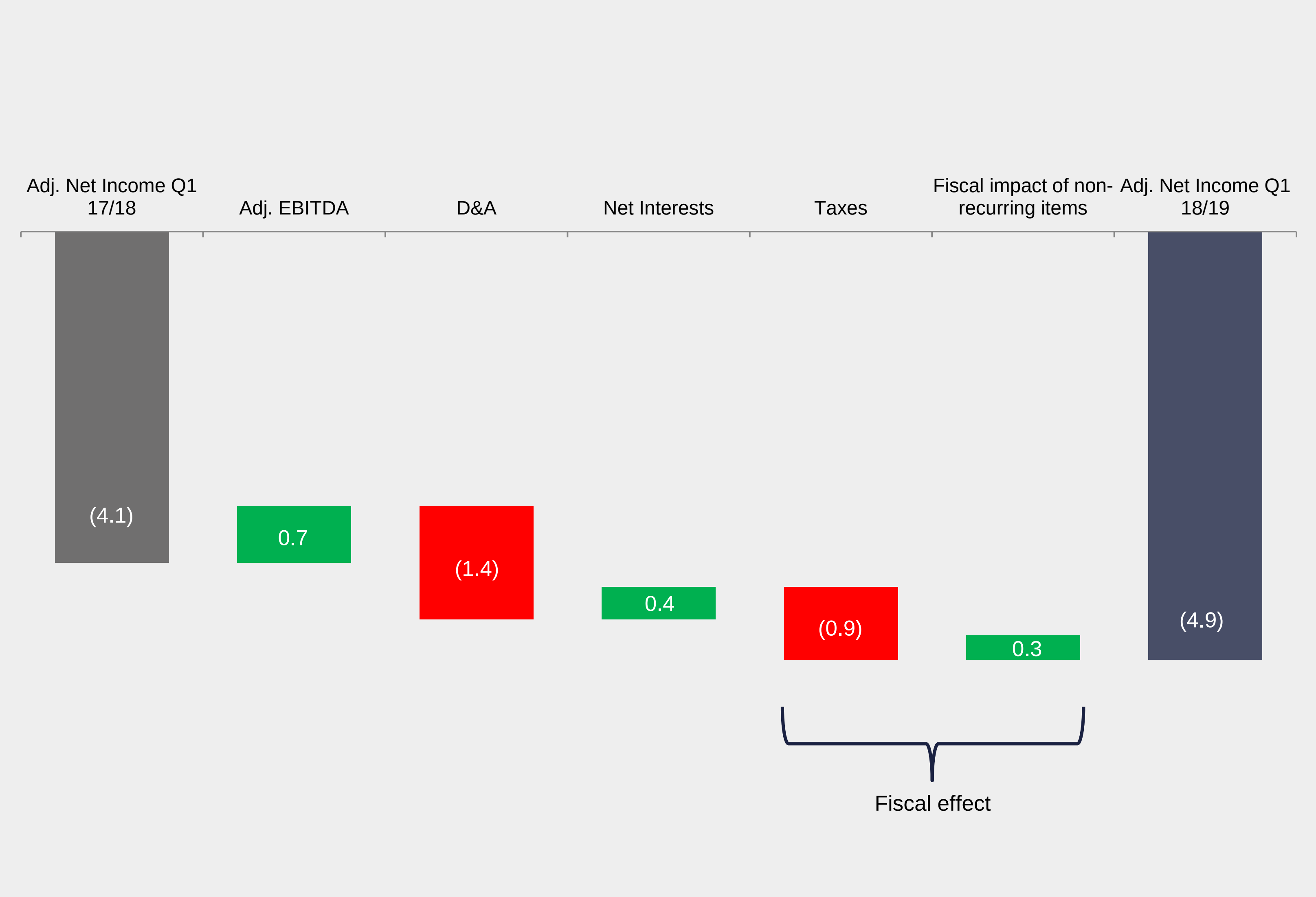
Total adjustments change

	Q1 17/18	Q1 18/19	Δ
Non-recurring items	5.1	1.8	-3.3
Extended warranties adjustment	1.4	1.5	0.1
Total adjustments	**6.6**	**3.4**	**-3.2**

- **Non-recurring items cut by 64% in the quarter**
- **Total adjustments substantially halved**

Notes: Consolidated results. Unieuro Q1 ends on 31 May. Data in millions of Euro, unless otherwise stated.

