Unieuro S.p.A.

Fiscal Year 2018/19 Results Presentation

8 May 2019

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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.

Agenda

- Highlights
- Market Scenario and Sales Performance
- Strategic Goals and Achievements
- Financials
- Closing Remarks

Highlights

- FY 2018/19 sales at another **record level: 2.1 €bn**
  - Unieuro is the **new leader in the distribution of consumer electronics and household appliances in Italy**, for the first time ever

- Offline sales benefitting from **store network expansion and like-for-like performance**
  - Online sales up by 32.5% - double-digit for the 4th year in a row - driving Unieuro's **digital platforms to the top of the fastest growing business channel**
  - Successful entrance in the **Mass Merchandisers' segment** boosting Indirect channel

- **Long-term strategy paying out**
  - Further boost in FY 2019/20 from Pistone and 2018 acquisitions and new openings run rate
  - Strengthening Unieuro's customer-oriented approach: **NPS up at +42.5**

- **The best economic results in Unieuro's history so far**
  - Adjusted EBITDA[1] at 73.6 €m, Adjusted Net Income[2] at 42.7 €m

- Another year of **excellent cash generation**, pushing Adj. Levered Free Cash Flow[3] to 68.7 €m
- Record financial position at year end: **20.5 €m net cash** in spite of investments, dividends and acquisitions

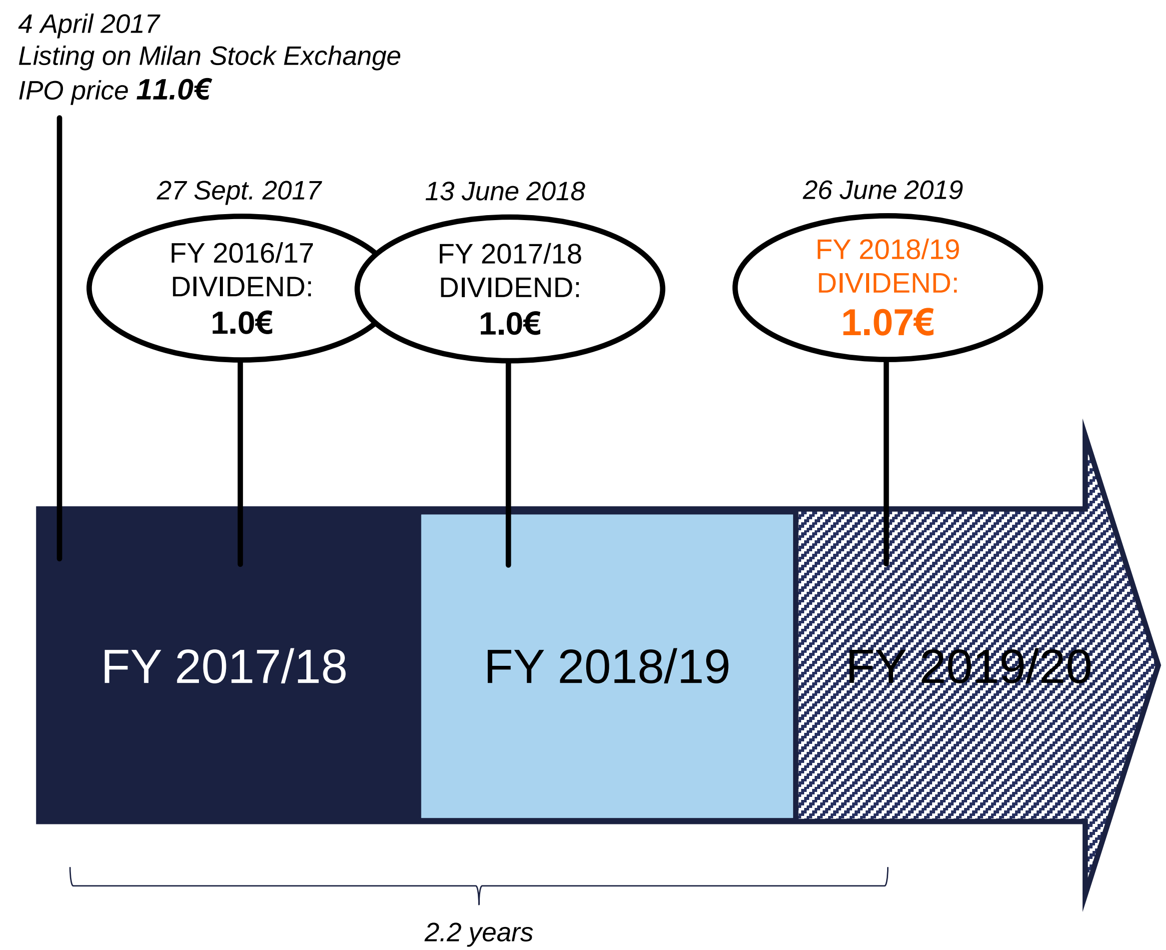
- **Proposed dividend increased to 1.07 Euro per share**. 3.07 Euros paid out to shareholders in 2.2 years only

Notes:

Dividend Proposal

1.07 Euros per share

- **+7%** vs. FY 2017/18 dividend (1.0 Euro)
- **Total dividend distribution** equal to **21.4 €m**
- **61.4 €m paid out to shareholders since the IPO**, equal to 3.07 Euros per share, or **27.9% of the IPO price** (11 Euros) over 2.2 years only
- Strong payout allowed by Unieuro's strong business and financial performance
- **Payout ratio: 50.1% of Consolidated Adj. Net Income[1]**, consistently with current dividend policy (pay-out of at least 50% of Consolidated Adj. Net Income[1])
- **Dividend yield of 7.7%[2]**
- **Payment date: 26 June 2019** (ex-dividend date 24 June; record date 25 June)
- **Shareholders' Meeting** to approve dividend distribution to be held in Forlì, on **18 June 2019**



Notes: Unieuro Fiscal year ends on 28 February. (1) 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. (2) The dividend yield was calculated on the closing price of the Unieuro stock at 7 May 2019.

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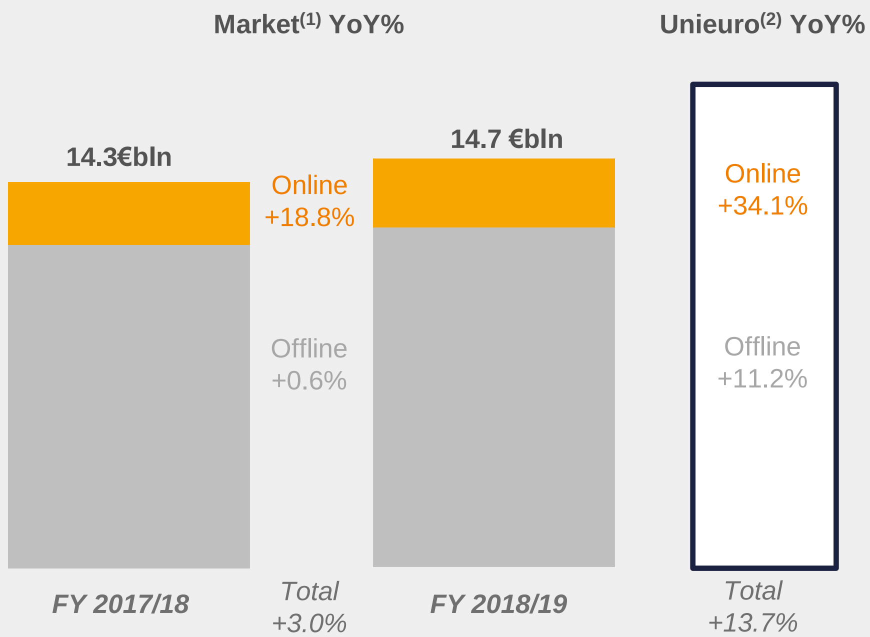
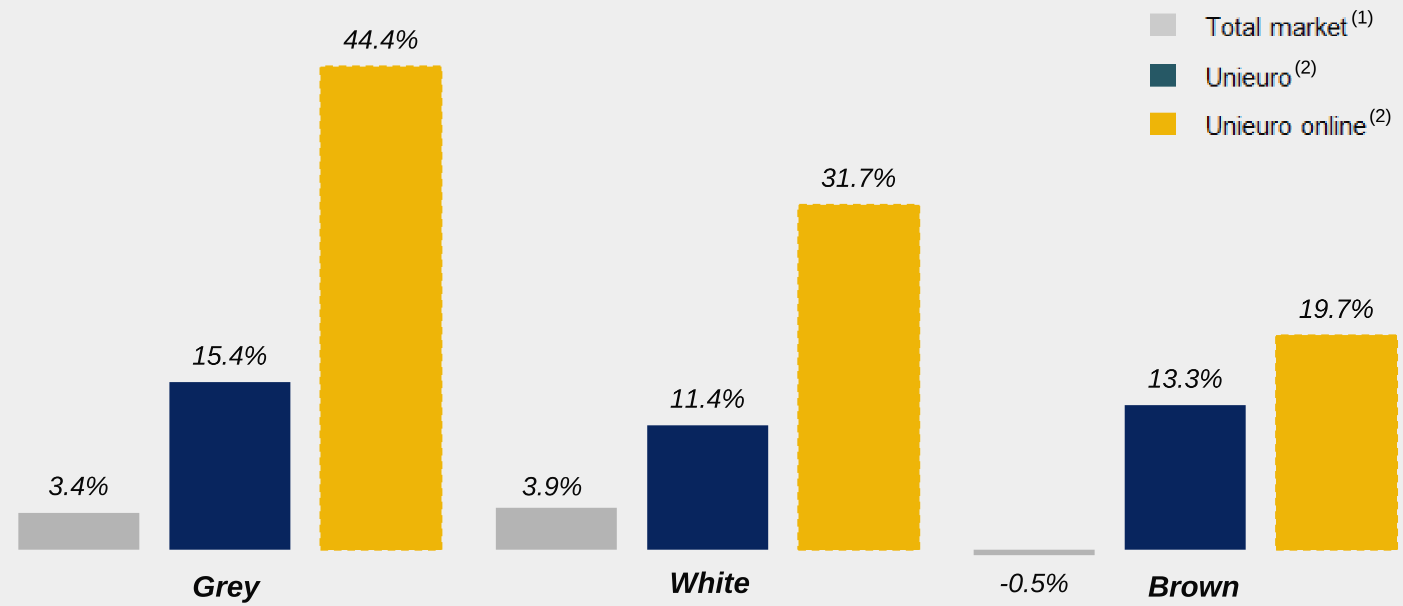
Market Scenario





