Prospectus dated 22 March 2010

RALLYE

(a French *société anonyme*)

€500,000,000 5.875 per cent. Bonds due March 2014
Issue Price: 99.567 per cent. of the principal amount

*This prospectus constitutes a prospectus (the "**Prospectus**") for the purposes of Article 5.3 of Directive 2003/71/EC (the "**Prospectus Directive**") and the relevant implementing measures in the Grand Duchy of Luxembourg.*

Application has been made to the Commission de Surveillance du Secteur Financier *(the "**CSSF**"), in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities, for the approval of this Prospectus for the purposes of the Prospectus Directive. Application has also been made to the Luxembourg Stock Exchange for the Bonds to be listed on the official list of the Luxembourg Stock Exchange (the "**Official List**") and to be admitted to trading on the Luxembourg Stock Exchange's regulated market. References in this Prospectus to the Bonds being "listed" (and all related references) shall mean that the Bonds have been listed on the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments.*

*The €500,000,000 aggregate principal amount of 5.875 per cent. Bonds due 24 March 2014 (the "**Bonds**") of Rallye ("**Rallye**" or the "**Issuer**") will be issued outside the Republic of France and will mature, unless previously redeemed or purchased and cancelled, on24 March 2014 at their principal amount (subject to below), as set forth in "Terms and Conditions of the Bonds - Redemption and Purchase" and "Terms and Conditions of the Bonds - Events of Default; Illegality".*

The Bonds will bear interest at the rate of 5.875 per cent. per annum from, and including, 24 March 2010 to, but excluding, 24 March 2014. Interest will be payable annually in arrears on 24 March of each year, commencing on 24 March 2011 (see "Terms and Conditions of the Bonds - Interest").

*The Bonds have been accepted for clearance through Euroclear France, Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear Bank SA/N.V. ("**Euroclear**"). The Bonds will on the Issue Date be inscribed (*inscription en compte*) in the books of Euroclear France which shall credit the accounts of the Account Holders (as defined in "Terms and Conditions of the Bonds - Form, Denomination and Title" below) including Euroclear and the depositary bank for Clearstream, Luxembourg.*

*The Bonds will be issued in dematerialised bearer form in the denomination of €50,000 each. The Bonds will at all times be represented in book entry form (*inscription en compte*) in the books of the Account Holders in compliance with Articles L.211-3 and R-211-1 of the French* Code monétaire et financier*. No physical document of title (including* certificats représentatifs *pursuant to Article R.211-7 of the French* Code monétaire et financier*) will be issued in respect of the Bonds.*

*The Bonds may be redeemed at the option of the Bondholders at 100 per cent. of their principal amount together with accrued interest up to the effective date of redemption in the event of a change of control of Casino Guichard-Perrachon ("**Casino**") (see "Terms and Conditions of the Bonds - Redemption and Purchase - Early Redemption at the Option of the Bondholders in the event of a change of control of Casino").*

*The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Bonds are being offered and sold only outside the United States to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act.*

See "Risk Factors" on pages 11 et seq. *of this Prospectus for certain information relevant to an investment in the Bonds.*

Joint Lead Managers

BNP PARIBAS **DEUTSCHE BANK**

CREDIT AGRICOLE CIB **NATIXIS** **THE ROYAL BANK OF SCOTLAND PLC**

*This Prospectus comprises a prospectus for the purposes of the Directive 2003/71/EC (the "**Prospectus Directive**") and for the purpose of giving information with regard to the Rallye ("**Rallye**" or the "**Issuer**"), the Issuer and its consolidated subsidiaries taken as a whole (the "**Group**" or the "**Rallye Group**")) and the Bonds which according to the particular nature of the Issuer and the Bonds, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer. The Issuer accepts responsibility for the information contained in this Prospectus.*

In connection with the issue and offering of the Bonds, no person has been authorised to give any information or to make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Joint Lead Managers (as defined in "Subscription and Sale"). Neither the delivery of this Prospectus, nor any sale made in connection with the issue of the Bonds shall, under any circumstances, create any implication that the information in this Prospectus is correct or complete as of any time subsequent to its date.

This Prospectus is to be read and construed in conjunction with the documents incorporated by reference in this Prospectus in accordance with Article 11 of the Prospectus Directive (see "Documents Incorporated by Reference" below) which have been previously published and which shall be deemed to be incorporated by reference in, and form part of, this Prospectus (except to the extent so specified in, or to the extent inconsistent with, this Prospectus).

The distribution of this Prospectus and the offering of the Bonds in certain jurisdictions may be restricted by law (see "Subscription and Sale"). Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions.