Adjusted Net Income[1] Walk

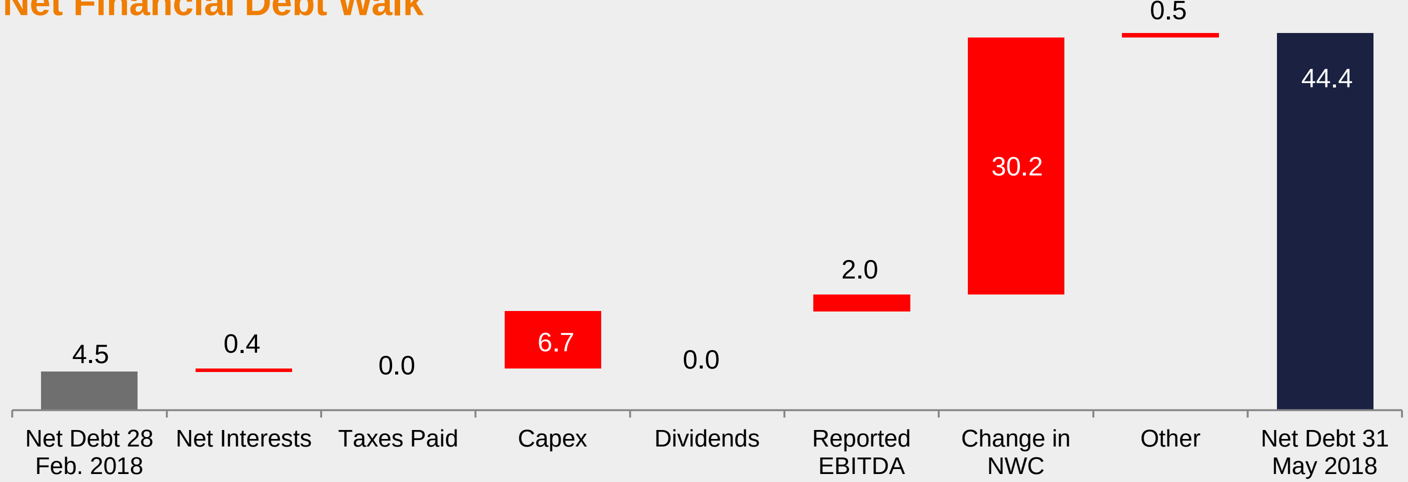


- **Net loss due to seasonality effect**, typical of the business: fixed costs related to personnel, rent and overhead impacting on a seasonally weak revenue base
- **D&A increase** due to growing capex activities in the last years, also connected to new openings and acquisitions
- **Net interests savings** thanks to the new credit facilities signed at the end of December 2017 which allow Unieuro to substantially halve interest charges
- **Negative fiscal effect**, from positive 1.2 €m in Q1 17/18 to positive 0.6 €m in Q1 18/19

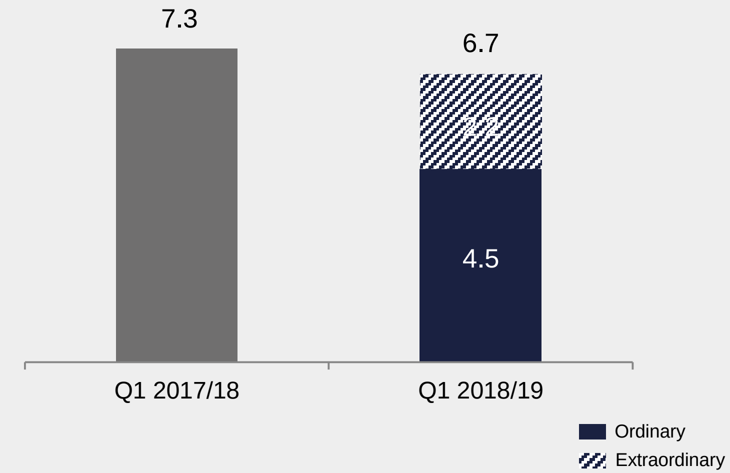
Notes: Consolidated results. Unieuro Q1 ends on 31 May. Data in millions of Euro, unless otherwise stated. P&L line items adjusted for non-recurring costs and business model change. (1) Adjusted Result is calculated as the Profit (Loss) adjusted by (i) the adjustments incorporated in the Adj. EBITDA, (ii) the adjustments of the non-recurring financial expenses/(income) and (iii) the theoretical tax impact of these adjustments.