Growth: H1 growth confirmed in H2 thanks to excellent peak season
- offline growth in H2 reversing H1 weakness
- online sales accelerating vs H1

Competitive Scenario: competitive pressure on SDA and IT from online players confirmed

Internet penetration: approx. **15**% in FY 2018/19, +2 p.p. yoy

Unieuro: outperforming again the market in both channels. Unieuro.it pushing online market share, offline benefitting from acquisitions and strong peak season

Grey goods:
- Telecom: uptrend confirmed, boosted by high-end smartphones
- IT: back to growth thanks to online sales

White goods: significantly reversing the downtrend registered in H1 (-1.5%):
- MDA: strong performance in H2
- SDA: boosted by online sales
- Home Comfort: air conditioning impacted by a summer season colder than last FY

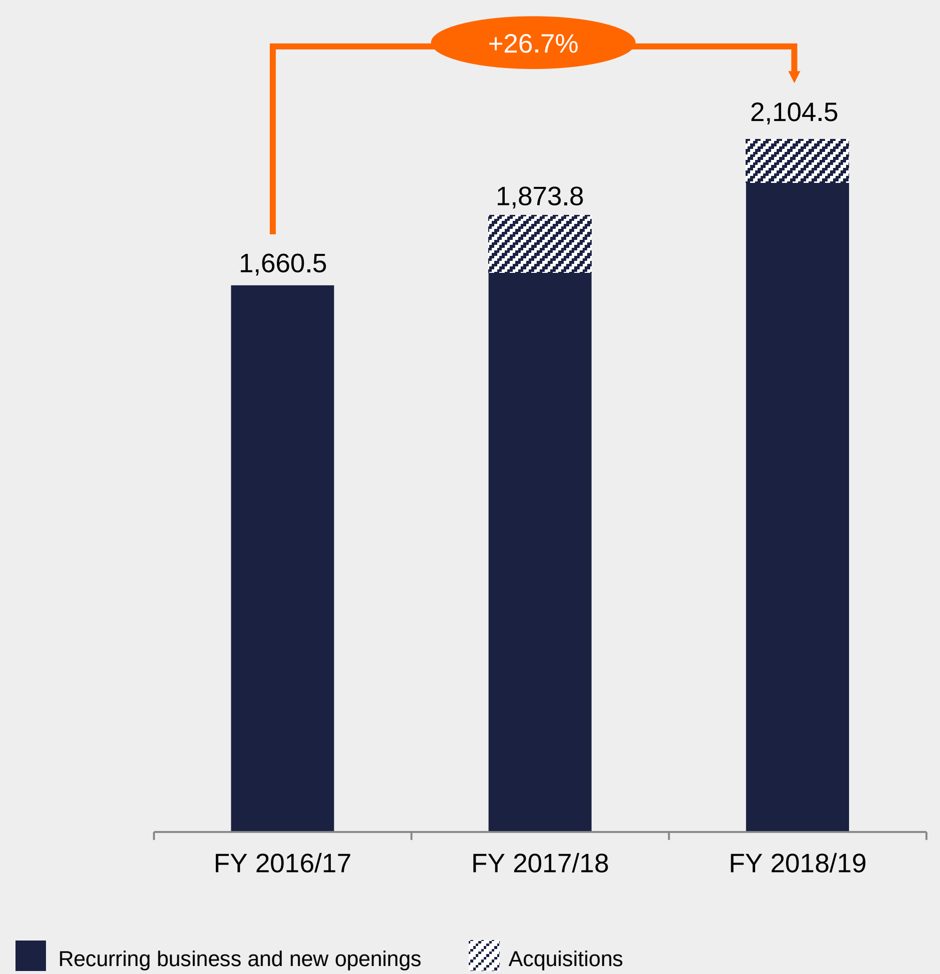
Brown goods: slightly negative after a drop in the previous FY. Shift from middle-segment to premium price and change in channel mix impacting the TV segment

Unieuro(1): market share growth confirmed in all product segments, especially Brown an Grey. Significant gain in telephony despite tough competition coming from online and specialists

Notes: Unieuro Fiscal Year ends on 28 February. Source: Company elaborations on Gfk data. (1) Market data restated not to consider Entertainment category, previously included. (2) Unieuro's growth per product category and single channel only concerns the Consumer segment net of Services, Entertainment and products outside the scope of consumer electronics, while including Travel sales.

FY 2018/19 Sales At Record Level…

Another strong year of revenue growth



- **<u>Record FY 2018/19 consolidated sales: 2,104.5 €m (+12.3% yoy)</u>**
- **Positive Like-for-like performance: +4.9%** also thanks to the excellent Black Friday campaign and significantly positive Christmas season
- **Different business scope** impacting for **132.6 €m** and resulting from the acquisition of:
  - Monclick, from 1 June 2017
  - 8 former Cerioni / Euronics stores, between December 2017 and January 2018
  - 8 former DPS / Trony stores, in Q3 2018/19
  - 6 former Galimberti / Euronics stores, in November/December 2018
- **Online business** growing fast: **+30.8**% net of Monclick's B2C contribution
- **Indirect channel back to growth (+10.5%)** benefitting from the partnership signed with Finiper

Notes: Consolidated results. Unieuro Fiscal Year ends on 28 February. (1) The like-for-like KPI is calculated including: (i) the retail and travel stores operating for at least an entire financial year at the closing date of the reference period, excluding sales outlets affected by significant business discontinuity (e.g. temporary closures and large-scale refurbishments) and (ii) the entire direct online channel.

…Leading to Market Leadership

Unieuro is the new leader of Italian CE market for the first time in its history, no longer only in terms of number of stores and profitability, but also in terms of business volume

Notes: Unieuro Fiscal Year ends on 28 February. Unieuro sales do not include yet Pistone stores, consolidated since 1 March 2019, and run-rate of former DPS/Trony and Galimberti/Euronics reopened in H2 2018/19.
Source: public data and company estimates.

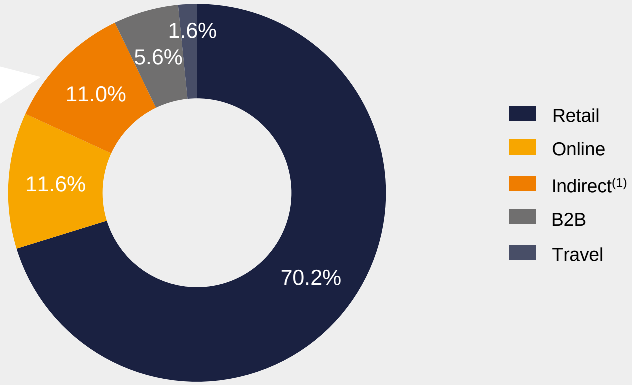
Sales by Channel

FY 2018/19 Breakdown

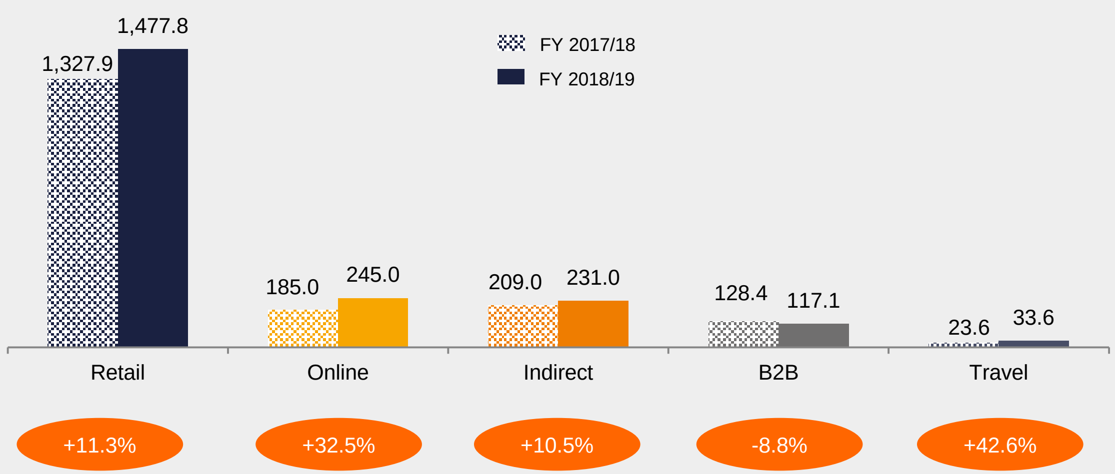
Indirect Channel
(formerly "Wholesale"),

comprising:

1) *sales to the network of affiliated stores*
2) *revenues generated in the segment of mass merchandisers through partnerships with leading industry operators (i.e. Finiper)*



YoY Change (€m)

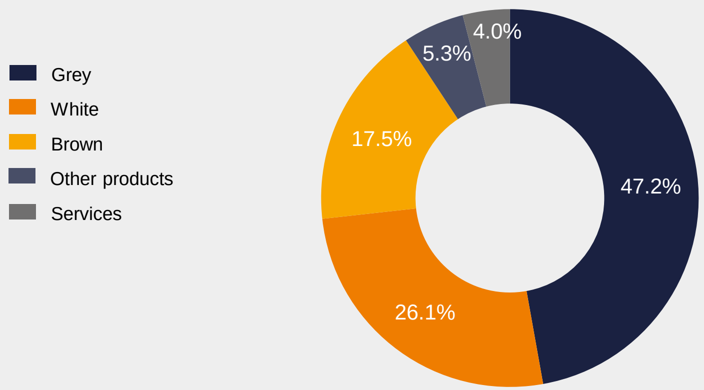


- **Retail**
  - Store network expansion (+11 DOS yoy)
  - Good performance on a like-for-like basis, especially driven by smartphones, TV sets and the vacuum-cleaners
- **Online still running**
  - Unieuro.it platform +30.8%,
  - Monclick B2C contribution: 46.3 €m
- **Indirect[(1)] back to growth**
  - Ongoing rationalization of the affiliates network, more than compensated by shop-in-shop openings
  - 14 Unieuro-by-Iper fully operational at FY end
- **B2B[(1)] deteriorating**
  - Opportunistic and volatile business
  - Monclick B2B2C contribution: 13.1 €m
- **Travel**
  - Boost by Milano San Babila new opening (6 October 2018)
  - Successful entrance into the "subway" retail segment, offering room for future growth