This Prospectus does not constitute, and may not be used for the purposes of, an offer to sell to, or solicitation of an offer to buy from, anyone in any country or jurisdiction in which it is unlawful to make such offer or solicitation. No action has been or will be taken by the Issuer, the Joint Lead Managers or any other person that would permit a public offering of the Bonds or the distribution of this Prospectus or any other offering material relating to the Bonds, in any country or jurisdiction other than Luxembourg where regulatory action for that purpose is required. This Prospectus shall only be used for the purpose of the issue and offering of the Bonds and shall not be used for any other purpose. Any distribution of this Prospectus to any persons other than prospective investors and persons retained to advise such prospective investors is unauthorised.

*The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and, subject to certain exceptions may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")).*

The Bonds are being offered and sold only outside the United States to non-U.S. persons, in reliance upon an exemption from registration under the Securities Act pursuant to Regulation S. Purchasers may not resell or otherwise transfer the Bonds in the United States except pursuant to registrations under or exemptions from the registration requirements of the Securities Act and applicable securities laws of states within the United States. For a description of this and certain further restrictions on offers, sales and transfers of the Bonds, and the distribution of this Prospectus, see "Subscription and Sale".

Unless otherwise specified or where the context requires, references herein to "€" and "Euro" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended. References to "$" and "dollars" are to the lawful currency of the United States of America.

*In connection with the issue of the Bonds, Deutsche Bank AG, London Branch (the "**Stabilising Manager**") (or any person acting on behalf of the Stabilising Manager) may over-allot Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Bonds is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Bonds and 60 days after the date of the allotment of the Bonds. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager (or any person acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.*

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DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Prospectus and that have been filed with the *Commission de surveillance du secteur financier in Luxembourg* (the "**CSSF**") and shall be incorporated by reference in, and form part of, this Prospectus:

(a) the annual report of the Issuer for the year ended 31 December 2008 in French language (the "**French 2008 AR**") except for the *attestation* included on page 209 entitled "*attestation de la personne assumant la responsabilité du document de référence*";

(b) the annual report of the Issuer for the year ended 31 December 2007 in French language (the "**French 2007 AR**") except for the *attestation* included on page 189 entitled "*attestation de la personne assumant la responsabilité du document de référence*";

(c) the half-year financial report as of 30 June 2009 in French language (the "**French 2009 IR**") except for the attestation entitled "*attestation du responsable du rapport financier semestriel*" included on page 2.

Such documents shall be deemed to be incorporated by reference in, and form part of this Prospectus, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

This Prospectus and copies of documents incorporated by reference in this Prospectus will be published on, and may be obtained from the website of the Luxembourg Stock Exchange (www.bourse.lu).

For the purposes of the Prospectus Directive, information can be found in the documents incorporated by reference in this Prospectus in accordance with the following cross-reference table (in which the numbering refers to the relevant items of Annex IX of Regulation EC 809/2004):

Annex IX Item No.	Wholesale Debt	Page
RDA9-3	**Risk Factors**	
	Prominent disclosure of risk factors that may affect the issuer's ability to fulfil its obligations under the securities to investors in a section headed "Risk Factors".	Pages 205 to 208 of the French 2008 AR
RDA9-4	**Information about the Issuer**	

Annex IX Item No.	Wholesale Debt	Page
RDA9-4.1	**History and development of the Issuer**	Page 199 of the French 2008 AR
RDA9-4.1.1	the legal and commercial name of the issuer;	Page 186 of the French 2008 AR
RDA9-4.1.2	the place of registration of the issuer and its registration number;	Page 186 of the French 2008 AR
RDA9-4.1.3	the date of incorporation and the length of life of the issuer, except where indefinite;	Page 186 of the French 2008 AR
RDA9-4.1.4	the domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business if different from its registered office);	Cover Page & Page 186 and front page of the French 2008 AR
RDA9-5	**Business Overview**	
RDA9-5.1	**Principal activities:**	
RDA9-5.1.1	A brief description of the issuer's principal activities stating the main categories of products sold and/or services performed.	Page 9 of the French 2008 AR
RDA9-5.1.2	The basis for any statements in the registration document made by the issuer regarding its competitive position.	Page 205 of the French 2008 AR
RDA9-6	**Organisational Structure**	
RDA9-6.1	If the issuer is part of a group, a brief description of the group and of the issuer's position within it.	Pages 4, 9 & 199 of the French 2008 AR
RDA9-9	**Administrative, Management and Supervisory Bodies**	
RDA9-9.1	Names, business addresses and functions in the issuer of the following persons, and an indication of the principal activities performed by them outside the issuer where these are significant with respect to that issuer:	
	(a) members of the administrative, management or supervisory bodies;	Pages 28 to 35 of the French 2008 AR
RDA9-9.2	**Administrative, Management, and Supervisory bodies conflicts of interests** Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 9.1 and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect.	Page 41 of the French 2008 AR

