FNAC DARTY

HALF-YEAR RESULTS 2024

Ivry-sur-Seine – France, July 24, 2024, 5:45 p.m. CET

Q2 2024: return to growth in all geographies H1 2024 results in line with expectations, stable vs H1 2023 Envisaged acquisition of Unieuro, Italian leader in Consumer electronics and Domestic appliances 2024 annual outlook confirmed

FINANCIAL PERFORMANCE

- **Q2 2024 revenue of €1.6 billion, up +2.1% on a reported basis and up +0.8% on a like-for-like basis[1]**
- **H1 2024 revenue of €3.4 billion, up +1.4% on a reported basis and up +0.1% on a like-for-like basis[1]**
- **Gross margin rate at 31%, up +10 bps excluding dilutive impacts[2]**
- **Current operating income stable compared with the first half of 2023,** reflecting tight control of the gross margin and costs

ENVISAGED ACQUISITION OF UNIEURO: CONSOLIDATION OF EUROPEAN LEADERSHIP OF SPECIALIZED RETAIL IN EUROPE[3]

- **A #1 position in Italy that consolidates the group's presence in Western and Southern Europe**
- **A mixed public tender offer[4] to be jointly filed by Fnac Darty and Ruby Equity Investment[5]**
- **Offer description: €9.0 in cash and 0.10 in Fnac Darty shares, valuing Unieuro at €12.0 per share[6]**
- **Creation of a Group with over €10 billion in revenue and nearly 30,000 employees[7]**
- **Projected synergies of over €20 million[8], mostly from improving buying terms**
- **EPS accretion above 10% from 2025, including synergies**
- **Closing expected in Q4 2024**

RECOGNITION OF THE GROUP'S CSR COMMITMENTS: MOODY'S ESG RATING UP 4 POINTS TO 65/100, RANKED #2 OF THE SPECIALIZED RETAIL SECTOR

2024 ANNUAL OUTLOOK CONFIRMED

[1] Like-for-like basis – LFL: excludes the effect of changes in foreign exchange rates, changes in scope, and store openings and closures
[2] Dilutive impacts come from Franchise and MediaMarkt integration
[3] See Press release of July 16, 2024
[4] Mixed Offer made of a cash branch for 75% and a share branch for 25%
[5] Joint investment vehicle held at 51% by Fnac Darty and by 49% by Ruby Equity Investment (an affiliate of Vesa Equity Investment), consolidated by Fnac Darty
[6] Based on Fnac Darty closing share price of €30.20 as of July 15, 2024
[7] Combination of public annual information made public by the 2 entities as of December 31, 2023 for Fnac Darty and as of February 28, 2024 for Unieuro
[8] Run rate starting 2025

FNAC DARTY

Enrique Martinez, Chief Executive Officer of Fnac Darty, stated:

"In an economic and geopolitical context that remains uncertain, we remain mobilized to achieve our objectives and confirm our annual outlook. Indeed, our Group has shown solid resilience over the first half of the year, despite a lacklustre environment for the retail sector. This performance was made possible by high-quality operational execution and the commitment of our teams to strict cost control. We also posted a solid gross margin, supported by the relevance of our service-oriented business model.

We are delighted to have announced last week our plan to acquire Unieuro, the leading Italian distributor of Consumer electronic products and Domestic appliances, an operation which would enable us to play a key role in the consolidation of the European retail market.

On the eve opening of the Paris Olympic and Paralympic Games, we are excited to see the culmination of our commitment as a partner to this great celebration of sport and its values."

H1 2024 KEY FIGURES

	Period ended June 30		
(€ million)	2023	2024	Change
Revenue	**3,344**	**3,390**	**+1.4%**
Change on like-for-like basis[1]			*+0.1%*
Gross margin	**1,039**	**1,050**	**11**
As a % of revenue	*31.1%*	*31.0%*	*(10) bps*
Current EBITDA[2]	**143**	**146**	**3**
Current operating income	**(35)**	**(36)**	**(1)**
As a % of revenue	*(1.1)%*	*(1.1)%*	
Net income from continuing operations, Group share	**(163)**	**(75)**	**88**
Net income from discontinued operations, Group share	29	2	
Free cash-flow from operations, excluding IFRS 16	**(660)**	**(673)**	**(13)**

In Q2 2024, Group revenue amounted to €1,596 million, up +2.1% on a reported basis and +0.8% on a like-for-like basis[1] from the previous year.