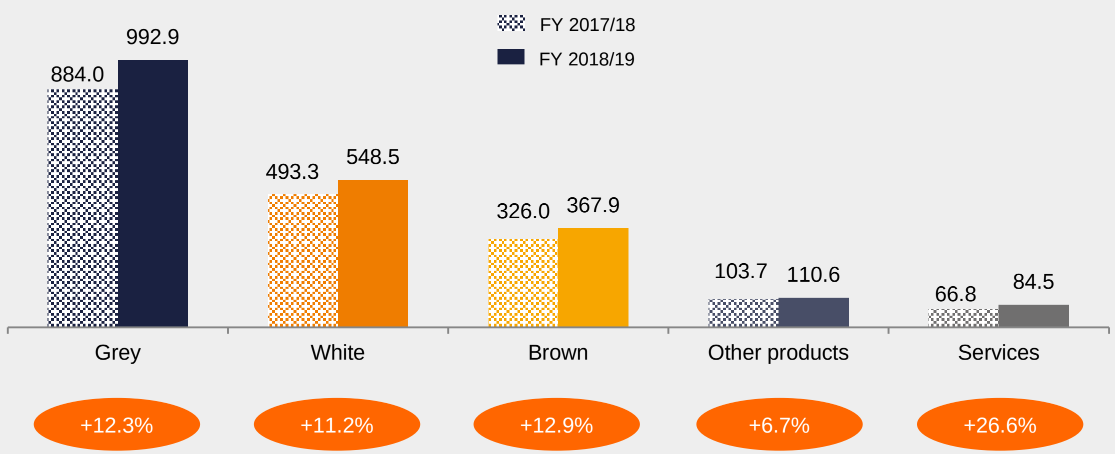
Notes: Consolidated results. Unieuro Fiscal Year ends on 28 February. Data in millions of Euro, unless otherwise stated. (1) For the purpose of better representation, supplies of goods to an ongoing customer operating in the consumer electronics market without using the Unieuro brand was reclassified from the Indirect channel to the B2B channel.

Sales by Product Category

FY 2018/19 Breakdown



YoY Change (€m)



- **<u>Grey</u> still boosted by smartphones growth**
  - Mix moving towards high-end products
  - Successful launch of some new models
  - Positive performance of wearables and accessories, earphones
- **<u>White</u>, double-digit growth**
  - Success of the vacuum-cleaner department
  - Increased penetration of dryers and dishwashers
- **<u>Brown</u>, strong increase going on**
  - Growing success for high-end TV sets (i.e. ultraHD and OLED)
  - Good performance of the audio sector, also benefitting from the success of Google Home
  - World Cup effect on sales
- **<u>Other products</u> back to growth**
  - Good performance of videogame consoles
  - Electric mobility sales drop
- **<u>Services</u> posting the higher YoY growth rate**
  - Acquisitions and new openings increasing volumes
  - Excellent performance of extended warranties and consumer credit

Notes: Consolidated results. Unieuro Fiscal Year ends on 28 February. Data in millions of Euro, unless otherwise stated. the classification of revenues by category is revised periodically in order to guarantee the comparability of Group data with market data.

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- **Strategic Goals and Achievements**
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Unieuro’s Strategic Goals

VISION

Continue the **profitable growth** of the business by increasing market share in **trending product categories** (MDA, SDA, Telecom), focusing on **customer-centric approach** and **omnichannel opportunities**

STRATEGIC PILLAR	Proximity	Experience	Retail Mix
OFFLINE	Further boost to geography coverage and development of proximity stores	Keep the attractiveness of stores high	Differentiation by distribution format
ONLINE	Integration into the digital ecosystem	Ensure maximum website usability by optimizing mobile opportunities	Expand the range
OMNICHANNEL	Use physical assets with a view to omnichannel exploitation	Value Customer Insight to maximize engagement opportunities (frequency, average ticket, margins)	Strenghten positioning in the Service segment; boost coverage of trending, high-margin product categories

ENABLER

- Supply Chain
- Brand Equity
- Partnership with Suppliers

FY 2018/19 Achievements

STRATEGIC PILLAR

Proximity	Experience	Retail Mix
• **3 new DOS in Cagliari** (29 March), Grosseto and Silvi Marina (4 August) • **14 new DOS from acquisitions**: 8 former DPS/Trony and 6 former Galimberti/Euronics • **14 shop-in-shops Unieuro-by-Iper** opened inside *Iper, La Grande I* hypermarkets • **Unieuro App close to 2m downloads** in 2.5 years from its launch	• **16 stores refurbished** (4 DOS, 12 affiliates); 3 DOS relocation • **Average NPS** (direct channel) standing at **42.5 points**, increased vs. last FY • **Netcomm e-Commerce Award 2018 Winner** - Best Consumer Electronic App (first time ever for a mobile app) • **Augmented Reality**: new feature of Unieuro.it digital platform	• **Exclusive sale of Ignis-branded major domestic appliances started** in stores and online, thus reinforcing Unieuro's commitment to White goods category • **Commercial agreement with Sony** for the exclusive sale of 3 middle-range TV models, thus expanding the range of a similar agreement dated 2017

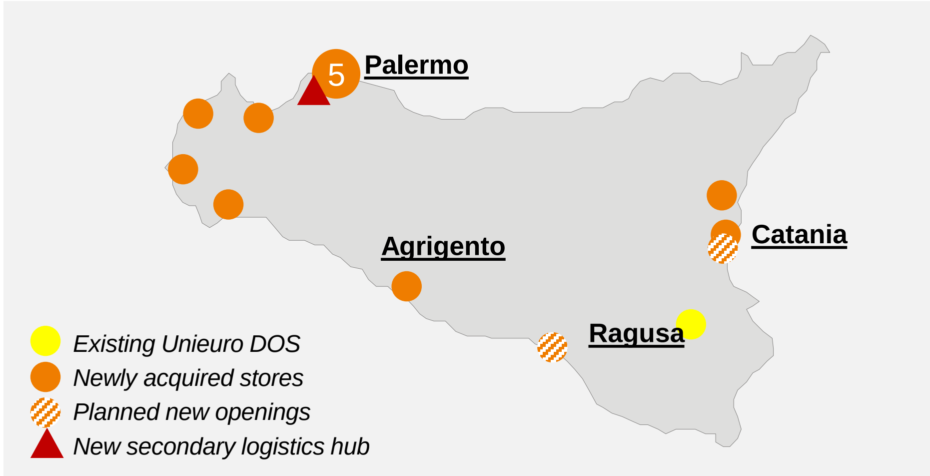
ENABLER

- **Supply Chain**: successful relocation to the new hub in Piacenza. New secondary hub in Sicily as an evolution of the logistics strategy
- **Brand Equity**: "Unieuro" within the most influential brands in Italy, according to latest Ipsos survey
- **Partnership with Suppliers**: commercial agreements with most important suppliers as a pillar of successful Black Friday campaign

Offline Proximity: Completion of the Pistone Acquisition

Integration successfully completed in only 2 months

- Closing date: **1st March 2019**
- Reopening date: **2nd March 2019**, thanks to the separate acquisition of goods in stock from Pistone S.p.A.
- Reopening sustained by **extensive omnichannel local campaign "Come prima. Più di prima."**, showing real salespeople
- **Further local business development,** supported by Mr. Giuseppe Pistone: **two new openings** already planned in Gela (Caltanissetta) and Misterbianco (Catania main retail destination) - June 2019
- **New secondary logistics hub** in Carini (Palermo):
  - 10,000 sqm, previously used by Pistone S.p.A. to serve its network
  - focused on White goods and large TVs to be delivered to Sicily and Calabria
  - aiming at serving all local stores, direct and affiliated, as well as online customers
  - fully operational from **Mid April 2019**
  - no issues during the transition
- **All new colleagues trained**



«Like before. More than before.» The marketing campaing supporting stores reopening

Strategic Rationale

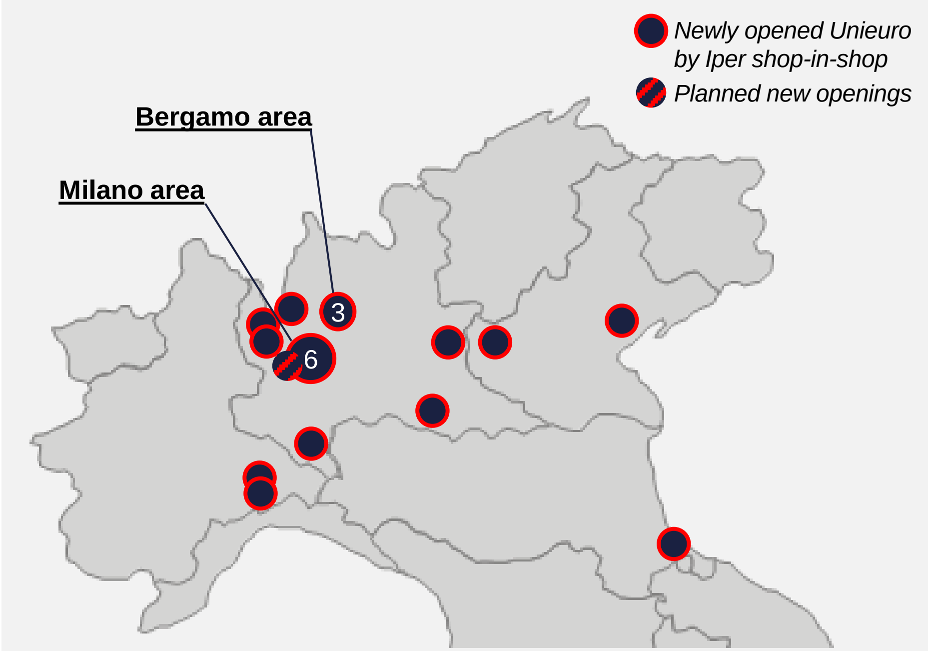
- Landing in populous and underpenetrated region, **boosting Unieuro's total market share**
- Leveraging the existing platform to **extract synergies** (procurement, marketing)
- Establishing a strong local presence to **further expand the network** in Sicily
- **Streamlining logistics operations in Sicily and Calabria regions**

Notes: (1) Unieuro acquired a newly established company ("Carini Retail Srl") in which Pistone S.p.A. had transferred a business unit comprising the 12 stores, inclusive of leasing contracts, equipment and sales staff, as well as liabilities towards employees at the date of closing.