Financial Overview

Net Financial Debt Walk

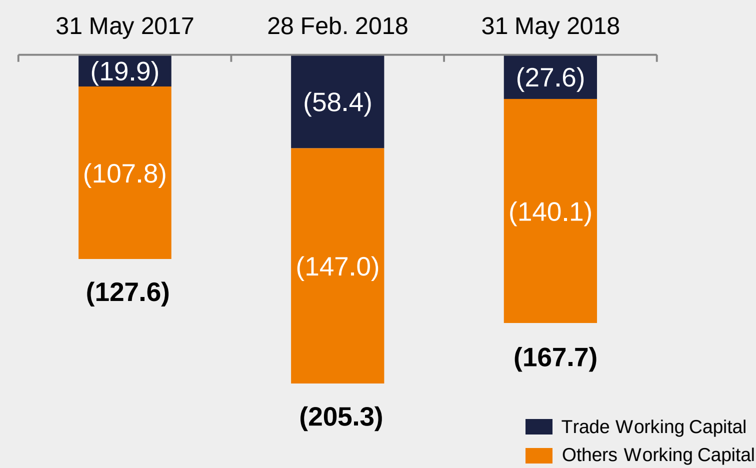


Capex



- **Net Financial Position impacted by seasonality**, in line with historical experience, led by the increase in **Net Working Capital cash absorption**
- **Total capex down** to 6.7 €m, including:
  - **Ordinary capex** (4.5€m), related to store maintenance and refurbishment, ITC, digital platform improvement and store digitalization
  - **Extraordinary capex** (2.2 €m) concerning investments on the new Piacenza logistics hub (i.e. automation systems, security)
- **Net Working Capital improving** vs. last year:
  - Trade WC enhancing thanks to enlarged store base
  - Others WC pushed by extended warranties

Net Working Capital



Notes: Consolidated results. Unieuro Q1 ends on 31 May. Data in millions of Euro, unless otherwise stated.

Summary

- What’s new
- Overview of Unieuro
- Q1 18/19 Financials
- **Key Takeaways**

Key Takeaways

- **Unique and winning business model**, positioning Unieuro as **the only omnichannel consolidator** in the highly fragmented Italian CE market, through **new openings and M&A**

- **Offline external growth strategy now focused on cherry picking**, thus avoiding overlaps and acquiring competitors' best locations only
- **15 new stores** in the last 3 months, formerly belonging to competing buying groups

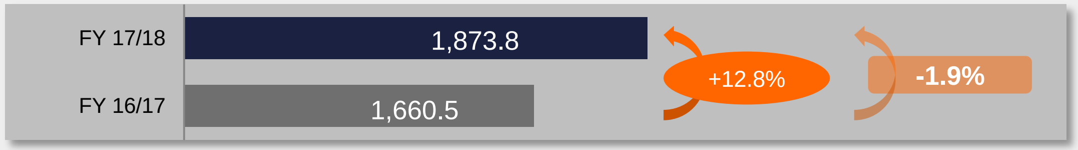
- **Channels integration strategy as the only way to succeed** in such a competitive market
- **Large and modern new logistics hub** opened in October to support omnichannel growth: the starting point of a new logistics strategy focusing on better serving the customer

- **Improved Q1 18/19 results**, despite low significance due to seasonality
- Impressive historical **cash generation,** boosted by acquisitions and NWC control
- Over 400 €m NOLs allowing **future tax savings**
- **Continuous focus on Shareholders' remuneration**

Annex

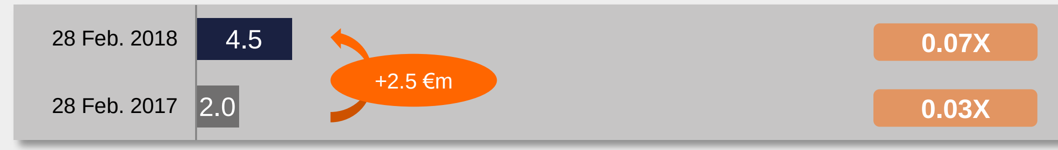
FY 2017/18 Key Financials

Sales (€m)