Annex IX Item No.	Wholesale Debt	Page
RDA9-10	**Major Shareholders**	
RDA9-10.1	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.	Pages 21 & 195 of the French 2008 AR
RDA9-11	**Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses**	
RDA9-11.1	**Historical Financial Information** **Audited historical financial information covering the latest 2 financial years**	
	- **Consolidated financial statements of the Issuer for the financial year ended 31 December 2007:**	
	(i) Consolidated balance sheet	Pages 54 & 55 of the French 2007 AR
	(ii) Consolidated income statement	Page 56 of the French 2007 AR
	(iii) Consolidated statement of recognised income and expense; Consolidated statement of cash flow and Statement of change in consolidated shareholders' equity:	Pages 57 to 60 of the French 2007 AR
	(iv) Accounting policies and explanatory notes	Pages 61 to 137 of the French 2007 AR
RDA9-11.3	(v) Audit report	Page 138 of the French 2007 AR
RDA9-11.1	- **Consolidated financial statements of the Issuer for the financial year ended 31 December 2008:**	
	(i) Consolidated balance sheet	Pages 52 & 53 of the French 2008 AR
	(ii) Consolidated income statement	Page 54 of the French 2008 AR
	(iii) Consolidated statement of recognised income and expense; Consolidated statement of cash flow and Statement of change in consolidated shareholders' equity	Pages 55 to 58 of the French 2008 AR
	(iv) Accounting policies and explanatory notes	Pages 59 to 139 of the French 2008 AR
RDA9-11.3	(v) Audit report	Pages 140 & 141 of the French 2008 AR

Annex IX Item No.	Wholesale Debt	Page
RDA9-11.5	**Legal and arbitration proceedings** Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	Page 207 of the French 2008 AR Page 4 of the French 2009 IR
RDA9-12	**Material Contracts**	
	A brief summary of all material contracts that are not entered into in the ordinary course of the issuer's business, which could result in any group member being under an obligation or entitlement that is material to the issuer's ability to meet its obligation to security holders in respect of the securities being issued.	Page 198 of the French 2008 AR

Information incorporated by reference	French 2009 IR
Interim Management Report	Pages 3 to 9
Half-Year Consolidated Financial Statements	Pages 10 to 29
– Consolidated statement of financial position:	Page 10
– Consolidated income statements:	Page 11
– Consolidated statement of comprehensive income:	Page 12
– Consolidated statement of cash flow:	Pages 13 and 14
– Statement of change in consolidated shareholders' equity:	Page 15
– Notes to the Interim Consolidated Financial Statements:	Pages 16 to 29
Statutory Auditors' Review Report on the Interim Financial Information for the First Half of 2009:	Page 30

The information incorporated by reference in this Prospectus but not listed into the cross reference tables above is given for information purposes only.

PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS

To the best knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import. The Issuer accepts responsibility for the information contained in this Prospectus accordingly.

RALLYE
83, rue du Faubourg Saint-Honoré
75008 Paris
France

Duly represented by Jean-Charles Naouri – Chief Executive Officer

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Bonds. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Bonds are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Bonds for other reasons, and the Issuer does not represent that the statements below regarding the risks of holding the Bonds are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

I. Risk factors relating to the Issuer

See section “Documents incorporated by reference”.

II. Risk factors relating to the Bonds

The Bonds may not be a suitable investment for all investors

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Prospectus or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk and interest rate risk:

The secondary market generally

The Bonds may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Bonds in the secondary market in which case the market or trading price and liquidity may be adversely affected or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than Euro. These include the risk that exchange rates may change significantly (including changes due to devaluation of Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (i) the Investor's Currency-equivalent yield on the Bonds, (ii) the Investor's Currency-equivalent value of the principal payable on the Bonds and (iii) the Investor's Currency-equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

The Bonds may be redeemed prior to maturity

In the event that the Issuer would be obliged to pay additional amounts payable in respect of any Bonds due to any withholding as provided in Condition 4(b), the Issuer may redeem all outstanding Bonds in accordance with such Terms and Conditions.

Exercise of put option in respect of certain Bonds may affect the liquidity of the Bonds in respect of which such put option is not exercised

Depending on the number of Bonds in respect of which the put option provided in Condition 4(g) is exercised, any trading market in respect of those Bonds in respect of which such put option is not exercised may become illiquid.

Market value of the Bonds

The value of the Bonds depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Bonds are traded. The price at which a holder of Bonds will be able to sell the Bonds prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

Change of law

The Terms and Conditions of the Bonds are based on the laws of France in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of France or administrative practice after the date of this Prospectus. Furthermore, the Issuer operates in a heavily regulated environment and has to comply with extensive regulations in France and elsewhere. No assurance can be given as to the impact of any possible judicial decision or change to laws or administrative practices after the date of this Prospectus.