Offline Proximity: Unieuro by Iper network fully operational

Partnership with Finiper successfully in place

- **20 shop-in-shops** already launched and now fully operational (14 in FY 2018/19, 5 in March, 1 in April).
- **1 more final shop-in-shop to come within 2020**, in a former Milanese Trony location acquired by Unieuro within the DPS deal
- **No significant overlaps** with pre-existing direct network
- Easy entrance in **some of the most prestigious malls in Northern Italy**, where the biggest competitor was historically present without any competition
- **No significant exclusivity clauses** for Unieuro, thus allowing Unieuro to potentially explore new opportunities

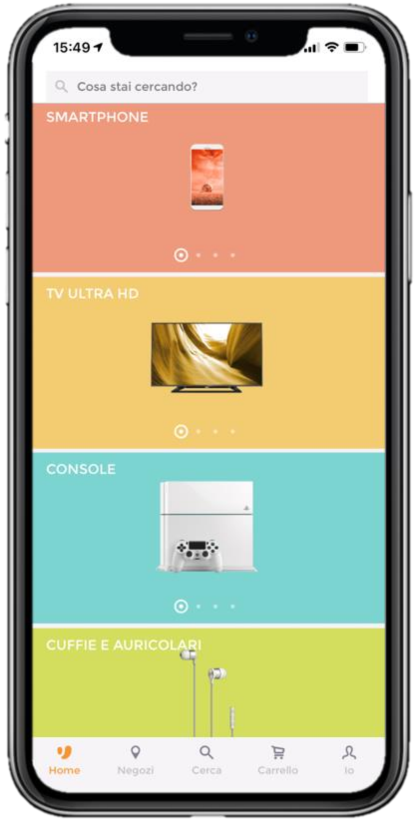


unieuro by IPER La grande i

- **Expanding the reference market to the Mass Merchandisers segment** (hypermarkets, supermarkets and large multi-category stores), never explored before by specialized retailers
- **Significantly strengthening the Indirect channel**[1]
- **Benefitting from the high traffic of superstores**, which will be further enhanced by the offer of services
- **Boosting the omnichannel strategy** by enabling new shop-in-shops to **pick&pay**
- **Improving supply conditions to the benefit of all Unieuro sales channels,** thanks to the increased purchase volumes generated

Notes: (1) The Indirect channel, which was previously referred to as the Wholesale channel, includes turnover made with respect to the network of affiliated stores and revenues produced in the large-scale retail chain, through partnerships with major industry operators.

Online Experience: Further Enhancing the Unieuro App



Targeting mobile users through a constantly updated app, now embedding «augmented reality»

- Launched in **November 2016**, as part of the brand new unieuro.it digital platform
- **Over 2 million downloads** as of April 2019, constantly among the top 20 shopping apps on Apple Store and Google Play, in Italy
- Representing **14% of total orders and 12% of total order value** in FY 2018/19
- Integrated within Unieuro's digital platform to offer a **complete, unique and friendly customer experience**
- **Constant release of new features**, with a focus on omnichannel:
  - Store locator, to find details on closest Unieuro's stores
  - Barcode scan for in-store information check
  - Push notifications to enhance engagement
  - Embedding of Unieuro Club to facilitate loyalty customers
  - Augmented Reality, exclusive feature enabling customers to preview major domestic appliances and TVs in a specific environment, thus immediately assessing the aesthetic fitting

Strategic Rationale

- **Completing the omnichannel offer** through a highly appreciated touchpoint
- **Push notifications** as an incremental and efficient way to communicate directly to the customer
- **Making use of mobile device features** (i.e. camera, gps)
- **Increasing conversion**, thanks to a new stream showing a higher conversion rate vs. responsive website

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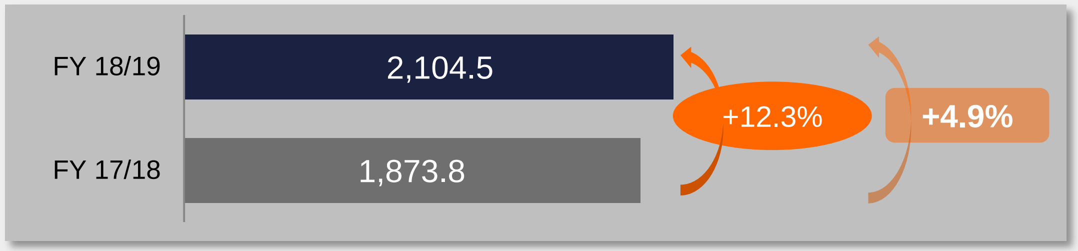
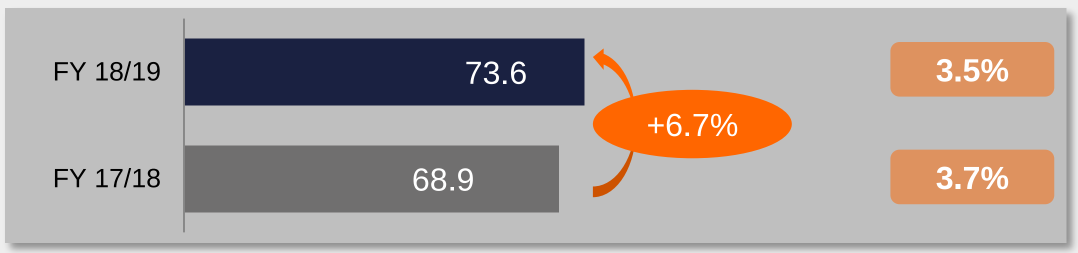
Key Financials /1

Sales (€m) *Like-for-like growth*[1]



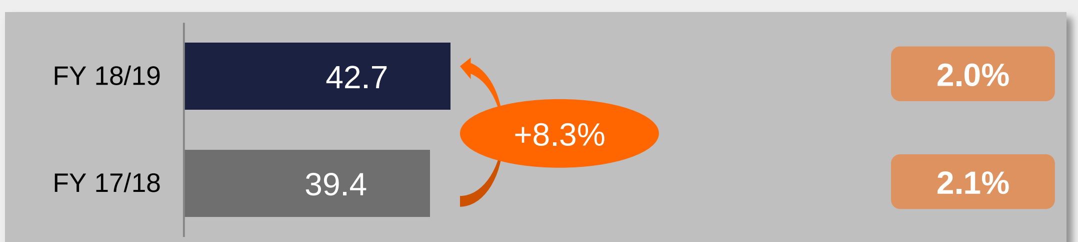
- Acquisitions (132.6 €m), e-commerce (60.1 €m) and like-for-like growth pushing sales over 2.1 €bln
- Like-for-like sales[1] +4.9%. Net of new stores effect on pre-existing network, LFL sales even stronger: +6.9%
- Unieuro.it strong performance for the 4th year in a row
- Indirect channel back to growth, more than offsetting B2B weakness

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



- Adj. EBITDA increase, led again by volumes
- Adj. EBITDA margin dilution driven by logistics and Other costs, despite cost synergies and efficiencies on marketing spending and labour
- Gross margin stable thanks to the careful commercial approach, despite a very competitive market environment

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



- Higher D&A connected to increased capex and store closures asset impairment
- Lower net financial charges
- Positive impact from income taxes

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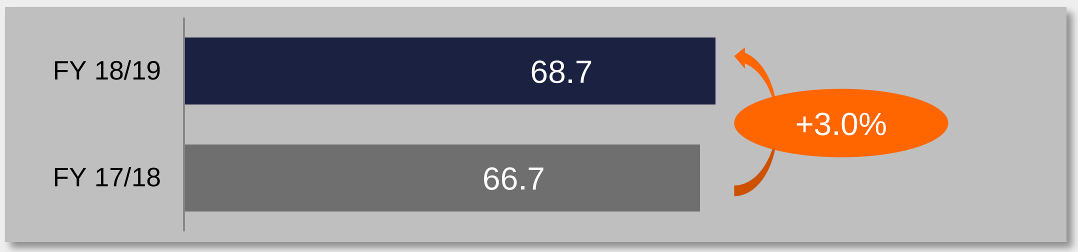
Key Financials /2

Net Financial Debt/(Cash) (€m)

Leverage[(1)]

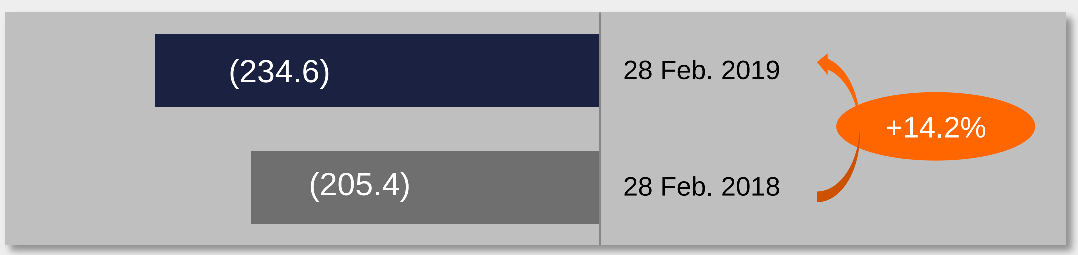
- First time ever Net Cash position at year end at 20.5 €m
- Capex (38.2 €m), dividend payment (20.0 €m) and acquisition of ex-DPS and Galimberti assets (5.6€m)

Adj. Levered Free Cash Flow[(2)] (€m)



- Further increase in cash generation vs. last year's record level
- Performance driven by revenues and Net Working Capital, which benefited both from external and internal growth actions and from a favourable trend in H2 (excellent Black Friday and significantly positive Christmas season)

Net Working Capital (€m)



- 29.2 €m generated in FY 18/19, slowing down vs. prior year in light of a lower number of new openings
- Indirect channel expansion slightly impacting on Trade Net Working Capital
- Positive impact of Extended Warranties accruals

