Paris, March 7, 2017

RALLYE

2016 Annual Results

Decrease in Rallye's net financial debt, at €2,899m vs €2,968m at year end 2015

Reinforced liquidity for Rallye through the issuance of a €200m non-dilutive bond exchangeable into casino shares, and a first issuance in swiss francs for 75MCHF

For Casino :

- **Confirmed turnaround in France: improvement in organic sales and earnings**
- **Stepped-up organic growth in Latin America**
- **Simplification of e-commerce activities and sharp reduction in Casino's consolidated net debt (€3,367m vs €6,073m)**
- **Decision to sell Via Varejo**

The Board of Directors of Rallye, chaired by Mr. Jean-Charles NAOURI, met on March 6, 2017 in order to close the books for the year ended December 31, 2016.

The Statutory Auditors have completed their audit and are in the process of issuing their report.

2016 KEY P&L DATA

in €m	**2015[1]**	**2016**
Net sales	**35,999**	**36,784**
EBITDA[2]	**1,704**	**1,710**
EBITDA margin	*4.7%*	*4.6%*
Current operating income (COI)	**996**	**1,033**
COI margin	*2.8%*	*2.8%*
Net profit (loss) from continuing operations, Group share	**(177)**	**(150)**
Consolidated net profit (loss), Group share	**(166)**	**1,203**
Net underlying profit[3] from continuing operations, Group share	**3**	**17**

Rallye's consolidated net sales amounted to €36.8bn. Current operating income (COI) reached €1,033m.

Rallye's holding perimeter net financial debt stood at €2,899m as at December 31, 2016, compared to €2,968m at the end of 2015. Rallye's recurring cash-flow equation[4] was positive in 2016 at + €29m compared to - €74m in 2015, namely through:

- further optimization of Rallye's net financial cost ;
- a decrease in holding costs ;
- a new dividend policy for Casino including an interim dividend payment[5]

Rallye's cost of net financial debt decreased further in 2016, at €105m compared to €112m at the end of December 2015. In 3 years, Rallye reduced its cost of net financial debt by close to 45%.

[1] 2015 data have been adjusted for the divested operations in Asia. In addition, following the end-2016 decision to sell Via Varejo, and in accordance with IFRS 5, Via Varejo (including Cnova Brazil) has been reclassified under discontinued operations.
[2] EBITDA = current operating income + current depreciation and amortization expense
[3] Definition on page 7
[4] Dividends paid by Casino, net of dividends paid by Rallye, of net financial cost, and holding costs
[5] Payment requiring a decision from Casino's Board of Directors

Rallye's underlying net profit from continuing operations, Group share, stood at €17m in 2016, compared to €3m in 2015.

Rallye reinforced its liquidity in 2016 through new means of financing: issuance of a non-dilutive bond exchangeable into Casino shares for €200m and completion of a first CHF 75m bond issue.

As at December 31, 2016 Rallye's financial covenants were met with ample headroom. The consolidated EBITDA to consolidated net cost of debt ratio amounted to 3.93x (vs a covenant at 2.75x), and Rallye's unconsolidated shareholders' equity was €1,732m (vs a covenant at €1,200m).

1. SUBSIDIARIES ACTIVITY

Casino Group

Casino consolidated net sales of €36.0bn, up +5.7% on an organic basis. In France, same-store sales up +0.3%, organic sales up +0.8% and gross sales under banners up 1.5%[1] over the full year. Market share gains confirmed. In Latin America, excellent operating performance with organic growth of +10.8% at Éxito, acceleration in organic sales and success of Assaí at GPA Food. In E-commerce, strong growth in the marketplace and traffic, and successful take-up for "Cdiscount à volonté" ("Cdiscount at will") premium membership. Current Operating Income (COI) of €1,034m for the full year and underlying net profit, Group share of €341m. Sharp reduction in Casino consolidated net debt (€3,367m vs €6,073m).

In 2016, Casino's consolidated net sales rose +5.7% on an organic basis to €36.0bn.

In France, organic sales growth stood at +0.8%. The turnaround reflects strong commercial momentum over the year. Casino achieved and maintained a +0.1pt gain[2] in market share in 2016. Géant turned in an excellent performance in food sales (up +2.7% on a same-store basis) and continued to streamline its non-food selection by reducing non-food retail space, leading to a -1.6% decrease in total retail space. Leader Price stepped up its development through franchises. Franprix pursued the roll-out of its Mandarine concept and Supermarchés Casino are successfully developing a more quality-focused model. Monoprix performed well over the full year and continued its dynamic expansion.

