Paris, July 27, 2017

RALLYE

2017 first-half results

Refinancing of the October 2018 bond at an equivalent yield with a €350m bond issue maturing in 2023, which has been significantly oversubscribed[1]

Enhancement of Rallye's shareholders' equity by €53m, following the success of the payment of a scrip dividend

At Casino level: g**ood results in H1 2017 and profitability objectives revised up**;

- Casino trading profit:
  - **€466m** vs €281m in H1-2016
  - **€336m** vs €211m in H1 2016 excluding tax credit in Brazil
- **In France, trading profit of €121m** vs €85m in H1 2016, **of which €83m for food retail activities compared** with €36m in H1 2016
- **Cash flow from continuing operations of €582m** vs €390m in H1 2016
- **CAPEX from continuing operations of €452m** vs €506 m in H1 2016
- **FY objectives revised up**: growth in consolidated trading profit of at least 20%, at June 30, 2017 exchange rates.

The consolidated financial statements for the first-half of 2017, established by the Board of Directors on July 26, 2017, were reviewed by the Statutory Auditors.

H1 2017 KEY P&L DATA

In €m	**H1 2016**[2] *restated*	**H1 2017**
Net Sales	**17,302**	**18,974**
EBITDA[3]	**596**	**811**
EBITDA margin	*3.4%*	*4.3%*
Trading profit	**271**	**456**
Trading profit margin	*1.6%*	*2.4%*
Net income from continuing operations, Group Share	**(186)**	**(127)**
Net income, Group Share	**1,223**	**(131)**
Net underlying income[4] **from continuing operations, Group Share**	**(61)**	**(64)**

Rallye consolidated net sales amounted to €19.0bn, up +9.7%. Trading profit reached €456m and surged by +68% over the semester.
Rallye's holding perimeter net financial debt stood at €2,894m as at June 30, 2017 compared to €2,933m as of June 30, 2016.

1 Orderbook reconciled of €2.6bn, more than 7x oversubscribed
2 Following the end-2016 decision to sell Via Varejo (including Cnova Brazil) and in accordance with IFR "Non current Assets Held for Sale and Discontinued Operations", the income statement for the six months ended 30 June 2016 has been restated to present Via Varejo's net after-tax profit on a separate line ("Net profit from discontinued operations").
3 EBITDA = trading profit + current depreciation and amortization expense
4 Definition on page 5
NB: Organic and same-store changes exclude fuel and calendar effects

Rallye's net underlying income from continuing operations, Group Share, stood at - €64m as at June 30, 2017.

Rallye issued a new bond maturing in January 2023 to refinance the October 2018 bond at an equivalent yield (4.375%).

As of June 30, 2017, Rallye has a strong liquidity position with €1.8bn of confirmed and undrawn credit lines.

1. SUBSIDIARIES ACTIVITY

- **Casino**

In H1 2017, **consolidated net sales rose +3.1%** on an organic basis to €18.6bn.

In **France,** growth stood at +0.1% on an organic basis and +0.9% on a same-store basis, with a good performance in food retail, up +1.9% in the first half. The qualitative and urban banners delivered very good performances. Monoprix, Casino Supermarkets and Franprix saw the pace of same-store sales accelerate over the period. Same-store sales at franchises in the convenience segment rose sharply. The Leader Price and Géant banners continued to see a progressive improvement in their same-store growth.

In E-commerce (Cdiscount), gross merchandise volume (GMV) advanced by +10.5% on a same-store basis[1] in H1 2017, supported by the marketplace's good performance (share of 33.4% of GMV in H1 2017).

Food retail sales in Latin America rose by +7.1% on an organic basis during the semester, led by the sound development of cash & carry, the success of hypermarket revitalisation programmes in Brazil and growth in overall sales at Éxito.

Consolidated trading profit totalled €466m in H1 2017 versus €281m in H1 2016, reflecting the success of the various banners in France and the recovery in Brazil.

In **France**, trading profit amounted to €121m, up +42.9% compared with H1 2016 (€85m). Margin widened by +39bps. Property development trading profit declined over the period whereas retail trading profit (excluding property development) grew significantly to stand at €83m (versus €36m in H1 2016). This rapid growth reflected a strong operating performance at Monoprix and Franprix and improved results at Casino Supermarkets, Géant and Leader Price.