In H1 2024, Group revenue amounted €3,390 million, up +1.4% on a reported basis and +0.1% on a like-for-like basis[1] from the first half of 2023.

In the first half of the year, Group performance is historically affected by the seasonal nature of the business, for which the main part of the earnings and of the free cash-flow from operations is recorded during the second half of the year.

The market, although still depressed, showed the first signs of recovery in the 2nd quarter. Against this backdrop, Fnac Darty is once again demonstrating its ability to outperform, thanks to its strategic decisions and resilience, reflected in its tightly controlled margins. The Group thus returned to growth in the 2nd quarter, in all the geographical areas in which it operates.

In the first half-year, the **gross margin rate** was 31.0%. Excluding the dilutive impact of the franchise and changes in scope, it was up +10 basis points compared with the first half of 2023, driven by services, offsetting the adverse effects of the channel/product mix.

[1] Like-for-like basis – LFL: excludes the effect of changes in foreign exchange rates, changes in scope, and store openings and closures.
[2] Current EBITDA is defined as current operating income before net depreciation, amortization and provisions on fixed operational assets recognized as current operating income

Operating expenses amounted to €1,086 million. Excluding the impact of MediaMarkt Portugal integration, they have slightly decreased compared to the first half of 2023. The embedded effect of rising rents, the full-year effect of the mandatory annual negotiation (*Négociation Annuelle Obligatoire* – NAO) and the inflation observed on other cost items have been offset by the decrease in energy costs and the efficiency of performance plans implemented across all the Group's divisions.

Current EBITDA amounted to €146 million (including €125 million related to the application of IFRS 16), stable compared with the first half of 2023.

Current operating income was -€36 million in the first half of 2024, stable compared with the first half of 2023, and a very slight improvement excluding the integration of MediaMarkt Portugal and the launch of Weavenn.

Changes by distribution channel

Over the first half of the year, in-store revenue increased, again demonstrating the attractiveness of the points of sale. Online business represented 21% of the Group's sales, stable compared with 2023. Lastly, omnichannel sales remained one of the Group's strengths. Click & Collect is up to 51% (+1.9 points vs. H1 2023).

Changes by product category

Consumer electronics returned to growth in the first half, thanks to a particularly strong 2nd quarter. The television business recorded very good results, driven by the European Football Championship and customer appetite for larger screens and advanced technologies (OLED). Telephony also registered growth, driven by the attractiveness of new products incorporating artificial intelligence. Computers again posted growth in the second quarter, boosted by the beginnings of the re-equipment cycle. These two categories are expected to fully benefit from the launch of innovations from the second half-year. **Editorial products** decreased, affected, as expected, by a very high basis of comparison for gaming, which had benefited from a very dense line-up in 2023. Books recorded a solid performance, mainly due to the attraction of new reading trends. **Services** continued to grow in all regions. **Diversification** also performed strongly, thanks to double-digit growth in toys and games, and in stationery. Lastly, **appliances** were almost stable, driven by the positive performance of small domestic appliances, while sales of large appliances were down again, still affected by the low point of the real estate market.

Changes by region

Sales in **France and Switzerland** returned to growth on a like-for-life basis[1] (+0.7% in the 2nd quarter and +0.1% in the first half of the year). The scope effect mainly reflects the effect of the closure of the last three Manor shop-in-shops in non-French speaking Switzerland.

In the **Iberian Peninsula**, sales returned to positive territory in the 2nd quarter (+2.2% on a like-for-like basis[1]), pointing to an almost stable first half-year (-0.4% on a like-for-like basis[1]). In Spain, the return to growth seen since March continued. Portugal benefited from the activity of the 10 MediaMarkt stores that have been consolidated since October 1, 2023.

Business in the **Belgium and Luxembourg** area grew slightly (on a like-for-like basis[1]: +1.0% in the 2nd quarter and +0.4% in the first half-year). Sales were boosted by marked growth in services.

Other income statement items

Non-current items came in at -€27 million for the half-year, mainly comprising restructuring-related expenses for c.€11 million of which half concern Nature et Découvertes and the fair value adjustments of various IT projects for c. €15 million. Operating income was therefore a loss of -€63 million over the half-year.