Food retail sales **in Latin America** surged by 11.4%[1] on an organic basis during the year, lifted by the strong development of cash & carry, the success of hypermarket revitalisation programmes in Brazil and continued solid performances in Colombia, Argentina and Uruguay.

Within the **E-commerce** segment, Cdiscount's Gross Merchandise Volume (GMV) showed satisfactory growth (+13.6% on a same-store basis[3] in 2016) supported by the marketplace's good performance.

Consolidated COI totaled €1,034m in 2016 versus €997m in 2015, reflecting the success of the sales revitalisation programmes in France. At constant exchange rates, consolidated trading profit came to €1,080 million.

In France, COI improved significantly to €508m from €337m in 2015. Retail operations, (i.e., excluding property development) totaled €421m. This sharp increase reflects solid operating performances at Monoprix, Franprix and Supermarchés Casino. In 2016, Leader Price returned to profitability and the Géant banner considerably reduced its losses.

Property development COI stood at €87m versus €167m in 2015.

The trading profit of **food retail operations in Latin America** declined by -23.0% over the year to €538m (-16.5% at constant exchange rates).

In Brazil, profitability was impacted by the new sales strategy at Extra and the macroeconomic environment. The segment achieved a COI margin of +3.5%.

E-commerce posted a COI of -€11m at end-2016. Cdiscount's profitability improved sharply from the previous year, driven by the development of the marketplace.

[1] *Excluding fuel and calendar effect*
[2] *P13, moving annual total, Kantar*
[3] *Information communicated by the subsidiary*
Note : Organic and same-store changes exclude fuel and calendar effects

Underlying net profit from continuing operations, Group share came to +€341m, down slightly from +€357m in 2015.

Consolidated net debt totaled €3,367m at 31 December 2016 versus €6,073m a year earlier, due primarily to free cash flow generation and asset disposals in 2016.

Net debt of Casino in France excluding Cdiscount[1] at 31 December 2016 totaled €3,200m, also down sharply from €6,081m at 31 December 2015. Including Cdiscount's cash, it stood at €3,032m.

Other assets

Groupe GO Sport consolidated net sales for 2016 stood at €749m, up +3.5% on a same-store basis. Net business volume is up sharply and stands over €930m in 2016 (+11%), driven by the development of all store networks (integrated, affiliates and e-commerce).

Sales of **GO Sport in France** are stable on a same-store basis in 2016 and net business volume is up +3.9%, reaching more than €430m. The network comprises 140 stores (both integrated and franchises) in France compared to 124 at year end 2015, thanks to accelerated expansion of the affiliates network, with 34 stores, twice as much compared to the end of 2015.The banner's e-commerce website recorded sustained growth and the multichannel strategy was reinforced as stores were equipped with online purchasing terminals and e-booking was successfully launched.

Courir recorded a seventh year of consecutive sales growth, and business volume rose +24% thanks to the development of the store network, which now comprises 218 stores (both integrated and franchised), compared to 197 at the end of 2015. The banner continued to develop its market share through all channels, as 12 stores previously owned by Bata were integrated (after a first acquisition of 18 Bata stores in 2015), the number of affiliates continued to grow in France (33 affiliate stores vs 23 at the end of 2015), and as multichannel strategies were reinforced via the launch of click and collect. The banner's e-commerce website is ranked first in terms of sales in the store network. The banner boasts high profitability.

Abroad, sales for **GO Sport in Poland** rose +4.2% on a same-store basis and using constant exchange rates, driven both by a rise in clients and volumes sold. The network now comprises 32 stores following 2 store openings during the year. Strong development of **international franchisees** (17 openings in 2016), both for GO Sport and Courir, allows both banners to comfort their status as international brands.

Consolidated EBITDA and COI were up for the third year in a row.

All networks combined, Groupe GO Sport totals 558 stores at the end of 2016, of which 87 abroad.

Rallye's investment portfolio was valued at €71m at the end of 2016, following €25m of net cash-in during the year.