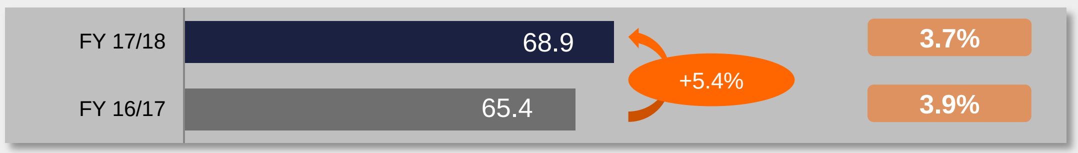
- Acquisitions (175.4 €m), e-commerce (40.6 €m) and new openings effects
- LFL sales affected by 2016/17 new stores and refurbishments on existing network. Net of these phenomena, LFL sales +0.4%

Net Financial Debt (€m)



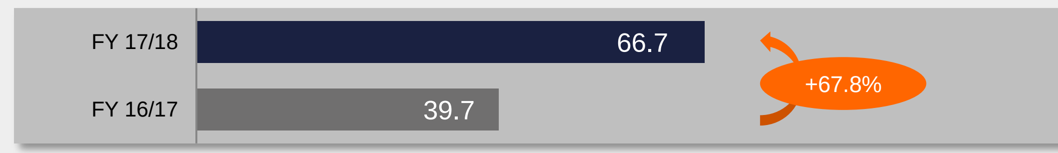
- Net Debt close to zero for the second year in a row
- Financed acquisitions (38.2 €m, comprising total consideration and capex), capex (25.2 €m) and dividend payment (20 €m)

Adj. EBITDA (€m)



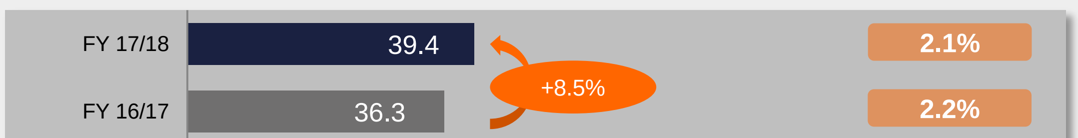
- Adj. EBITDA increase, led by volumes increase
- Adj. EBITDA margin dilution driven by gross margin, logistics, personnel and Other costs, despite cost synergies and efficiencies on rents and marketing
- Impact from Black Friday and one-off promotions for the launch of 48 new stores
- Slightly positive contribution from acquired businesses

Adj. Levered Free Cash Flow (€m)



- Impressive cash flow generation led by Net Working Capital improvements,
- Cash conversion rate at 96.8% vs. 60.6% in FY 16/17

Adj. Net Income (€m)



- Adj. Net Income improvement grown faster than Adj. Ebitda
- Lower net interests and taxes almost offsetting higher D&A related to capex expansion

Net Working Capital (€m)

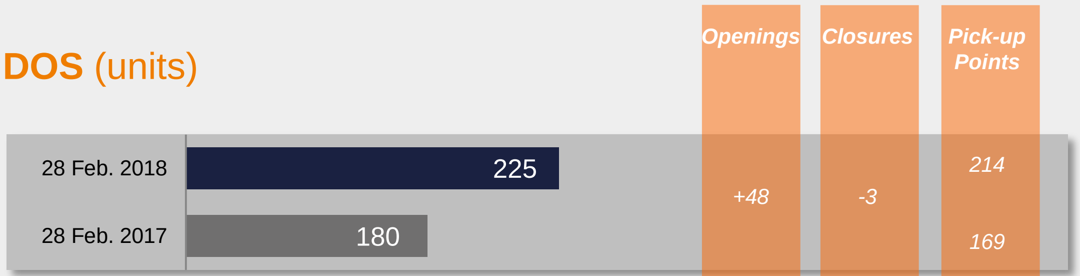
- 56 €m generated in FY 17/18 vs. 22 €m in prior year
- Trade NWC benefiting from store network expansion and careful management
- Positive impact of Extended Warranties accruals

Notes: Unieuro Fiscal Year ends on 28 February. (1) LFL sales include DOS and "Click & Collect" sales (2) Leverage ratio is calculated as Net Financial Debt divided by Adj. EBITDA