[1] Like-for-like basis – LFL: excludes the effect of changes in foreign exchange rates, changes in scope, and store openings and closures.

Net financial income was -€37 million, compared with -€44 million in the first half of 2023. The change comes on one side from the increase in cost of net debt (€3 million) and on the other side from the increase in IFRS 16 expenses (€7 million) because of interest rate increase. The remaining comes from a capital loss on the disposal of the Daphni fund accounted in H1 2023.

After considering tax income of €27 million, **net income from continuing operations, Group share** for the first half of 2024 was down to -€75 million.

Financial structure

In the first half of 2024, **free cash-flow from operations**, excluding IFRS 16, amounted to -€673 million, compared with -€660 million in the first half of 2023. The change mainly reflected the integration of MediaMarkt's business in Portugal. Net operating investments was +€38 million, due to asset disposals, notably a logistics warehouse.

The Group's net financial debt excluding IFRS 16 totaled €496 million on June 30, 2024. The change in net financial debt between December 31 and June 30 was due to the seasonal nature of business, with net debt on December 31 being structurally lower due to the high volume of business recorded at the end of the year.

The Group recorded a **net cash position** of €583 million on June 30, 2024. In addition, the Group benefits from undrawn revolving credit facility and Delayed Drawn Term Loan (DDTL) of €600 million, maturing in March 2028 (with two options to extend, in March 2029 and March 2030).

This strong liquidity position supports the Group's confidence in strategically allocating its resources in the most opportune way (M&A, debt reduction, shareholder return, etc.) while remaining attentive to its leverage ratio.

Furthermore, the Group is rated by the rating agencies Standard & Poor's, Scope Ratings and Moody's, which assigned ratings of BB+, BBB and BB+ respectively during 2023, with a negative outlook (S&P and Scope) or a stable outlook (Fitch). In July, following the announcement of the Unieuro acquisition project, Fitch and S&P have confirmed their ratings.

For the fourth consecutive year, Fnac Darty paid a **dividend of €0.45 per share**. This amount represents a 39% payout ratio, calculated on the net income from continuing operations, Group share – adjusted[1]. This is in line with previous years and with the shareholder return policy presented in the strategic plan Everyday. The dividend was paid on July 5, 2024, totaling €12.5 million.

CONTINUED ROLL-OUT OF THE STRATEGIC PLAN

The resilience of the 2024 half-year results continues to demonstrate the power and singularity of the Group's omnichannel model, with the ambition of being**, on a daily basis and over the long term, the consumer's ally, helping them to be sustainable in their consumption habits and daily household tasks.** Fnac Darty pursued its strategic roadmap throughout the half-year.

Weavenn, the joint venture **created by Fnac Darty and CEVA Logistics,** began operating during the second quarter. The joint venture is expected to generate revenue of €200 million and a double-digit operating margin within five years.

Fnac Darty has **obtained ISO 50001 certification**, an international symbol of excellence in energy management. This certification was mainly made possible by the investments in LED lighting and the energy management tools (building management system or BMS) rolled out in all integrated stores in 2023.

[1] Corresponds to the current net income, Group share of continuing operations and adjusted according to the provision relating to the planned transaction with the French Competition Authority (€85 million) and brand impairments (€20 million)

FNAC DARTY

Fnac Darty is rated 65/100 by V.E. Moody's Analytics, which is an increase of 4 points from 2022, ranking the Group as second in the specialized retail sector. This performance once again highlights the environmental, social and governance commitments of Fnac Darty, as pillars of the strategic plan Everyday.

Lastly, the finalization date for the **disposal of the ticketing business** to the CTS Eventim group remains uncertain, as the required regulatory approvals from the European and Swiss competition authorities have not yet been obtained.

RECENT EVENT

The envisaged acquisition of Unieuro[1] would create a market leader in Consumer electronics, Domestic appliances, Editorial products and Services in Southern and Western Europe, with over €10 billion in revenue, 30,000 employees and more than 1,500 stores. The combined entity would hold #1 or #2 positions in its main markets.

The combination offers a potential for operational run-rate synergies projected at over €20 million before taxes, primarily from improved buying terms and the integration of private label activity. Unieuro would also benefit from Fnac Darty's expertise in terms of operational efficiency. Further synergies will be explored post transaction.