[1] *Casino in France: the scope includes Casino Guichard Perrachon, the parent company, the French business activities, and the wholly-owned holding companies*
2015 Casino debt in France presented based on the 2016 scope

2. CONCLUSION AND PERSPECTIVES

In 2017, **Casino** will pursue its priorities, which include:

- Adapting the formats in real time to new consumer trends and developing the most buoyant formats
- Continuing improvement of operational excellence

Casino's main objectives for 2017 are the following:

- An improvement in net debt/EBITDA ratio
- In France, Casino aims at reaching c.15% growth in current operating income generated of food retail activity and forecasts a contribution from its property development activities of c. €60m
- Casino also expects growth of at least 10% in its consolidated current operating income, under current forex conditions

Rallye benefits from a strong liquidity position, with €1.8bn of confirmed credit lines (of which €1.5bn are undrawn). The average maturity of these lines is 4 years. Rallye faces no significant maturity before October 2018. In 2017, Rallye will continue to improve its recurring cash-flow equation[1], namely through further optimization of financial and holding costs, as well as through an adjusted dividend policy, including a scrip dividend option.

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.

In order for Rallye to maintain a positive recurring cash-flow equation, the Board of Directors held on March 6, 2017 decided to recommend to the General Annual Meeting of May 10, 2017, an adjusted dividend of €1.40 per share, to be paid on June 9, 2017. Shareholders will have the option to choose a payment in shares.

Investor Calendar:

Wednesday May 10, 2017: Annual General Meeting

For more information, please consult the company's website:
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[1] *Dividends paid by Casino, net of dividends paid by Rallye, of net financial cost, and holding costs*

Disclaimer

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APPENDICES

RALLYE 2016 RESULTS
(CONSOLIDATED DATA)

(in €m)	2015[2]	2016
Net sales	**35,999**	**36,784**
EBITDA [1]	**1,704**	**1,710**
Current operating income (COI)	**996**	**1,033**
Other operational income and expenses	(349)	(634)
Cost of net financial debt	(358)	(435)
Other financial income and expenses	(329)	(49)
Income tax expense	(21)	(40)
Income from associated companies	65	19
Net profit (loss) from continuing operations	3	(107)
Net profit (loss) from continuing operations, Group share	**(177)**	**(150)**
Net profit from discontinued operations	47	2,161
Net profit	50	2,054
Net profit (loss), Group share	**(166)**	**1,203**
Net underlying profit, Group share	**3**	**17**

(1) EBITDA = current operating income + current depreciation and amortization expense

(2) IFRS 5 has been applied to the 2015 and 2016 financial statements to take into account the disposal of operations in Asia and the plan to sell Via Varejo. Accordingly:

- *Profits from operations in Asia in 2015 and up to their disposal in 2016, as well as the consolidated gain made on the disposals, are included in the income statement under "profit from discontinued operations".*
- *Via Varejo's operations (including those of Cnova Brazil) were reclassified as discontinued operations in 2015 and 2016. The assets and liabilities of Via Varejo's operations at 31 December 2016 are presented on a separate line in the statement of financial position.*

RALLYE SIMPLIFIED 2016 BALANCE SHEET
(CONSOLIDATED DATA)

(in €m)	2015	2016
Non-current assets	27,760	24,790
Current assets	13,770	18,876
TOTAL ASSETS	**41,530**	**43,666**
Equity	10,575	12,631
Non-current financial liabilities	11,722	10,064
Other non-current liabilities	2,934	2,716
Current liabilities	16,299	18,254
TOTAL EQUITY AND LIABILITIES	**41,530**	**43,666**

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 include fair value adjustments to equity derivative instruments (such as total return swap and forward contracts on GPA shares) and effects of monetary updating of tax liabilities in Brazil.

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)	**2015**	**Restated**	**2015 Underlying**	**2016**	**Restated**	**2016 Underlying**
Current operating income (COI)	**996**	**-**	**996**	**1 033**	**-**	**1 033**
Other operating income and expenses	(349)	349	-	(634)	634	-
Operating income	**647**	**349**	**996**	**399**	**634**	**1 033**
Cost of net financial debt	(358)	-	(358)	(435)	-	(435)
Other financial income and expenses[(1)]	(329)	308	(21)	(49)	(50)	(100)
Income tax expenses[(2)]	(21)	(206)	(227)	(40)	(155)	(195)
Income from associated companies	65	-	65	19	-	19
Net profit (loss) from continuing operations	**3**	**451**	**454**	**(107)**	**429**	**322**
Of which minority interests[(3)]	180	272	452	43	262	305
Of which Group share	**(177)**	**180**	**3**	**(150)**	**166**	**17**

(1) The following are restated from other financial income and expenses: the impact of monetary discounting of tax liabilities, as well as fair value changes of the Total Return Swaps on GPA and Big C shares, forwards on GPA

(2) The following are restated from tax charges: tax items corresponding to the items restated above, as well as non-recurring income and charges

(3) The following are restated from minority interests: the amounts related to the items restated above