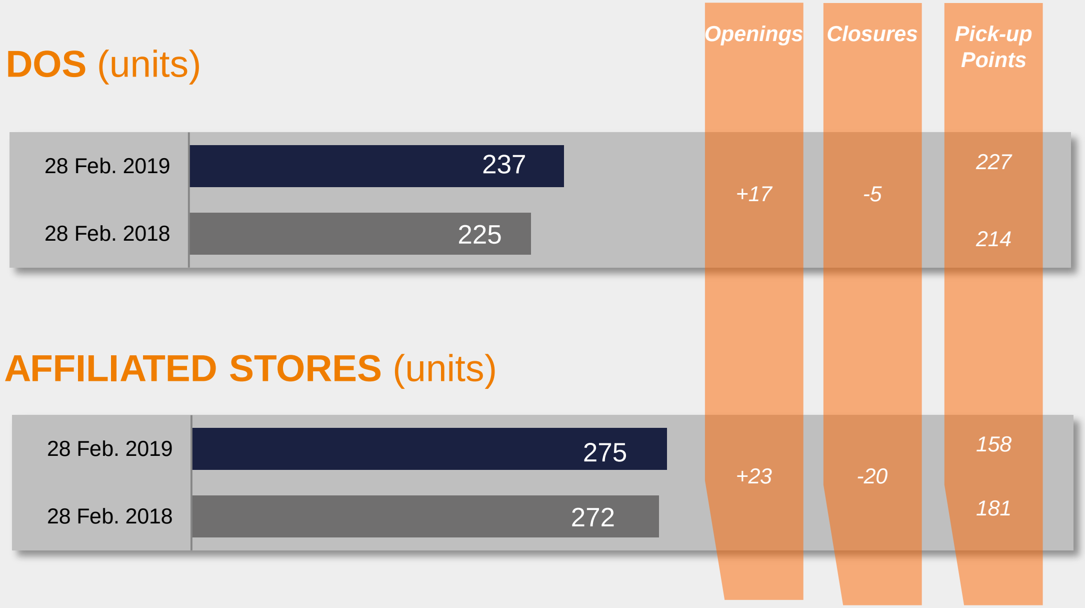
Notes: Consolidated results. Unieuro FY period ends on 28 February. Data in millions of Euro, unless otherwise stated. (1) Leverage ratio is calculated as Net Financial Debt divided by Last Twelve Month Adjusted EBITDA. (2) Adjusted Levered Free Cash Flow is defined as cash flow generated/absorbed by 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: 512 stores

- DOS (units)

- AFFILIATED STORES (units)

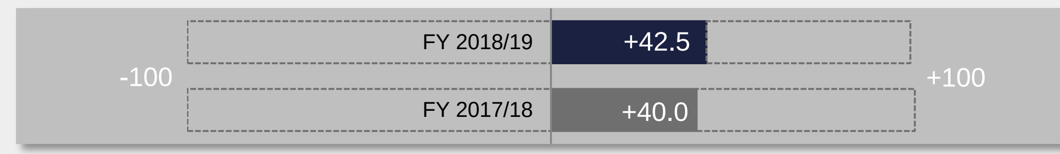


- **14 new DOS coming from acquisitions:**
  - 8 former DPS/Trony, reopened in Q3
  - 6 former Galimberti/Euronics, reopened in Nov-Dec. 2018
- **3 new openings in H1** (Cagliari, Grosseto and Silvi Marina)
- **5 closures**, 2 in H1 (Messina and Osimo), 1 in Q3 (Siracusa) and another 2 in the very final part of the FY (Imperia and Foggia)
- **Ongoing affiliates network rationalization**, more than compensated by the opening of **14 Unieuro-by-Iper shop-in-shops**, 5 of which in February 2019
- **Pick-up points: 383 (75% of total stores)**

Total Retail Area (sqm, DOS only)

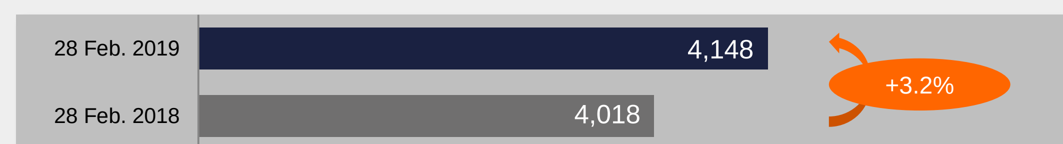
Sales density (€/sqm, LTM)

Net Promoter Score(1) (direct channel only)



Active Loyalty Cards(2) (thousands)

Workforce (FTEs)



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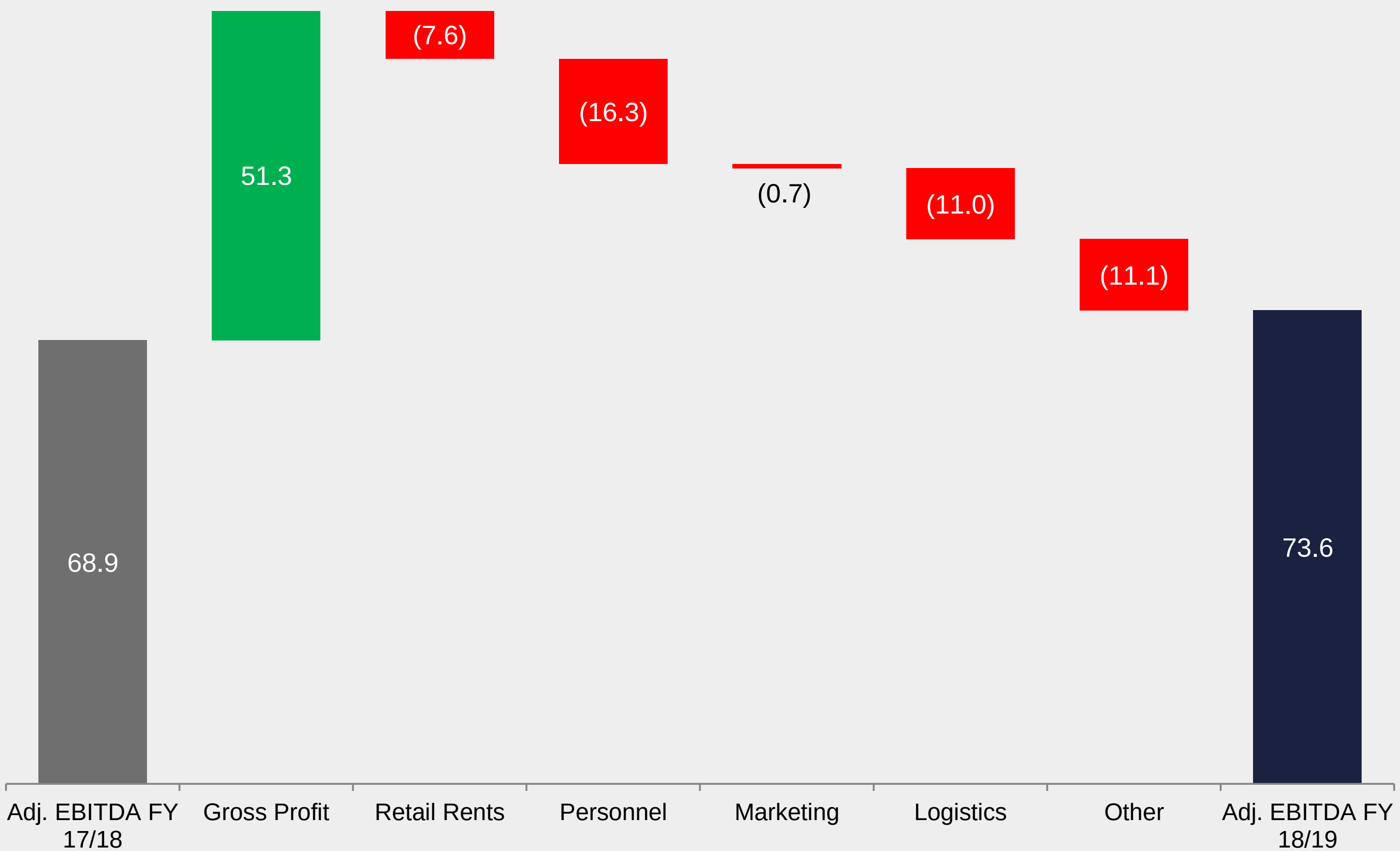
Adjusted EBITDA[1] Bridge