The Group anticipates an accretive impact on its Earnings Per Share above 10% from 2025, including run-rate synergies, as well as a positive impact on its current operating income and free cash flow from operations.

The public offer would include for each Unieuro share:

- €9.0 in cash; and
- 0.10 Fnac Darty newly issued shares[2].

This offer values Unieuro at €12.0 per share[2], representing a premium of 42% based on the spot volume weighted average closing price as of July 15, 2024, and a 34% premium on the volume-weighted average closing price over the last 3 months. This implies an equity value[3] for Unieuro of c.€249 million, of which Fnac Darty already owns 4.4% of Unieuro's share capital.

The offer would allow Unieuro's shareholders to cash in their stake and to become shareholders of the combined entity, with an opportunity to benefit from value creation potential.

The Offer would be financed as follows:

- Fnac Darty and Ruby Equity Investment[4] plan to create a joint investment vehicle (held respectively at 51% and 49%) that will hold the stake in Unieuro. This company would be controlled and consolidated by Fnac Darty Group.
- The cash component representing c.75% of the offer amount, would be financed by Ruby Equity Investment and Fnac Darty in the respective proportion of c.2/3 and c.1/3.
- The equity component representing c.25% of the offer amount would be financed by Fnac Darty through a share issuance of approximately 2.0 million shares[5], within the limits of the current authorizations, and representing around 6.6% of Fnac Darty's share capital post transaction.
- The Group's net debt increase would be limited to around +€56 million[6], allowing Fnac Darty to protect its financial flexibility and pursue its capital allocation policy.

[1] See Press release of July 16, 2024
[2] Corresponding to €3.02 based on latest Fnac Darty closing share price of €30.20 as of July 15, 2024
[3] Based on 20.7 million outstanding shares
[4] An affiliate of VESA Equity investment
[5] Based on Fnac Darty latest closing price of €30.20 as of July 15, 2024
[6] Excluding transaction fees

The launch of the Public Tender should occur after customary conditions related to Italian regulatory approvals have been met. This transaction will be subject to review by the relevant competition authorities.
Completion of the transaction is expected for the 4th quarter of 2024.

2024 OUTLOOK

Despite initial positive signs, market recovery remains uncertain. The strength of the Everyday strategic plan, a key factor in the Group's resilience, and the ramp-up of new innovations should support the major sales events at the end of the year, which remain crucial to full-year earnings.

The Group is therefore continuing to have a cautious view of the economic and geopolitical context, and at this stage it is on track for a **Current Operating Income (COI) for 2024 at least equal to that of 2023**.

The Group reaffirms its objective of achieving a **cumulative free cash-flow from operations[1] of approximately €500 million** over the period 2021-2024 (i.e. €180 million in 2024).

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PRESENTATION OF THE 2024 HALF-YEAR RESULTS

Enrique Martinez, Chief Executive Officer, and Jean-Brieuc Le Tinier, Group Chief Financial Officer, will host a virtual presentation of the results in French, with simultaneous interpretation into English, on **Wednesday July 24, 2024 at 6:00 p.m.** (CET); 5:00 p.m. (UK); 12:00 p.m. (East Coast USA).

To access the conference call, please dial-in:
France: +33 1 70 91 87 04
UK Dial-in +44 1 212 81 80 04
USA Dial-in +1 718 705 87 96

The webcast will be available at this link.

You can listen to a recording of the presentation at any time, in either French or English, via www.fnacdarty.com.

Fnac Darty will today also publish its French half-year report on its website, under "Investors" section. It will also be available on the Group's website and on the AMF website.

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[1] Excluding IFRS 16.

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APPENDIX

The half-year financial statements approved by the Board of Directors on July 24, 2024 have been subject to a limited audit conducted by the statutory auditors.

The following tables contain individually rounded data. The arithmetical calculations based on rounded data may present some differences with the aggregates or subtotals reported.