French Insolvency Law

Under French insolvency law as amended by ordinance n°2008-1345 dated 18 December 2008 which came into force on 15 February 2009, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if a preservation (*procédure de sauvegarde*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Bonds), whether or not under a debt issuance programme (EMTN) and regardless of their governing law.

The Assembly deliberates on the proposed safeguard (*projet de plan de sauvegarde*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Bondholders) by rescheduling due payments and/or partially or totally writing off receivables in the form of debt securities;

- establish an unequal treatment between holders of debt securities (including the Bondholders) as appropriate under the circumstances; and/or

- decide to convert debt securities (including the Bonds) into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders attending such Assembly or represented thereat). No quorum is required to convoke the Assembly.

For the avoidance of doubt, the provisions relating to the Representation of the Bondholders described in this Prospectus will not be applicable to the extent they are not in compliance with compulsory insolvency law provisions that apply in these circumstances.

Taxation

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial instruments such as the Bonds. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus.

Each prospective investor should consult its own advisers as to legal, tax and related aspects of an investment in the Bonds.

EU Savings Directive

On 3 June 2003, the European Council of Economic and Finance Ministers adopted a directive 2003/48/CE regarding the taxation of savings income in the form of interest payments (the "**Directive**"). The Directive requires Member States, subject to a number of conditions being met, to provided to the tax authorities of other Member States details of payments of interest and other similar income made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident in that other Member State, except that, for a transitional period, Belgium, Luxembourg and Austria will instead withhold an amount on interest payments unless the relevant beneficial owner of such payment elects otherwise (which Belgium has done with effect as from 1 January 2010) and authorises the paying agent to disclose the above information (see "**Taxation**").

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Bond as a result of the imposition of such withholding tax.

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the Directive, which included the Commission's advice on the need for changes to the Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the Directive, which included a

number of suggested changes. The European Parliament has adopted an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above.

TERMS AND CONDITIONS OF THE BONDS

The terms and conditions of the Bonds will be as follows:

The issue outside the Republic of France of €500,000,000 5.875 per cent. Bonds due 24 March 2014 of €50,000 principal amount per Bond (the "**Bonds**") of Rallye, a French *société anonyme* (the "**Issuer**"), was authorised by the *Président Directeur Général* of the Issuer on 15 March 2010, pursuant to a resolution of the *Conseil d'Administration* adopted on 9 December 2009.

The Issuer has entered into an agency agreement with BNP Paribas Securities Services as fiscal agent and paying agent on 24 March 2010 (the "**Agency Agreement**"). The fiscal agent and paying agent for the time being are referred to in these Conditions as the "**Fiscal Agent**", and the "**Paying Agent**". Each of such expressions shall include the successors from time to time of the relevant persons, in such capacities, under the Agency Agreement, and are collectively referred to as the "**Agents**". Certain statements in these terms and conditions are summaries of, and are subject to, the detailed provisions of the Agency Agreement, copies of which are available without charge at the specified office of the Paying Agent. Holders of the Bonds (the "**Bondholders**") are deemed to have notice of the provisions of the Agency Agreement and are entitled to the benefit of those provisions which relate to their rights under the Bonds. References below to "**Conditions**" are, unless the context otherwise requires, to the numbered paragraphs contained in the terms and conditions set forth herein.

1. Form, Denomination and Title

The Bonds will be issued on 24 March 2010 (the "**Issue Date**") in dematerialised (*dématérialisé*) bearer form (*au porteur*) in the denomination of €50,000 per Bond. Title to the Bonds will be established and evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book-entries (*inscription en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Bonds.

The Bonds will, upon issue, be inscribed in the books of Euroclear France ("**Euroclear France**"), which shall credit the accounts of the Euroclear France Account Holders. For the purpose of these Conditions, "**Account Holder**" shall mean any financial intermediary institution entitled to hold accounts on behalf of its customers with Euroclear France, and includes the depositary bank for Clearstream Banking *société anonyme* ("**Clearstream**") and Euroclear Bank S.A./N.V. ("**Euroclear**").

Title to the Bonds shall be evidenced by entries in the books of the Account Holders, and transfer of Bonds may only be effected through registration of the transfer in such books.

2. Status and Negative Pledge

(a) *Status of the Bonds*

The obligations of the Issuer in respect of the Bonds constitute direct, unconditional, (subject as provided below) unsecured and unsubordinated obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated indebtedness and monetary obligations of the Issuer.