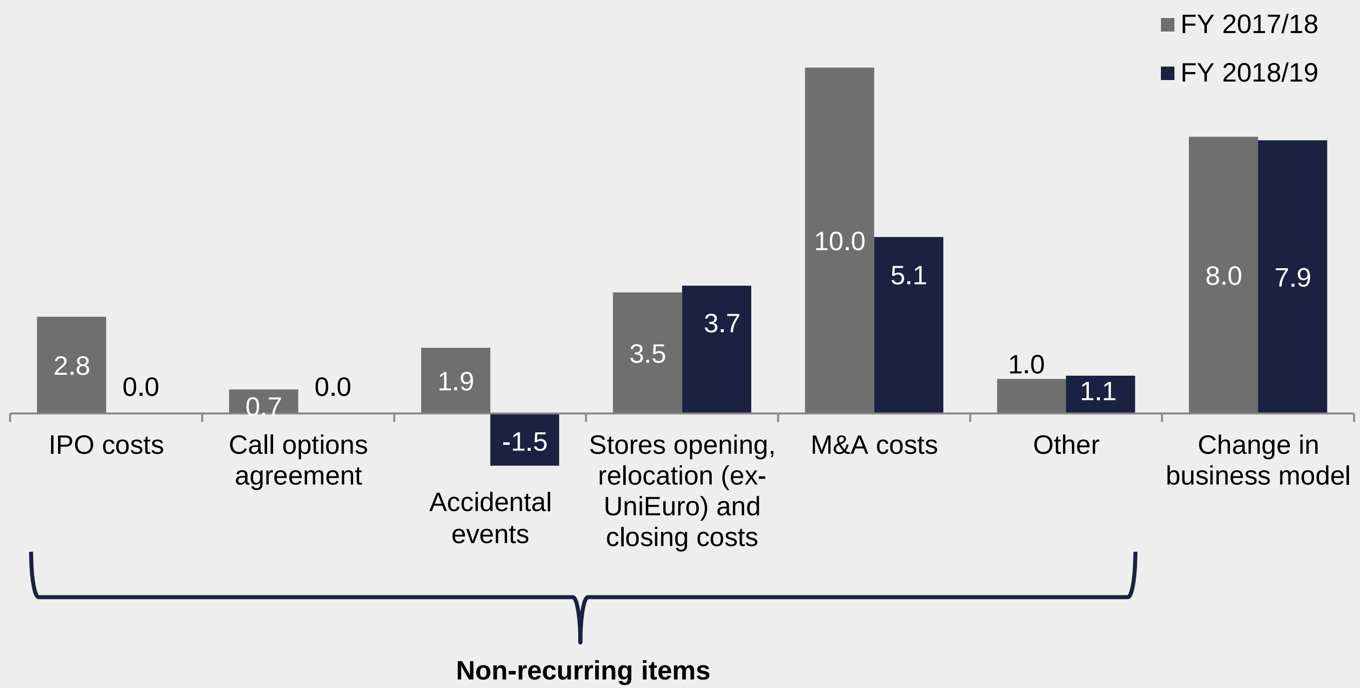


- **Gross Profit increase** led by volumes, keeping **Gross margin stable**
- **Retail rents up,** following the store network expansion
- **Personnel costs up**, but posting a lower incidence
  - acquisitions and new openings
  - long-term incentive plan
  - Strengthening of central functions
- **Slight increase in Marketing costs** (+1,4%) reflecting changes in promotion calendar and savings deriving from synergies. Incidence down to 2.3% of sales (vs. 2.6% in FY 17/18)
- **Significant increase in Logistics costs** led by higher sales volume and home delivery, including special delivery services and "free delivery" promotional campaigns
- **Other costs up**, mainly pushed by utilities and insurance premiums, the latter to be renegotiated in FY 19/20

Notes: Consolidated results. Unieuro Fiscal Year ends on 28 February. 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



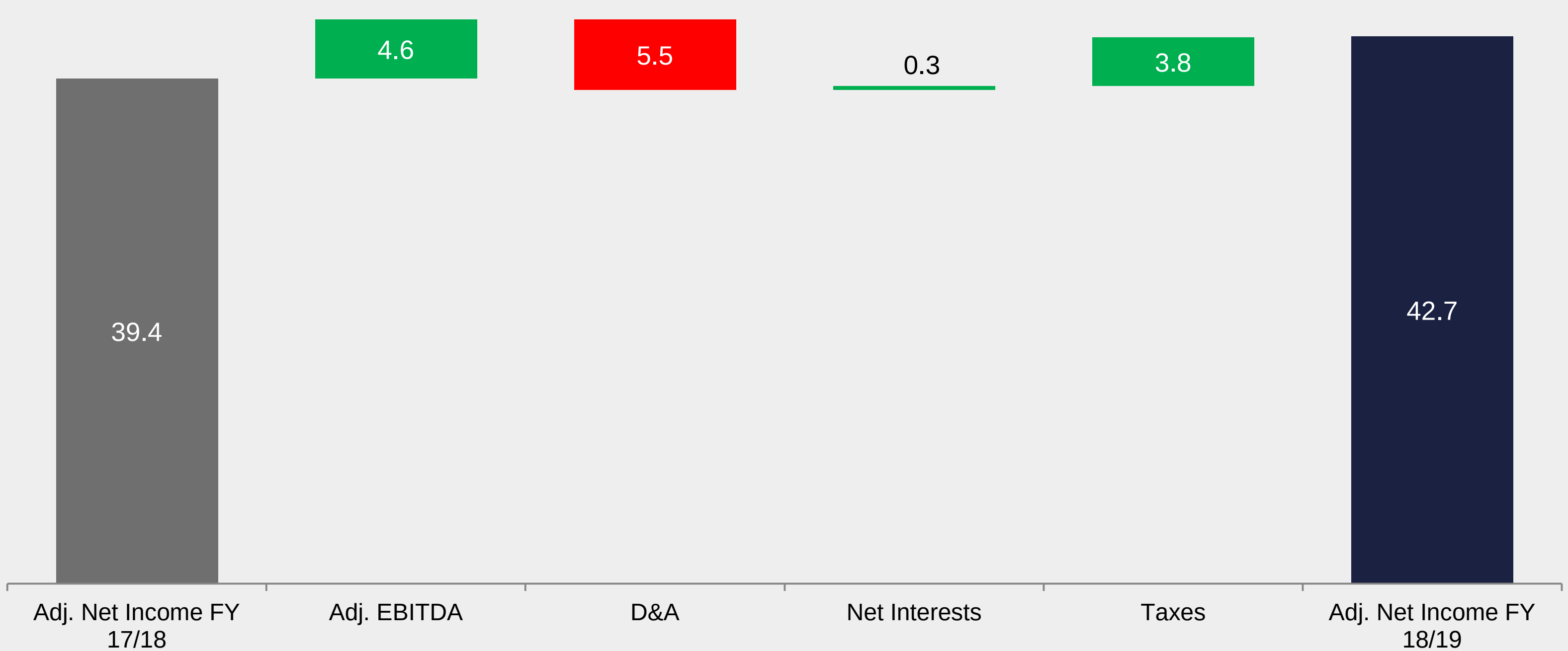
Total adjustments change

	FY 17/18	FY 18/19	
Non-recurring items	19.9	8.4	-11.5
Extended warranties adjustment	8.0	7.9	-0.1
Total adjustments	**27.9**	**16.4**	**-11.5**

- **Total adjustments down** to 16.4 €m from 27.9 €m
- Exceptional costs related to IPO and Call options agreement definitely ended
- Accidental events represented by insurance **final reimbursement connected to Oderzo store fire** (FY 16/17). Still awaiting for reimbursement of theft in Piacenza logistics center (FY 17/18) which is going to impact on next FY adjustments
- **Stores opening, relocations (ex-UniEuro) and closing costs** also connected to the new logistics hub in Piacenza (1.9 €m)
- **M&A costs** halved, also thanks to faster relaunch of acquired stores
- **Change in business model** adjustment stable year-on-year despite acquisitions impact on the scope of extended warranty business model. Pistone to impact in FY 2019/20

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

Adjusted Net Income[1] Bridge

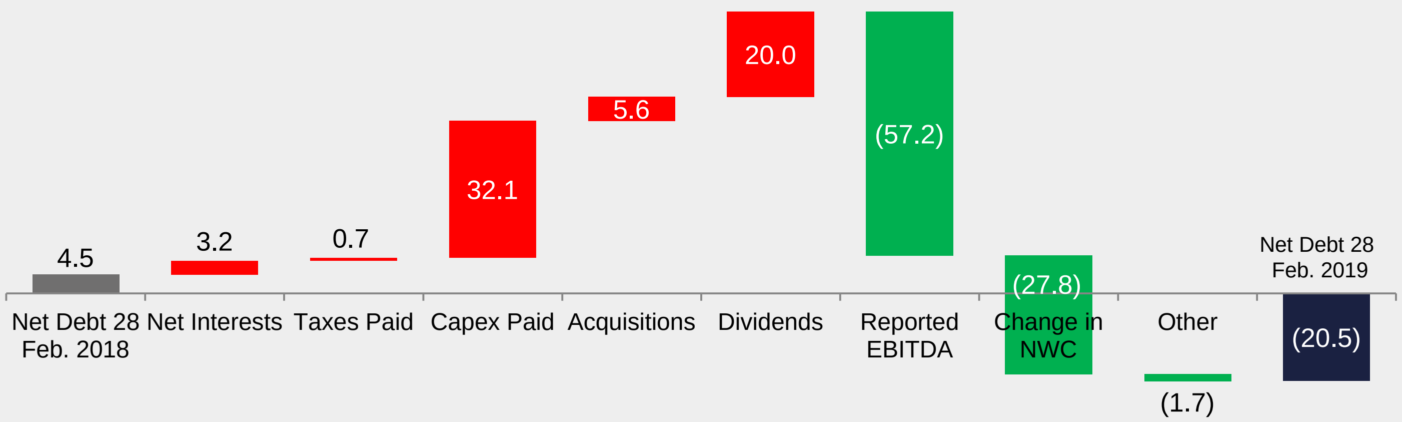


- **D&A significant increase** due to:
  - strong and constant focus on capex activities (store openings, refurbishments, IT, Piacenza logistics hub
  - asset write-downs relating to stores closed during the period
- **Net interests savings**, mainly attributable to the new credit facilities signed at the end of December 2017
- **Positive fiscal effect**, as a consequence of both:
  - Accrual of Deferred Tax Assets mostly related to NOLs
  - Fiscal consolidation benefit
  - Fiscal effect of non-recurring items

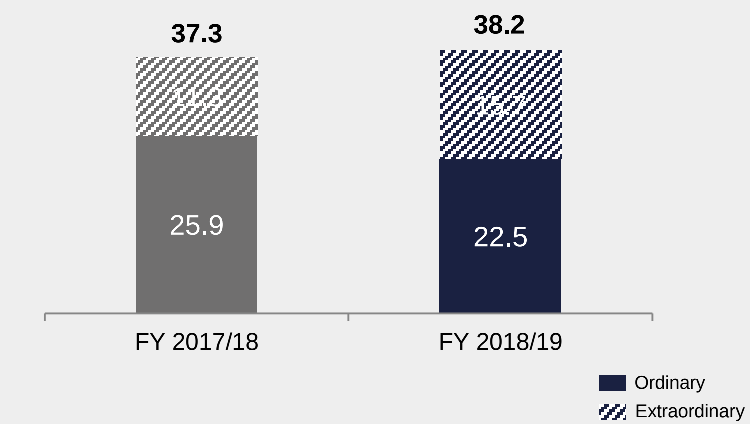
Notes: Consolidated results. Unieuro Fiscal Year ends on 28 February. Data in millions of Euro, unless otherwise stated. P&L line items adjusted for non-recurring costs and business model change. (1) Adjusted Net Income/Loss is calculated as the Net Income (Loss) adjusted by (i) the adjustments incorporated in the Adj. EBITDA, (ii) the adjustments of the non-recurring D&A (iii) the adjustments of the non-recurring financial expenses(income) and (iv) the theoretical tax impact of these adjustments.