REVENUE BY OPERATING SEGMENT

(€ million)	Q2 2024	Change compared with Q2 2023		
		Reported	At comparable scope and at constant exchange rates	Like-for-like basis – LFL (1)
France and Switzerland	1,305.2	+0.4%	+0.4%	+0.7%
Iberian Peninsula	164.7	+19.9%	+19.9%	+2.2%
Belgium and Luxembourg	126.5	+0.5%	+0.5%	+1.0%
Group	**1,596.4**	**+2.1%**	**+2.1%**	**+0.8%**

(€ million)	H1 2024	Change compared with H1 2023		
		Reported	At comparable scope and at constant exchange rates	Like-for-like basis – LFL[1]
France and Switzerland	2,760.7	-0.2%	-0.3%	+0.1%
Iberian Peninsula	343.6	+17.6%	+17.6%	-0.4%
Belgium and Luxembourg	285.4	-0.1%	-0.1%	+0.4%
Group	**3,389.7**	**+1.4%**	**+1.3%**	**+0.1%**

CURRENT OPERATING INCOME BY OPERATING SEGMENT

(€ million)	H1 2023	As a % of revenue	H1 2024	As a % of revenue
France and Switzerland	(27.7)	(1.0)%	(28.0)	(1.0)%
Iberian Peninsula	(6.8)	(2.3)%	(5.1)	(1.5)%
Belgium and Luxembourg	(1.0)	(0.4)%	(3.0)	(1.0)%
Group	**(35.5)**	**(1.1)%**	**(36.1)**	**(1.1)%**

[1] Like-for-like basis – *LFL:* excludes the effect of changes in foreign exchange rates, changes in scope, and store openings and closures.

SUMMARY INCOME STATEMENT

(€ million)	Period ended June 30 2023	2024	Change
Revenue	**3,344**	**3,390**	**+1.4%**
Gross margin	**1,039**	**1,050**	**+1.1%**
As a % of revenue	*31.1%*	31.0%	*(0.1) bps*
Total costs	**(1,075)**	**(1,086)**	**+1.0%**
As a % of revenue	*32.1%*	*32.0%*	*(0.1) bps*
Current operating income	**(35)**	**(36)**	**(1)**
Products and non-current operating income and expense	(100)	(27)	
Operating income	**(136)**	**(63)**	**+73**
Net financial expense	(44)	(37)	
Income tax	19	27	
Net income from continuing operations for the period	**(161)**	**(72)**	
Net income from continuing operations for the period, Group share	**(163)**	**(75)**	**+88**
Net income from discontinued operations	*29*	*2*	
Consolidated net income, Group share	**(134)**	**(73)**	
Current EBITDA[1]	**143**	**146**	**+3**
As a % of revenue	*4.3%*	*4.3%*	
Current EBITDA excluding IFRS 16	**14**	**21**	**+7**

FREE CASH-FLOW FROM OPERATIONS

(€ million)	Period ended June 30 2023	2024
Cash flow before tax, dividends and interest	**131**	**140**
IFRS 16 impact	(129)	(140)
Cash flow before tax, dividends and interest, excluding IFRS 16	**2**	**0**
Change in working capital requirement, excluding IFRS 16	(635)	(696)
Income tax paid	36	(15)
Net cash flows from operating activities, excluding IFRS 16	**(597)**	**(711)**
Net cash flows from operating investing activities	**(63)**	**38**
Free cash-flow from operations, excluding IFRS 16	**(660)**	**(673)**

[1] Current EBITDA: earnings (current operating income) before interest, tax, depreciation, amortization, and provisions on fixed operational assets.

BALANCE SHEET

Assets *(€ million)*	December 31, 2023	June 30, 2024
Goodwill	1,680	1,680
Intangible assets	566	560
Property, plant and equipment	544	465
Rights of use relating to lease agreements	1,105	1,125
Investments in associates	1	1
Non-current financial assets	22	26
Deferred tax assets	63	65
Other non-current assets	0	0
Non-current assets	**3,981**	**3,922**
Inventories	1,158	1,158
Trade receivables	189	121
Tax receivables due	8	44
Other current financial assets	22	24
Other current assets	536	390
Cash and cash equivalents	1,121	583
Current assets	**3,034**	**2,319**
Assets held for sale	0	0
Total assets	**7,015**	**6,242**