(b) *Negative Pledge*

So long as any of the Bonds remains outstanding, the Issuer will not create or permit to subsist any mortgage, charge, pledge, lien (other than a lien arising by operation of law) or other form of encumbrance or security interest (*sûreté réelle*) ("**Security**"), except for any Security securing an amount up to €160 million in respect of the Issuer's assets other than the ordinary shares issued by Casino Guichard-Perrachon ("**Casino**") or other securities giving right to receive (through conversion, exchange, subscription or otherwise) equity securities issued by Casino (it being understood that an escrow arrangement (*séquestre*) is not a Security for the purposes hereof), upon the whole or any part of its undertaking, assets or revenues, present or future (including any uncalled capital), to secure any Capital Market Indebtedness, or any guarantee of or indemnity in respect of any Capital Market Indebtedness (as defined below) unless, at the same time or prior thereto, its obligations under the Bonds (A) are secured equally and rateably therewith or (B) have the benefit of such other security or other arrangement as shall be approved by the *Masse* (as defined in Condition 9) pursuant to Condition 9.

For the purposes of this Condition, "**Capital Market Indebtedness**" means any present or future indebtedness for borrowed money in the form of, or represented by, bonds (*obligations*) or other securities (including *titres de créances négociables*) which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter market or other securities market.

3. Interest

The Bonds will bear interest from, and including, 24 March 2010 at the rate of 5.875 per cent. per year (calculated on the principal amount of the Bonds) payable annually in arrears on 24 March of each year (each, an "**Interest Payment Date**"), commencing on 24 March 2011.

Interest will be calculated on an Actual/Actual (ICMA) basis. Where interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period (as defined below), it shall be calculated on the basis of the number of days elapsed in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the number of days in the Interest

Period in which the relevant period falls (including the first but excluding the last day of such period). The period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including an Interest Payment Date to but excluding the next Interest Payment Date is called an "**Interest Period**".

Each Bond will cease to bear interest from the date on which it is to be redeemed, whether at maturity or earlier, unless payment of the full amount due in respect of the Bond is improperly withheld or refused on such due date. In such latter event, such Bond shall continue to bear interest in accordance with this Condition (both before and after any judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder, and (b) the day after the Fiscal Agent has notified Bondholders in accordance with Condition 10 of receipt of all sums due in respect of all Bonds up to that day (except if and to the extent that the subsequent payment to the relevant Bondholders is not made in accordance with these Conditions).

Interest payments will be made subject to, and in accordance with, the provisions of Condition 5 below.

4. Redemption and Purchase

The Bonds may not be redeemed other than in accordance with this Condition 4 or Condition 7.

(a) *Redemption at Maturity*

Unless previously redeemed or purchased and cancelled, the Bonds will be redeemed in cash at their principal amount (€50,000 per Bond) on 24 March 2014 (the "**Maturity Date**").

(b) *Early Redemption at the Option of the Issuer for Taxation Reasons*

(i) If, by reason of any change or amendment to the laws or regulations of the Republic of France or any authority therein or thereof having power to tax, or any change in the official application or interpretation of such laws or regulations, becoming effective after 24 March 2010 the Issuer would, on the occasion of the next payment of principal or interest due in respect of the Bonds, not be able to make such payment without having to pay additional amounts as specified under Condition 6 below, the Issuer may at any time, subject to having given not more than 45 nor less than 30 days' notice to the Bondholders (which notice shall be irrevocable), in accordance with Condition 10, redeem all, but not some only, of the Bonds at their principal amount together with any interest accrued to the date set for redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest reasonably practicable date on which

the Issuer could make payment of principal or interest without withholding for French taxes.

(ii) If the Issuer would on the occasion of the next payment in respect of the Bonds be prevented by French law from making payment to the Bondholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 6 below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and shall forthwith redeem all, but not some only, of the Bonds then outstanding at their principal amount plus any accrued interest up to the effective date of redemption upon giving not less than seven, nor more than 30 days' prior notice to the Bondholders (which notice shall be irrevocable) in accordance with Condition 10, provided that the due date for redemption of which notice hereunder shall be given shall be the latest reasonably practicable date on which the Issuer could make payment of principal or interest without withholding for French taxes or, if such date is past, as soon as practicable thereafter.

(c) ***Notice of redemption***

All Bonds in respect of which any notice of redemption is given by the Issuer under this Condition shall be redeemed on the date specified in such notice in accordance with this Condition.

(d) ***Early Redemption at the Option of the Bondholders in the event of a change of control of Casino***

In the event of a Change of Control (as defined below), each Bondholder may request, during the early redemption period set out below , the early redemption of its Bonds at 100 per cent. of their principal amount (€50,000 per Bond) together with accrued interest up to the effective date of redemption (the "**Early Redemption Price**").