Financial Overview

Net Financial Debt/(Cash) Walk

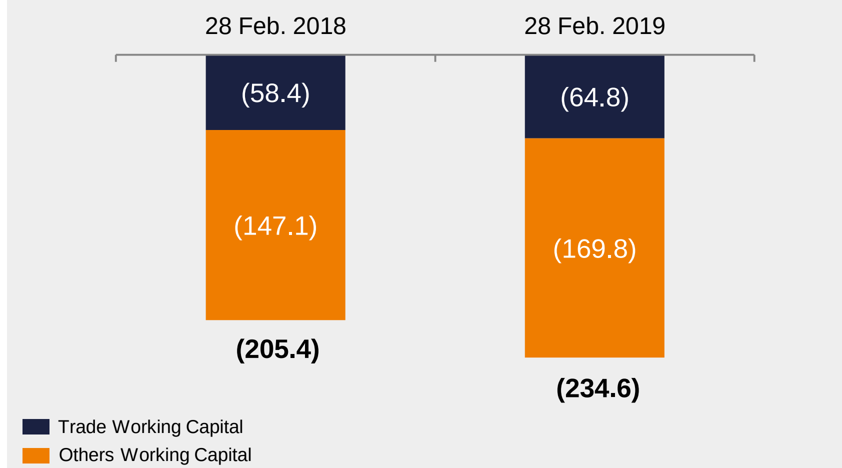


Capex



- Strong cash generation leading to a **20.5 €m Net Cash Position** at 28 February 2019
- **Total capex almost in line with last FY,** including:
  - **Ordinary capex** (22.5 €m), related to store maintenance and refurbishment, ITC, digital platform improvement and store digitalization
  - **Extraordinary capex** (15.7 €m), mainly concerning Piacenza new logistics hub and acquired stores relaunch
- **Negative Net Working Capital** still expanding:
  - Continuous improvement of Trade Working Capital in light of higher volumes
  - Others Working Capital boosted by extended warranties

Net Working Capital



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

IFRS 16 at a glance

What IFRS 16 is

- The new standard requires to recognize **in Balance Sheet all lease with a term exceeding 12 months**
- Unieuro - in line with the vast majority of listed companies - chose to apply this standard using the **modified retrospective approach** - IFRS16 C8, b), ii)
- Main impacts:
  - **<u>Balance Sheet</u>: recognition of an asset ("Right of Use") and the liabilities arising from the lease ("Lease Liability")**
  - **<u>P&L</u>: replacement of Renting Costs with depreciation of Right of Use and interests on Lease Liability**
- First time adoption: **1st March 2019**
- **No restatement of 2018 financials** according to IFRS16

Effect on Unieuro's Financial Statements

- **EBITDA(1)(2):** estimated **increase exceeding 65 €m** due to eliminated rents in scope of IFRS16
- **EBIT(1):** estimated **increase,** as the added depreciations are lower than eliminated rents
- **EBT(1)(2):** interest charges are higher in the early life of the liability and lower in future periods. This leads to a **negative impact in the first year of adoption, with a mid single digit €m figure**
- **Financial Liabilities(3): increase of approx. 440€m** as at 1 March 2019

(1) Both Reported and Adjusted.

(2) Indicative estimate at 28 Feb. 2020, based on current store portfolio, including budgeted openings, acquired Pistone stores and renewals. This estimate is a function of different factors including acquisitions, new openings, length of contracts, renegotiations, inflation-linked rent adjustments and potential early termination of contracts. Please note that some of these factors are still under clarification from IFRIC.

(3) Effect as at 1st March 2019 excluding any financial liability related to Pistone acquisition which is not included in 28th February 2019 Balance Sheet figures.

- **No effects on cash flow**
- **No effects on current credit facilities**, which were signed end of 2017 "in accordance with the Accounting Principles in force prior to 1 January 2019"

Agenda

- Highlights
- Market Scenario and Sales Performance
- Strategic Goals and Achievements
- Financials
- Closing Remarks

Closing Remarks

- Market Leadership: a milestone in Unieuro's growth path, whose success is based on a winning business model and a clear strategy
  - Pistone integration, new stores run-rate and internal growth to further reinforce the leadership position from FY 2019/20 on

- Optimism despite a weakening macroeconomic scenario and possible changes in regulation
- Strong commitment to further enhance our strategy, focusing on market consolidation and omnichannel transformation
- New investments going forward to reinforce the Company: store network, digital platforms and central infrastructure

- Dividend payout as a sign of confidence and commitment to shareholders satisfaction

Annex

Non-IFRS and Other Performance Measures

This presentation contains certain items as part of the financial disclosure which are not defined under IFRS. Accordingly, these items do not have standardized meanings and may not be directly comparable to similarly-titled items adopted by other entities.

Unieuro Management has identified a number of "Alternative Performance Indicators" ("APIs"). These APIs are (i) derived from historical results of Unieuro S.p.A. and are not intended to be indicative of future performance, (ii) non-IFRS financial measures and, although derived from the Financial Statements, are unaudited and (iii) are not an alternative to financial measures prepared in accordance with IFRS.

The APIs presented herein are Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income (loss) for the year, Adjusted levered free cash flow, Cash conversion index, Net financial debt, Net financial debt to Adjusted EBITDA ratio, Leverage ratio.

In addition, this presentation includes certain measures that have been adjusted by us to present operating and financial performance net of any non-recurring events and non-core events. The adjusted indicators are: Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income (loss) for the year, Adjusted levered free cash flow and Net financial debt to Adjusted EBITDA ratio.

In order to facilitate the understanding of our financial position and financial performance, this presentation contains other performance measures, such as Net working capital.

These measures are not indicative of our historical operating results, nor are they meant to be predictive of future results.

These measures are used by our management to monitor the underlying performance of our business and operations. Similarly entitled non-IFRS financial measures reported by other companies may not be calculated in an identical manner, consequently our measures may not be consistent with similar measures used by other companies. Therefore, investors should not place undue reliance on this data.

Profit & Loss

FY 18/19	%	FY 17/18	%		Q4 18/19	%	Q4 17/18	%
2,104.5		1,873.8		Sales	577.3		545.4	
2,104.5		**1,873.8**		**Sales**	**577.3**		**545.4**	
(1,635.7)	(77.7%)	(1,459.2)	(77.9%)	Purchase of goods - Change in Inventory	(444.2)	(77.0%)	(424.3)	(77.8%)
(71.5)	(3.4%)	(64.1)	(3.4%)	Rental Costs	(17.8)	(3.1%)	(17.3)	(3.2%)
(50.0)	(2.4%)	(50.4)	(2.7%)	Marketing costs	(11.9)	(2.1%)	(10.1)	(1.9%)
(54.0)	(2.6%)	(42.8)	(2.3%)	Logistic costs	(13.9)	(2.4%)	(10.9)	(2.0%)
(64.1)	(3.0%)	(57.8)	(3.1%)	Other costs	(16.7)	(2.9%)	(14.7)	(2.7%)
(169.9)	(8.1%)	(156.3)	(8.3%)	Personnel costs	(44.8)	(7.8%)	(43.8)	(8.0%)
(2.1)	(0.1%)	(2.1)	(0.1%)	Other operating costs and income	1.2	0.2%	(0.3)	(0.1%)
57.2	**2.7%**	**41.0**	**2.2%**	**EBITDA Reported**	**29.0**	**5.0%**	**23.9**	**4.4%**
8.4	0.4%	19.9	1.1%	*Adjustments*	(0.9)	(0.1%)	2.2	0.4%
7.9	0.4%	8.0	0.4%	*Change in Business Model*	1.7	0.3%	3.1	0.6%
73.6	**3.5%**	**68.9**	**3.7%**	**Adjusted EBITDA**	**29.9**	**5.2%**	**29.2**	**5.4%**
(27.2)	(1.3%)	(21.7)	(1.2%)	D&A	(8.7)	(1.5%)	(7.2)	(1.3%)
(4.2)	(0.2%)	(4.5)	(0.2%)	Financial Income - Expenses	(0.9)	(0.2%)	(0.7)	(0.1%)
42.2	**2.0%**	**42.7**	**2.3%**	**Adjusted Profit before Tax**	**20.3**	**3.5%**	**21.3**	**3.9%**
1.9	0.1%	(0.7)	(0.0%)	Taxes	1.5	0.3%	(0.5)	(0.1%)
(1.4)	(0.1%)	(2.6)	(0.1%)	*Fiscal impact of non-recurring items*	(0.1)	(0.0%)	(0.6)	(0.1%)
42.7	**2.0%**	**39.4**	**2.1%**	**Adjusted Net Income**	**21.7**	**3.8%**	**20.2**	**3.7%**
(8.4)	(0.4%)	(19.9)	(1.1%)	*Adjustments*	0.9	0.1%	(2.2)	(0.4%)
(0.3)	(0.0%)	--	--	*D&A non-recurring*	0.0	--	--	--
1.5	0.1%	(3.1)	(0.2%)	*Non-recurring financial (expenses)/income*	0.0	--	(3.1)	(0.6%)
(7.9)	(0.4%)	(8.0)	(0.4%)	*Change in Business Model*	(1.7)	(0.3%)	(3.1)	(0.6%)
1.4	0.1%	2.6	0.1%	*Fiscal impact of non-recurring items*	0.1	0.0%	0.6	0.1%
28.9	**1.4%**	**11.0**	**0.6%**	**Net Income Reported**	**20.9**	**3.6%**	**12.4**	**2.3%**