Liabilities *(€ million)*	December 31, 2023	June 30, 2024
Share capital	28	28
Equity-related reserves	987	987
Translation reserves	(6)	(6)
Other reserves	513	434
Shareholders' equity, Group share	**1,522**	**1,442**
Shareholders' equity – Share attributable to non-controlling interests	17	16
Shareholders' equity	**1,539**	**1,459**
Long-term borrowings and financial debt	604	806
Long-term leasing debt	898	941
Provisions for pensions and other equivalent benefits	167	164
Other non-current liabilities	9	7
Deferred tax liabilities	199	165
Non-current liabilities	**1,876**	**2,083**
Short-term borrowings and financial debt	319	272
Short-term leasing debt	246	243
Other current financial liabilities	9	14
Trade payables	2,153	1,444
Provisions	115	113
Tax payables due	1	0
Other current liabilities	758	615
Current liabilities	**3,600**	**2,701**
Payables relating to assets held for sale	0	0
Total liabilities	**7,015**	**6,242**

STORE NETWORK

	Dec. 31, 2023	Opening	Closure	June 30, 2024
France and Switzerland*	**838**	**11**	**9**	**840**
Traditional Fnac	96	0	0	96
Suburban Fnac	17	0	0	17
Travel Fnac	37	4	1	40
Proximity Fnac	82	1	0	83
Connect Fnac	7	0	1	6
Darty	492	5	6	491
Fnac/Darty France	1	0	0	1
*Nature & Découvertes***	106	1	1	106
Of which franchised stores	*431*	*10*	*7*	*434*
Iberian Peninsula	**88**	**0**	**3**	**85**
Traditional Fnac	53	0	1	52
Travel Fnac	4	0	1	3
Proximity Fnac	18	0	0	18
Connect Fnac	3	0	1	2
MediaMarkt Portugal	10	0	0	10
Of which franchised stores	*6*	*0*	*1*	*5*
Belgium and Luxembourg	**84**	**2**	**2**	**84**
*Traditional Fnac****	12	2	1	13
Proximity Fnac	1	0	0	1
Darty (Vanden Borre)	71	0	1	70
Fnac Darty Group	**1,010**	**13**	**14**	**1,009**
Traditional Fnac	161	2	2	161
Suburban Fnac	17	0	0	17
Travel Fnac	41	4	2	43
Proximity Fnac	101	1	0	102
Connect Fnac	10	0	2	8
Darty/Vanden Borre	563	5	7	561
Fnac/Darty	1	0	0	1
MediaMarkt	10	0	0	10
Nature & Découvertes	106	1	1	106
Of which franchised stores	*437*	*10*	*8*	*439*

* Including 13 Fnac stores abroad: 3 in Qatar, 3 in Tunisia, 2 in Senegal, 2 in Ivory Coast, 1 in Congo, 1 in Cameroon, 1 in Saudi Arabia and 3 Darty stores abroad in Tunisia; and including 18 stores in the French overseas territories. Excluding 14 Fnac shop-in-shops opened in Manor stores.
** including Nature & Découvertes subsidiaries managed from France: 4 stores in Belgium, 1 store in Luxembourg, 7 franchises in Switzerland, 1 franchise in Portugal and 5 franchises in the French overseas territories.
*** Including one store in Luxembourg, which is managed from Belgium.

DEFINITIONS OF ALTERNATIVE PERFORMANCE INDICATORS

Indicator title	Indicator definition
Other non-current operating income and expenses	"Other non-current operating income and expense" reflects the unusual and material items for the consolidated entity that could disrupt tracking of the Group's economic performance and that are excluded from the current operating income: • restructuring costs and costs relating to staff adjustment measures. • impairment on capitalized assets identified primarily in the context of impairment tests on cash-generating units (CGU) and goodwill. • gains or losses linked to changes in the scope of consolidation (acquisition or disposal); and • major disputes that do not arise from the Group's operating activities.
Current EBITDA	Current operating income before depreciation, amortization and provisions on fixed operating assets that are recognized as recurring operating income. Current EBITDA is not an indicator stipulated by IFRS and does not appear in the Group consolidated financial statements. Current EBITDA has no standard definition and, therefore, the definition used by the Group may not match the definition of this term used by other companies. The application of IFRS 16 significantly changes the Group's current EBITDA. Current EBITDA excluding IFRS 16 is used in the context of the applicable financial covenants under the Loan Agreement.
Current EBITDA excl. IFRS 16	Current EBITDA including rental expenses within the scope of IFRS 16, used in connection with the financial covenants applicable under the Loan Agreement.
Free cash-flow from operations	This financial indicator measures the net cash flows linked to operating activities and the net cash flows from operational investments (defined as acquisitions and disposals of property, plant and equipment and intangible assets, and the change in trade payables for non- current assets). The application of IFRS 16 significantly changes the Group's free cash-flow from operations.
Free cash-flow from operations, excl. IFRS 16	Free cash flow from operations including impacts relating to rents within the scope of IFRS 16
Revenue	The Group's "real" revenue (or income from ordinary activities) corresponds to its reported revenue. The Group uses the notions of change in revenue detailed below.
Net financial income excl. IFRS 16	Financial result minus financial interest on leasing debt
Net financial debt	Net financial debt consists of gross debt including accrued interest not yet due as defined by the French National Accounting Council's recommendation No. 2013-03 on November 7, 2013, minus gross cash and cash equivalents. The application of IFRS 16 significantly changes the Group's net financial debt.
Net financial debt excl. IFRS 16	Net financial debt less leasing debt
Operating income	The total operating income of Fnac Darty includes all the income and costs directly related to Group operations, whether the income and expense are recurrent or whether they result from one-off operations or decisions.

