

Report and Opinion of the Audit Committee

Dear Shareholders,

In accordance with sub-paragraph g) of paragraph 1 of article 423-F of the Commercial Companies Code, we herewith present our report on our supervisory activity and our opinion on the Jerónimo Martins, SGPS, S.A. report and consolidated accounts for the year ending December 31st, 2015, as well as on the proposals presented by the Board of Directors.

Supervisory activity

Throughout the year, this Committee monitored the management and evolution of the Company's businesses by holding regular meetings with the Directors and Heads of the functional areas of the corporate centre, with the members of the Managing Committee, the Company Secretary and the Statutory Auditor, and in all cases received their full co-operation.

The Committee monitored the development of tax proceedings and litigation involving group companies, having obtained all clarifications necessary from the Company personnel, to assess the adequacy of the Group's provisions and contingencies to which is exposed.

The Committee also monitored the compliance with the Financial Risk Management Policy, and the revision of the Group's Global Risk Management Policy, with the co-operation of the Managing Committee, the Financial Operations Department, the Group Risk Management Department and the External Auditor, and verified that the actions taken by the Company were adequate to comply with the policies issued by the Board of Directors.

It closely monitored the work carried out by the Internal Audit Department, by following its annual activity plan, the conclusions of the reports on the work carried out, as well as the actions that the Company implemented as a result of the recommendations issued by this department and also those contained in the reports issued by the External Auditor. The Committee reviewed and approved the internal audit plan for 2016 as well as the necessary resources allocation.

The suitability and effectiveness of the internal control systems were verified, with the co-operation and work of the Internal Control Committee, the Internal Audit Department and the External Auditor.

This Committee was given access to all the corporate documentation that it considered relevant, namely the minutes of the meetings of the Managing Committee and the Internal Control Committee, as well as all the related documentation it deemed relevant, in order to assess compliance with its regulations and with the applicable laws.

It met regularly with the External Auditor and those responsible for preparing the Report and Consolidated Accounts and the accounts of the Group's main companies from whom it obtained sufficient and necessary information to gauge the accuracy of

the accounting documents, accounting policies and valuation criteria adopted by the Company, thereby ensuring that these are a correct representation of the results and the equity of the Company.

Throughout the year, it monitored the work methodology adopted by the External Auditor, the evolution of issues raised by the latter, as well as the conclusions of the work carried out by the Statutory Auditor, which gave rise to the Auditor's Report being issued without any reservations.

Within the scope of its responsibilities, the Audit Committee verified the independence and competence of the Company's External Auditors and Statutory Auditor in carrying out their functions.

The Audit Committee also verified that all non-audit services provided, during the year 2015, by the firm of External Auditors to the Group's subsidiaries, were carried out by their employees who took no part in the audits, and that these services, due to their type and the amounts involved, in no way jeopardise the independence of the work carried out by the External Auditor nor do they affect the opinion of the Statutory Auditor.

With the publication on September 7th, 2015, of the Law no. 140/2015, which approved the new Legal Regimen of Portuguese Statutory Auditors, it was performed an analysis namely on the mandatory rotation of the Statutory Auditor and on the extension of forbidden services.

It also verified that, under the terms of paragraph 5 of article 420.º of the Commercial Companies Code, the Corporate Governance Report includes all the elements mentioned in article 245 - A of the Portuguese Securities Code.

Opinion

Taking into account the information received from the Board of Directors, the Company's personnel and the conclusions outlined in the Report of the Auditors for Statutory and Stock Exchange Regulatory Purposes in Respect of the Consolidated Financial Information, we are of the opinion that:

- i) The Consolidated Management Report should be approved;
- ii) The Consolidated Financial Statements should be approved; and
- iii) The Board of Directors' results appropriation proposal should be approved.

Statement of Responsibility

In accordance with sub-paragraph c) of paragraph 1 of article 245 of the Portuguese Securities Code, the members of the Audit Committee, identified below, declare that to the best of their knowledge:

- i) the information contained in the Management Report, the Annual Accounts, the Auditors' Report and all other accounting documentation required by law or regulation, was produced in compliance with the applicable accounting standards and gives a true and fair view of the assets and liabilities, the financial position and the results of Jerónimo Martins, SGPS, S.A. and the companies included in the consolidation perimeter.

- ii) The Management Report is a faithful statement of the evolution of the businesses, the performance and position of Jerónimo Martins, SGPS, S.A. and of the companies included within the consolidation perimeter, and contains a description of the main risks and uncertainties which they face.

Lisbon, 4 March 2016

Hans Eggerstedt
(Chairman of the Audit Committee)

António Pedro Viana-Baptista
(Member)

Sérgio Tavares Rebelo
(Member)