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

FY Profit & Loss Adjustments by Line Item

	FY 18/19 Reported EBITDA	*FY 18/19 Adjustments*	FY 18/19 Adjusted EBITDA	FY 17/18 Reported EBITDA	*FY 17/18 Adjustments*	FY 17/18 Adjusted EBITDA	Δ FY Adjusted EBITDA
Gross Profit	468.8	0.0	468.8	414.6	2.8	417.4	51.4
Change in Business Model		7.9	7.9		8.0	8.0	(0.1)
Gross profit including change in Business Model	**468.8**	**7.9**	**476.7**	**414.6**	**10.8**	**425.4**	**51.3**
Rental Costs	(71.5)	0.5	(71.0)	(64.1)	0.7	(63.4)	(7.6)
Marketing costs	(50.0)	1.2	(48.8)	(50.4)	2.2	(48.2)	(0.7)
Logistic costs	(54.0)	1.5	(52.5)	(42.8)	1.3	(41.5)	(11.0)
Other costs	(64.1)	3.8	(60.3)	(57.8)	7.3	(50.5)	(9.8)
Personnel costs	(169.9)	3.2	(166.7)	(156.3)	5.9	(150.4)	(16.3)
Other operating costs and income	(2.1)	(1.6)	(3.7)	(2.1)	(0.3)	(2.5)	(1.3)
Total Costs	**(411.6)**	**8.4**	**(403.2)**	**(373.5)**	**17.1**	**(356.4)**	**(46.7)**
Adjusted EBITDA	**57.2**	**16.4**	**73.6**	**41.0**	**27.9**	**68.9**	**4.6**

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

Q4 Profit & Loss Adjustments by Line Item

	Q4 18/19 Reported EBITDA	*Q4 18/19 Adjustments*	Q4 18/19 Adjusted EBITDA	Q4 17/18 Reported EBITDA	*Q4 17/18 Adjustments*	Q4 17/18 Adjusted EBITDA	Δ Q4 Adjusted EBITDA
Gross Profit	133.0	0.0	133.0	121.1	0.1	121.2	11.9
Change in Business Model		1.7	1.7		3.1	3.1	(1.4)
Gross profit including change in Business Model	**133.0**	**1.7**	**134.8**	**121.1**	**3.2**	**124.3**	**10.5**
Rental Costs	(17.8)	(0.4)	(18.2)	(17.3)	(0.0)	(17.3)	(1.0)
Marketing costs	(11.9)	0.1	(11.9)	(10.1)	0.3	(9.8)	(2.1)
Logistic costs	(13.9)	0.0	(13.8)	(10.9)	0.2	(10.7)	(3.1)
Other costs	(16.7)	0.3	(16.4)	(14.7)	0.5	(14.2)	(2.2)
Personnel costs	(44.8)	0.7	(44.1)	(43.8)	1.2	(42.5)	(1.6)
Other operating costs and income	1.2	(1.5)	(0.4)	(0.3)	(0.3)	(0.6)	0.2
Total Costs	**(104.0)**	**(0.9)**	**(104.9)**	**(97.2)**	**2.1**	**(95.1)**	**(9.8)**
Adjusted EBITDA	**29.0**	**0.9**	**29.9**	**23.9**	**5.3**	**29.2**	**0.7**

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

Balance Sheet

	28 Feb. 2019	28 Feb. 2018
Trade Receivables	41.3	39.6
Inventory	362.3	313.5
Trade Payables	(468.5)	(411.5)
Operating Working Capital	**(64.8)**	**(58.4)**
Current Tax Assets	2.1	3.1
Current Assets [1]	19.8	16.2
Current Liabilities [2]	(190.3)	(163.4)
Short Term Provisions	(1.3)	(3.0)
Net Working Capital	**(234.6)**	**(205.4)**
Tangible and Intangible Assets	113.3	99.9
Net Deferred Tax Assets and Liabilities	31.5	27.7
Goodwill	178.0	174.8
Other Long Term Assets and Liabilities [3]	(17.7)	(15.2)
Total Invested Capital	**70.4**	**81.7**
Net financial Debt	**20.5**	**(4.5)**
Equity	**(90.9)**	**(77.2)**
Total Sources	**(70.4)**	**(81.7)**

[1] **Current Assets:** Includes mainly Accrued Income related to rental costs, etc

[2] **Current Liabilities**

	28 Feb. 2019	28 Feb. 2018
Accrued expenses (mainly Extended Warranties)	(126.3)	(101.3)
Personnel debt	(35.4)	(34.9)
VAT debt	(14.7)	(17.1)
Other	(13.9)	(10.1)
Current Liabilities	**(190.3)**	**(163.4)**

[3] **Other Long Term Assets and Liabilities**

	28 Feb. 2019	28 Feb. 2018
Deposits	2.5	2.4
Deferred Benefit Obligation (TFR)	(11.0)	(11.2)
Long Term Provision for Risks	(6.0)	(4.6)
Store Loss Provision	-	(0.1)
Other Provisions	(1.7)	(1.0)
LTIP Personnel debt	(1.5)	(0.7)
Other Long Term Assets and Liabilities	**(17.7)**	**(15.2)**

Notes: Consolidated results. Data in millions of Euro, unless otherwise stated.

Cash Flow Statement

FY 18/19	FY 17/18		Q4 18/19	Q4 17/18
57.2	**41.0**	**Reported EBITDA**	**29.0**	**23.9**
(0.7)	-	Taxes Paid	-	-
(3.2)	(8.8)	Interests Paid	(1.1)	(3.5)
27.8	51.6	Change in NWC	(12.6)	16.7
1.3	1.4	Change in Other Assets and Liabilities	0.5	0.6
82.3	**85.2**	**Reported Operating Cash Flow**	**15.9**	**37.6**
(30.2)	(28.4)	Purchase of Tangible Assets	(5.6)	(2.5)
(8.0)	(8.8)	Purchase of Intangible Assets	(3.9)	(0.0)
6.0	(5.6)	Change in capex payables	0.7	(9.5)
(5.6)	(14.5)	Acquisitions	0.3	(0.0)
-	0.2	Monclick NFP 01.06.2017	-	-
44.6	**28.1**	**Levered Free Cash Flow**	**7.3**	**25.5**
8.0	16.8	Adjustments	1.9	3.8
17.0	25.8	Non recurring investments	4.4	4.1
(0.8)	(4.0)	Other non recurring cash flows	-	
68.7	**66.7**	**Adjusted Levered Free Cash Flow**	**13.6**	**33.4**
(7.2)	(12.8)	Adjustments	(1.9)	0.2
(17.0)	(25.8)	Non recurring investments	(4.4)	(4.1)
(20.0)	(20.0)	Dividend/Change in Shareholders Debt	-	-
-	(11.6)	Monclick Acquisition Debt	-	0.1
0.4	1.0	Other Changes	0.2	(0.5)
25.0	**(2.5)**	**Δ Net Financial Position**	**7.4**	**29.1**

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

“Reported EBITDA” To “Adjusted EBITDA” Reconciliation

FY 18/19	FY 17/18		Q4 18/19	Q4 17/18
57.2	**41.0**	**Reported Ebitda**	**29.0**	**23.9**
-	*2.8*	*IPO*	-	*0.0*
-	*0.7*	*Call options agreement*	-	*0.0*
3.7	*3.5*	*Stores opening - relocations (ex UE) - closing costs*	*0.3*	*0.3*
(1.5)	*1.9*	*Accidental events*	(1.5)	*(0.8)*
5.1	*10.0*	*Merger and Acquisition*	*0.0*	*1.8*
1.1	*1.0*	*Other*	*0.3*	*0.8*
8.4	***19.9***	**Non-Recurring Items**	***(0.9)***	***2.2***
7.9	***8.0***	**Extended warranties adjustment**	***1.7***	***3.1***
73.6	**68.9**	**Adjusted Ebitda**	**29.9**	**29.2**

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

“Net Income” To “Adjusted Net Income” Reconciliation

FY 18/19	FY 17/18		Q4 18/19	Q4 17/18
28.9	**11.0**	**Reported Net Income**	**20.9**	**12.4**
8.4	19.9	Non-Recurring Items (*see previous slide*)	(0.9)	2.2
7.9	8.0	Extended warranties adjustment	1.7	3.1
0.3	-	D&A non recurring	-	-
(1.5)	3.1	Financial non recurring	-	3.1
(1.4)	(2.6)	Fiscal Impact of non-recurring items and extended warranties adjustment	(0.1)	(0.6)
42.7	**39.4**	**Adjusted Net Income**	**21.7**	**20.2**

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

Levered Free Cash Flow Reconciliations

FY 18/19	FY 17/18		Q4 18/19	Q4 17/18
44.6	**28.1**	**Levered Free Cash Flow**	**7.3**	**25.5**
8.4	19.9	P&L non-recurring items	(0.9)	2.2
0.3	(1.5)	Adjustment for non-cash non-recurring items	2.9	2.0
(0.8)	(1.6)	Fiscal Impact of non-recurring items	(0.2)	(0.4)
17.0	25.8	Non recurring investments	4.4	4.1
(0.8)	(4.0)	Other non recurring flows	-	(4.0)
24.2	**38.6**	**Total Adjustments**	**6.3**	**3.9**
68.7	**66.7**	**Adjusted levered free cash flow**	**13.6**	**29.4**

	FY 18/19
Change in Net Financial Position	**25.0**
Dividends	20.0
Total impact from acquisitions	5.6
Paid non-recurring capex	11.4
EBITDA non-recurring items	8.4
Non-cash non-recurring items	0.3
Other non recurring cash flows	(0.8)
Fiscal impact of non recurring items	(0.8)
Other	(0.4)
Adjusted Levered Free Cash Flow	**68.7**

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

Net Financial Debt

	28 Feb. 2019	28 Feb. 2018
Bilateral Facility	(3.0)	(0.1)
Revolving Credit Facility	0.0	0.0
Other Short Term Bank Debt		0.0
Short-Term Bank Debt	**(3.0)**	**(0.1)**
New Term Loan	(42.5)	(50.0)
Financing Fees	2.0	2.6
Long-Term Bank Debt	**(40.5)**	**(47.4)**
Bank Debt	**(43.5)**	**(47.5)**
Debt To other lenders	(10.6)	(6.9)
Acquisition Debt	(9.9)	(11.6)
Other Financial Debt	**(20.5)**	**(18.5)**
Cash and Cash Equivalents	**84.5**	**61.4**
Net Financial Debt	**20.5**	**(4.5)**

Notes: Consolidated results. Data in millions of Euro, unless otherwise stated.

NEXT EVENTS

Roadshow (Mediobanca)
Milano, London, 13-14 May 2019

MidCap Conference (MidCap Partners)
Paris, 15 May 2019

Italian Investment Conference (Kepler Cheuvreux)
Milano, 23 May 2019

Roadshow (Kepler Cheuvreux)
London, 24 May 2019

Annual Shareholders Meeting
Forlì, 18 June 2019

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