The E-commerce segment trading profit was negative at -€19m in H1 2017, reflecting the investments carried out under the strategic plan (larger assortment, improved multi-channel strategy and technological upgrade of website).

The trading profit of **food retail operations in Latin America** amounted to €364m, including the tax credits booked by GPA[2]. Adjusted for these items, trading profit was up +71.7% at current exchange rate and +47.8% at constant exchange rate, thanks to the sharp improvement in margins at Multivarejo and Assaí in Brazil.

Underlying net profit from continuing operations[3], Group share represented +€48m in H1 2017 versus +€56m in H1 2016**.**

Casino consolidated net financial debt at June, 30 2017 stood at €5,594m (vs €6,343m at June 30, 2016), a decrease of -11.8%.

Net financial debt of Casino in France[4] amounted to €4,314m at June30, 2017 compared with €4,027m at June 30, 2016. This evolution was mainly related to one-off financial operations (tender offer on Cnova free-float and partial unwinding of a Total Return Swap).

The cash-flow from continuing operations increased to €582m versus €390m in H1 2016.

CAPEX from continuing operations decreased to reach €452m versus €506m in H1 2016**.**

---

[1] Same-store data have been adjusted for i) the sale or closure in 2016 of specialised sites Comptoir des Parfums, Comptoir Santé and MonCornerDéco, ii) the planned reduction of B2B sales initiated in Q3 2016, iii) the restatement of sales for the TV category, where growth was held back by the combined effect in 2016 of the switch to all-HD TV and the Euro 2016 football championship in France (impact of 1.7 pts and 2.3 pts on GMV and sales, respectively), iv) the restatement of the calendar impact related to the summer 2017 sales, which started one week later than in 2016 (impact of 1.0 pts and 0.9 pts on growth in GMV and sales, respectively), v) from the perspective of Cnova, sales generated by Cdiscount with the Casino Group's hypermarket and supermarket customers in France, following the multi-channel agreement in effect in June 2017, and vi) the impact of the 2016 leap year.

[2] *Including tax credits of €70m in H1 2016 relating to the cumulative PIS and COFINS (VAT) taxes and of €130m in H1 2017 relating to the ICMS-ST ("tax substitution") tax.*

[3] *Definition on page 5*

[4] *Scope: The Casino Guichard Perrachon parent company, French businesses and wholly-owned holding companies*

- **Groupe GO Sport**

Groupe GO Sport business volume over €470m in H1 2017, up strongly (by nearly 6%). Net sales of €373m, up by +7.0% and by +2.3% on a same-store basis and at constant exchange rates (despite a high basis of comparison in H1 2016 with the Euro 2016 event).

GO Sport France adopted a new positioning of the banner (*"your sport experience coach"*) supported by more frequent advertising campaigns and translated in stores. Both the rationalization of the integrated network and subsequent development of the affiliated network are under way.

Courir's growth remains buoyant through the strong growth of all distribution channels (integrated, affiliated, discount) and sharp acceleration of e-commerce.

Sixth consecutive semester of sales growth at **GO Sport Pologne**. The operational excellence program is proving successful and banners' digitalization is moving faster (communication on the Internet and mobile, social networks).

Consolidated EBITDA and trading profit are up versus H1-2016 for the sixth consecutive semester.

2. CONCLUSION AND PERSPECTIVES

In light of its H1 2017 good results, **Casino revises its guidance for the growth in consolidated trading profit up to at least 20%,** based on June 30, 2017 closing exchange rates.

In France, Casino now aims to achieve above 15% growth in food retail trading profit and forecasts a contribution from its property development activities of around €60m.

Rallye benefits from a strong liquidity position, with €1.8bn of confirmed and undrawn credit lines. The average maturity of these lines is 4 years. The main redemption of October 2018 has been refinanced. With 78% of the rights exercised in favour of the payment in shares, Rallye increased its shareholders' equity by €53m and comfort its positive recurring cash-flow equation.