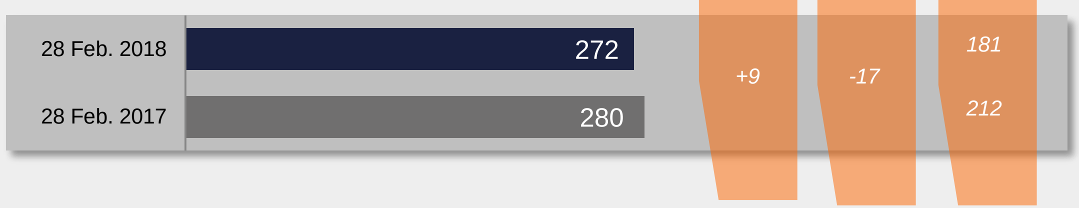
FY 2018/18 Key Operational Data

Unieuro’s Retail Network: 497 stores

- DOS (units)

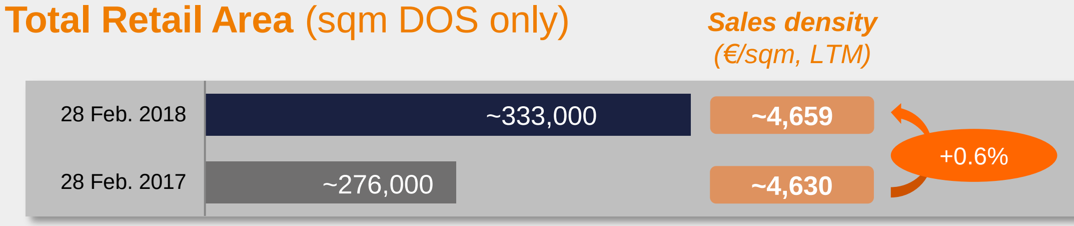


- WHOLESALE PARTNERS (units)



- **41 new DOS coming from acquisitions:**
  - 21 former Andreoli/Euronics, reopened in Q2
  - former Edom/Trony megastore in the Euroma2 shopping mall, reopened on 20 Sept.
  - 19 former Cerioni/Euronics, reopened between 16 Nov. and 27 Jan.
- **7 new openings:**
  - 6 in 9M (Oriocenter, Orio Airport, Novara, Genova, Roma Trastevere and Napoli Airport
  - 1 in Q4 (Modena)
- **Rationalization of DOS network started** (closure of Frosinone, Cento and Roma Torrevecchia stores), in parallel with wholesale partners network’s
- **Pick-up points: 395** (79% of total stores)

Total Retail Area (sqm DOS only)

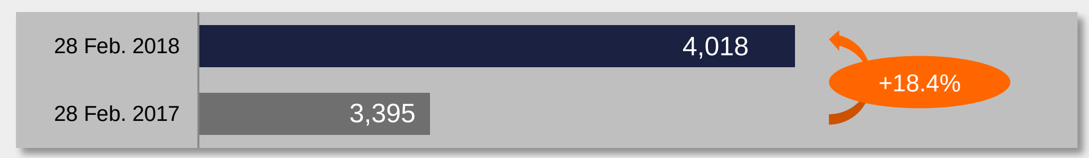


- **Acquisitions and new openings boosting total sales area by over 20%**
- **Slight improve in Sales density**

Loyalty Card Holders (millions)

- **Card holders and active loyalty customers[1] increasing**

Workforce (FTEs)