Any Change of Control shall be notified within 5 Business Days of its occurence, to the Bondholders by the Issuer in accordance with Condition 10 and to the Luxembourg Stock Exchange, irrespective of whether the Change of Control results from a decrease of the Issuer's shareholding in Casino or from the increase of the shareholding in Casino of any other party.

Any such notification will indicate the date of the Change of Control, the period in which the early redemption of the Bonds may be requested, the effective date of redemption and the Early Redemption Price. The period when early redemption may be requested will run for at least 20 Business Days following the notification of the Change of Control to the Bondholders by the Issuer in accordance with Condition 10. To request the early redemption of its Bonds, the Bondholder must transfer or cause to be transferred by its Account Holder (who holds the Bonds on behalf of the Bondholder in its book entries) its Bonds to be so redeemed to the

account of the Fiscal Agent specified in the Put Option Notice (as defined below) for the account of the Issuer not later than the last Business Day of the above-mentioned early redemption period together with a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of the Paying Agent (a "**Put Option Notice**") and in which the Bondholder may specify a bank account to which payment is to be made under this section

A Put Option Notice once given is irrevocable and the Issuer will be required to redeem all Bonds in respect of which such Put Option Notice has been given as set out above no later than the tenth Business Day following the last day of the early redemption period set out above.

For the purposes of these Conditions:

- "**Business Day**" means any day, not being a Saturday or a Sunday, on which commercial banks and foreign exchange markets are open for general business in Paris and Luxembourg and on which the TARGET System is operating;

- "**Change of Control**" means a situation where for whatever reason other than following a merger of Casino:

(i) the Issuer, directly or indirectly, acting alone or in concert with others, holds a number of shares representing less than 40 per cent. of the voting rights in the general meetings of Casino, or

(ii) (x) the Issuer, directly or indirectly, acting alone or in concert with others, holds a number of shares representing at least 40 per cent. of the voting rights in the general meetings of Casino and (y) any other shareholder of Casino, directly or indirectly, acting alone or in concert with others, holds a number of shares representing a percentage of the voting rights in such general meetings which is higher than the percentage of voting rights attaching to the number of shares held, directly or indirectly, acting alone or in concert with others, by the Issuer.

For the purposes of these Conditions:

"**Acting in concert with others**" has the meaning given to such terms in Article L.233-10 of the French *Code de Commerce* (the "**Code**").

(e) ***Purchases***

The Issuer or any of its subsidiaries may, in accordance with all applicable laws and regulations, at any time purchase Bonds for a cash consideration or otherwise, at any price and at any condition, whether on or off the stock exchange, whether by means of a public offer or a public exchange offer or otherwise.

(f) ***Cancellation***

All Bonds which are redeemed or purchased by the Issuer will be promptly cancelled and accordingly may not be reissued or resold.

(g) ***Change of Control of the Issuer***

If Foncière Euris ceases directly or indirectly, acting alone or in concert with others, to control the Issuer within the meaning of Article L.233-3 of the Code, then the Issuer shall promptly:

(i) publish notice of such loss of control in accordance with Condition 10,

(ii) notify the Luxembourg Stock Exchange,

(iii) prepare a supplement to this Prospectus,

and each Bondholder shall be permitted, until 30 days following publication of such notice, to require from the Issuer the early redemption of all or part of such Bondholder's Bonds, and the Issuer shall be obliged to redeem such Bondholder's Bonds, at their principal amount together with accrued interest up to the effective date of redemption.

To request the early redemption of its Bonds, the Bondholder must transfer or cause to be transferred by its Account Holder (who holds the Bonds on behalf of the Bondholder in its book entries) its Bonds to be so redeemed to the account of the Fiscal Agent specified in the Put Option Notice (as defined below) for the account of the Issuer not later than the last Business Day of the above-mentioned early redemption period together with a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of the Paying Agent (a "**Put Option Notice**") and in which the Bondholder may specify a bank account to which payment is to be made under this section.

A Put Option Notice once given is irrevocable and the Issuer will be required to redeem all Bonds in respect of which such Put Option Notice has been given as set out above no later than the tenth Business Day following the last day of the early redemption period set out above.

5. Payments

(a) ***Method of Payment***

Payments of principal, interest and other amounts in respect of the Bonds will be made in Euro by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee with a bank in a city in which banks have access to the TARGET System. "**TARGET System**" means the Trans-European Automated Real-Time Gross-Settlement Express Transfer (known as TARGET 2) System or any successor thereto.

All such payments shall be made to the Account Holders (including depositary banks for Clearstream or Euroclear) for the benefit of the Bondholders. All payments to the Account Holders made in such manner by the Issuer directly or by any Paying Agent on behalf of the Issuer, as the case may be, will discharge such paying party from its obligations with respect to such payments.