Rallye reiterates its strategy to maximize its assets' value and confirms the strength of its financial structure, especially by maintaining a positive recurring cash-flow equation

For more information, please consult the company's website:
www.rallye.fr

Rallye contact:

Franck HATTAB

+ 33 (0)1 44 71 13 73

Disclaimer

This press release was prepared solely for information purposes and should not be construed as a solicitation or an offer to buy or sell securities or related financial instruments. Similarly, it does not give and should not be treated as giving investment advice. It has no connection with the investment objectives, financial situation or specific needs of any recipient. No representation or warranty, either express or implicit, is provided in relation to the accuracy, completeness or reliability of the information contained herein. It should not be regarded by recipients as a substitute for exercise of their own judgement. All opinions expressed herein are subject to change without notice.

APPENDICES

RALLYE H1 2017 RESULTS

(CONSOLIDATED DATA)

in €m	**H1 2016[2]** *Restated*	**H1 2017**
Net Sales	**17,302**	**18,974**
EBITDA [1]	**596**	**811**
Trading profit	**271**	**456**
Other operational income and expenses	(416)	(278)
Cost of net financial debt	(187)	(246)
Other financial income and expenses	0	(39)
Profit (loss) before tax	(332)	(106)
Income tax expense	29	23
Income from associated companies	13	3
Net profit (loss) from continuing operations	**(289)**	**(80)**
Net profit (loss) from continuing operations, Group share	(186)	(127)
Net income from discontinued operations	2,713	(14)
Net income	**2,424**	**(94)**
Net underlying income, Group share	**(61)**	**(64)**

(1) EBITDA = trading profit + current depreciation and amortization expense

(2) Following the end-2016 decision to sell Via Varejo (including Cnova Brazil) and in accordance with IFR "Non current Assets Held for Sale and Discontinued Operations", the income statement for the six months ended June 30, 2016 has been restated to present Via Varejo's net after-tax profit on a separate line ("Net profit from discontinued operations").

RALLYE SIMPLIFIED H1-2017 BALANCE SHEET

(CONSOLIDATED DATA)

In €m	12/31/2017	H1 2017
Non-current assets	24,790	24,069
Current assets	18,876	15,377
TOTAL ASSETS	**43,666**	**39,446**
Equity	12,631	11,627
Non-current financial liabilities	10,064	10,464
Other non-current liabilities	2,716	2,288
Current liabilities	18,254	15,067
TOTAL EQUITY AND LIABILITIES	**43,666**	**39,446**

RECONCILIATION OF REPORTED PROFIT TO UNDERLYING PROFIT

Underlying net profit corresponds to net profit from continuing operations adjusted for (i) the impact of other operating income and expense, as defined in the “Significant Accounting Policies” Section of the notes to the annual consolidated financial statements, (ii) and to non-recurring financial items and (iii) non-recurring tax credits and expenses.

Non-recurring financial items result from restatements correspond to change in fair value of equity derivatives (for example, Total Return Swap (TRS) and Forward on GPA share) and the monetary update effects of Brazilian tax liabilities.

Non-recurring income tax credits and expenses correspond to tax effects that are directly related to the above adjustments and to direct non-recurring tax effects. Accordingly, the tax expense applied to underlying pre-tax profit corresponds to the standardised average tax expense for the Group.

In €m	H1 2016	Restated items	H1 2016 Underlying	H1 2017	Restated items	H1 2017 Underlying
Trading profit	**271**	**-**	**271**	**456**	**-**	**456**
Other operating income and expenses	(416)	415	0	(277)	277	-
Operating profit	**(145)**	**415**	**270**	**179**	**277**	**456**
Cost of net financial debt	(187)	-	(187)	(246)	-	(246)
Other financial income and expenses	0	(42)	(42)	(39)	(23)	(62)
Income tax expenses	29	(68)	(39)	23	(80)	(57)
Incomme from associated companies	13	-	13	3	-	3
Net profit (loss) from continuing operations	**(289)**	**305**	**16**	**(80)**	**175**	**94**
Of which minority interests(1)	(103)	180	77	47	112	159
Of which Group share	**(186)**	**125**	**(61)**	**(127)**	**63**	**(64)**

(1) Minority interests have been restated for the amounts relating to the restated items listed above.