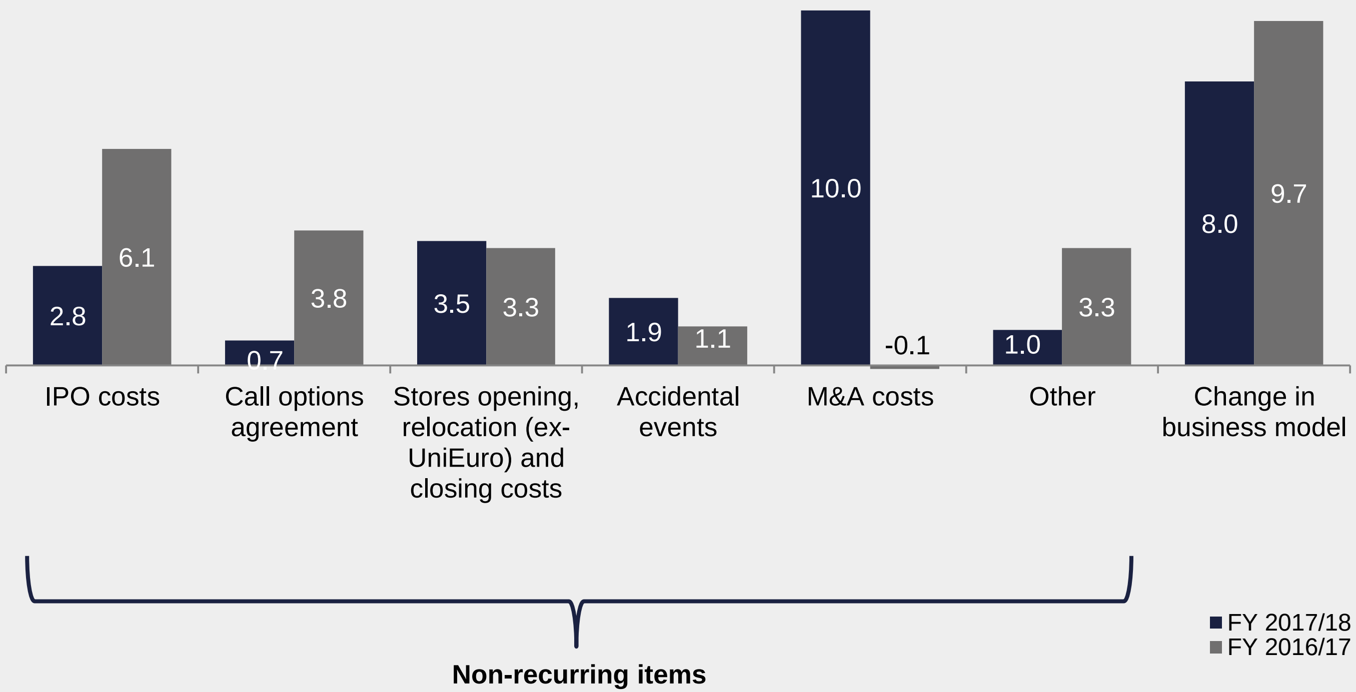


- **Acquisitions (549) and new openings effect**
- **HQ reinforcement**, also connected to the new status of listed company

Notes: Unieuro Fiscal year ends on 28 February. (1) Active loyalty customers defined as customers who made at least a transaction within the last 12 months.

Explaining FY 2017/18 EBITDA adjustments

Adjustments breakdown



- **IPO costs**, ended in Q1 2017/18
- **Call options agreement**, ended in Q1 2017/18 after successful IPO
- **Stores opening, relocations (ex-UniEuro) and closing costs**, almost in line yoy despite more openings (7 vs. 2 in FY 16/17)
- **Accidental events**, related to a theft in Piacenza logistics center, occurred in 2Q 2017/18. 0.8 €m reduction in Q4 due to insurance first reimbursement connected to prior year Oderzo store fire
- **M&A costs** concerning Andreoli, Cerioni and Monclick acquisitions and including rents and personnel costs until reopening of the stores, as well as training, advisory services and other minor costs
- **Other**, mostly related to potential future liabilities connected to former UniEuro stores
- **Change in business model,** referring to extended warranties adjustments, impacted from Q4 by the acquisition of Andreoli and Cerioni stores, in line with already adopted accounting policy

Total adjustments change

	FY 17/18	FY 16/17	Δ
Non-recurring items	19.9	17.6	2.3
Extended warranties adjustment	8.0	9.7	-1.7
Total adjustments	**27.9**	**27.3**	**0.6**

- **Non-recurring items increase (+2.3 €m) mostly driven by M&A and a one-off accident, accounting 11.9 €m in total**
- **Net of those effects, non-recurring items more than halved (-54.5% to 8 €m)**
- **Q4 total adjustments from 8.3 €m to 5.3 €m**

Notes: Consolidated results. Unieuro Fiscal Year ends on 28 February. Data in millions of Euro, unless otherwise stated.

NEXT EVENTS

H1 2018/19 Results
14 November 2018

9M 2018/19 Results
10 January 2019

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