Payments of principal, interest and other amounts on the Bonds will, in all cases, be made subject to any applicable fiscal or other laws and regulations in the place of payment. No commission or expenses shall be charged by the Issuer or the Agents to the Bondholders in respect of such payments.

(b) ***Payments on Business Days***

If any due date for payment of principal, interest or any other amount in respect of any Bond is not a business day (as defined below), then the Bondholder shall not be entitled to payment of the amount due until the next following day which is a business day and the Bondholder shall not be entitled to any interest or other sums in respect of such postponed payment. In this Condition 5(b), "**business day**" means a day (other than a Saturday or a Sunday or any public holiday in France) on which Euroclear France is open for general business and which is a TARGET business day.

(c) ***Fiscal Agent and Paying Agent***

The name of the initial Agent and its specified office are set forth below:

Fiscal Agent and Paying Agent

BNP Paribas Securities Services
Les Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent and/or appoint additional or other Paying Agent or approve any change in the office through which any such Agent acts, provided that there will at all times be a Fiscal Agent and a Paying Agent having a specified office in a European city. The Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than 45 nor less than

30 calendar days' notice thereof shall have been given to the Bondholders by the Issuer in accordance with Condition 10.

6. Tax Status

(a) *Tax exemption*

All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

(b) *Additional Amounts*

If French law should require that payments of principal or interest in respect of any Bond be subject to deduction or withholding in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the Republic of France or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holder of each Bond, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such withholding, except that no such additional amounts shall be payable with respect to any Bond:

(i) to, or to a third party on behalf of, a Bondholder who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with the Republic of France other than the mere holding of such Bond; or

(ii) to or on behalf of a holder (or beneficial owner (*ayant droit*)) who could avoid such deduction or withholding by making a declaration of non-residence or similar claim for exemption but fails to do so; or

(iii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to the European Council Directive 2003/48/EC or any other European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(iv) to or on behalf of a holder with respect to any tax which is payable otherwise than by deduction or withholding from payments made under or with respect to any Bond.

Any references in these Conditions to principal and interest in respect of the Bonds shall be deemed also to refer to any additional amounts which may be payable under the provisions of this Condition 6(b).

7. Events of Default; Illegality

(a) *Events of Default*

If any of the following events (each an "**Event of Default**") shall have occurred and be continuing:

(i) default by the Issuer in any payment when due of principal or interest in respect of any of the Bonds if such default shall not have been remedied within 15 calendar days thereafter; or

(ii) default by the Issuer in the performance of, or compliance with, any of its other obligations under the Bonds (other than as referred to in Condition 7(a)(i)), if such default shall not have been remedied within 30 calendar days after receipt by the Fiscal Agent of written notice of such default given by the Representative (as defined in Condition 9 and requiring the same to be remedied); or

(iii) the Issuer makes any proposal for a general moratorium in relation to its debts; or applies for the appointment of a *mandataire ad hoc* under French bankruptcy law or enter into a conciliation procedure (*procédure de conciliation*) with its creditors; or a judgment is issued for the judicial liquidation (*liquidation judiciaire*) or for the transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer; or, to the extent permitted by applicable law, if the Issuer is subject to any other insolvency or bankruptcy proceedings; or if the Issuer is wound up or dissolved, except for the purposes of an amalgamation, reorganisation, consolidation, merger or spin-off which is implemented and the resulting entity of which assumes the obligations of the Issuer under the Bonds; or any event which under the laws of any relevant jurisdiction has an analogous or equivalent effect to any of the events mentioned in this Condition 7(a)(iii); or

(iv) if the Issuer fails to pay any other present or future indebtedness of the Issuer for moneys borrowed or raised in an aggregate amount exceeding €5,000,000 or its equivalent in any other currency or currencies when it becomes due and repayable prior to its stated maturity by reason of a default in relation thereto or if any such indebtedness is not paid at maturity as extended by any applicable grace period or if any guarantee or indemnity in respect of any such indebtedness of any person given by the Issuer is not honored when due and called upon or within any applicable grace period as originally provided, and any such default shall not have been remedied within 30 calendar days thereafter, unless the Issuer contests in good faith that such indebtedness is due or the validity of the calling of the guarantee or indemnity, and such

dispute has been submitted to a competent court, in which case such event shall not constitute an Event of Default hereunder so long as a definitive judgement has not been rendered;

then the Representative may, pursuant to a majority decision of the general Bondholders' meeting, by notice in writing to the Fiscal Agent given on behalf of any of the Bondholders, before all continuing Events of Default shall have been remedied, cause the Bonds to become immediately due and payable whereupon they shall become immediately due and payable in cash without further formality on the tenth Business Day following the date of such notice at their principal amount plus any accrued interest up to the effective date of payment. Notice of the fact that the Bonds have become due and payable pursuant to this Condition 7(a) shall be given by the Issuer, failing whom the Representative, to the Bondholders in accordance with Condition 10 not later than the second Business Day following the date of the Representative's notice to the Fiscal Agent.