Indicator title	Indicator definition
Current Operating Income	Fnac Darty uses current operating income as the main management balance. This is defi ned as the difference between the total operating income and the "Other non-current operating income and expense." Current operating income is an intermediate line item intended to facilitate the understanding of the entity's operating performance and that can be used as a way to estimate recurring performance. This indicator is presented in a manner that is consistent and stable over the long term in order to ensure the continuity and relevance of financial information.
Net cash	Net cash consists of gross cash and cash equivalents, minus gross debt including accrued interest not yet due as defined by the French National Accounting Council's recommendation No. 2013-03 on November 7, 2013. The application of IFRS 16 significantly changes the Group's net cash.
Net cash excl. IFRS 16	Net cash excluding leasing debt
Change in revenue at a constant exchange rate	Change in revenue at a constant exchange rate means that the impact of changes in exchange rates has been excluded. The exchange rate impact is eliminated by recalculating sales for period N-1 using the exchange rates used for period N.
Change in revenue at a comparable scope of consolidation	Change in revenue at a comparable scope of consolidation means that the impact of changes in the scope of consolidation is corrected so as to exclude the modifications (acquisition, disposal of subsidiary). Revenue of subsidiaries acquired or sold since January 1 of period N-1 are, therefore, excluded when calculating the change (in the event of a significant variation at Group level).
Change in revenue on a same-store basis	The change in revenue on a same-store basis means that the impact of directly owned store openings and closures is excluded. Revenue from stores opened or closed since January 1 of period N-1 is, therefore, excluded when calculating said change.

THE APPLICATION OF THE IFRS 16 STANDARD

On January 13, 2016, the IASB published IFRS 16 – Leases. IFRS 16 replaces the IAS 17 standard and its interpretations. This standard, which is mandatory for annual periods beginning on or after January 1, 2019, requires the recognition of an asset (the right of use) and a liability (leasing debt) on the basis of discounted in-substance fixed lease payments.

The Group has applied IFRS 16 since January 1, 2019. In order to ensure the transition between IAS 17 and IFRS 16, all lease and service agreements falling within the scope of IFRS 16 have been analyzed.

To monitor its financial performance, the Group publishes indicators that exclude the application of IFRS 16. These indicators are current EBITDA excluding IFRS 16, free cash-flow from operations excluding IFRS 16, and net financial debt excluding IFRS 16.

Avec l'application de la norme IFRS 16	***IFRS 16 adjustment***	**Without application of IFRS 16**
Current EBITDA	**Rent within the scope of IFRS 16**	**Current EBITDA excluding IFRS 16**
Current operating income before net depreciation, amortization and provisions on fixed operational assets recognized as current operating income		Current EBITDA including rental expenses within the scope of IFRS 16
Free cash-flow from operations	***Disbursement of rent within the scope of IFRS 16***	**Free cash-flow from operations excluding IFRS 16**
Net cash-flow from operating activities, less net operating investments		Free cash-flow from operations including cash impacts relating to rent within the scope of application of IFRS 16
Net financial debt	***Leasing debt***	**Net financial debt excluding IFRS 16**
Gross financial debt less gross cash and cash equivalents		Net financial debt excluding leasing debt
Net financial income	***Financial interest on leasing debt***	**Net financial income excluding financial interest on leasing debt**