(b) ***Illegality***

If it is or will become unlawful (whether or not due to the failure to obtain, or the revocation, expiry or withdrawal of, any authorisation referred to in Condition 8 for the Issuer to perform or comply with any material obligation under the Bonds ("**Illegality**"), and such Illegality shall not have been avoided or remedied (or these Conditions amended by mutual consent of the Issuer and the *Masse*, as defined in Condition 9) within 30 calendar days after the date of default in the performance of the relevant obligation by reason of such Illegality;

then

(i) the Representative may, by notice in writing to the Fiscal Agent given on behalf of any of the Bondholders before the continuing Illegality shall have been remedied, cause the Bonds to become immediately due and payable whereupon they shall become immediately due and payable in cash without further formality on the tenth Business Day following the date of such notice at their principal amount plus any accrued interest up to the effective date of payment. Notice of the fact that the Bonds have become due and payable pursuant to this Condition 7(b) shall be given by the Issuer, failing whom the Representative, to the Bondholders in accordance with Condition 10 not later than the second Business Day following the date of the Representative's notice to the Fiscal Agent; or

(ii) the Issuer may redeem all, but not some only, of the outstanding Bonds, by giving not less than 15 days' notice of such redemption, indicating the date of redemption, in accordance with Condition 10 (which notice shall be irrevocable). In such case, the Bonds will be redeemed at their principal amount together with any accrued interest up to the effective date of redemption.

8. Issuer Authorisation

If at any time an authorisation becomes necessary to permit the Issuer to pay the principal of, or interest on, the Bonds as a result of any change in the official application of, or any amendment to, the laws or regulations of France, the Issuer shall immediately apply for the necessary authorisations and forthwith provide copies of such application to the Fiscal Agent. The Issuer shall provide copies of such authorisations to the Fiscal Agent within a reasonable period after they are obtained.

9. Representation of the Bondholders

The Bondholders will be grouped, for the defense of their respective common interests, in a single *masse* (hereinafter referred to as the "***Masse***").

The *Masse* will be governed by the provisions of the Code with the exception of the provisions of Articles L.228-48, L.228-59, L.228-65 II, R.228-63, R.228-67, R.228-69 and R.228-72, thereof, of the Code as amended by the conditions set forth below, provided that notices calling a general meeting of the Bondholders (a "**General Meeting**") and the resolutions passed at any General Meeting and any other decision to be published pursuant to French legal and regulatory provisions will be published only as provided under Condition 10 below.

The Bonds being issued outside the Republic of France, the *Masse* is, in accordance with Article L.228-90 of the Code, governed solely by the legal provisions which are expressed as applicable to the Bonds as stated above and subject to the foregoing paragraphs.

(a) *Legal Personality*

The *Masse* will be a separate legal entity, by virtue of Article L.228-46 of the Code acting in part through one representative (the "**Representative**") and in part through a General Meeting.

The *Masse* alone, to the exclusion of all individual Bondholders, shall exercise the common rights, actions and benefits which now or in the future may accrue with respect to the Bonds.

(b) *Representative*

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representative:

(i) the Issuer;

(ii) any entity holding (directly or indirectly) at least 10 per cent. of the share capital of the Issuer or at least 10 per cent. of the share capital of which is held by the Issuer;

(iii) any entity guaranteeing all or part of any obligations of the Issuer;

(iv) any member of the Board of Directors (*Conseil d'Administration*) of the Issuer, the Statutory Auditors (*Commissaires aux Comptes*) of the Issuer, or any employee, managing director or director (or their respective ascendants, descendants and spouses) of the entities referred to in (i), (ii) or (iii) above; and

(v) persons who have been prohibited from practicing as a banker or who have been deprived of the right to direct, administer or manage an enterprise in any capacity whatsoever.

The initial Representative shall be:

Eric Noyer
c/o BNP Paribas
10 Harewood Avenue
London NW1 6AA
United Kingdom

The alternative representative of the *Masse* will be:

Anne Besson-Imbert
c/o BNP Paribas
10 Harewood Avenue
London NW1 6AA
United Kingdom

In the event of death, retirement or revocation of the Representative, such Representative will be replaced by the alternative representative named above.

All references to the "Representative" will be deemed to be references to the "alternative representative". The alternative representative shall have the same powers as the Representative.

In the event of death, incompatibility, resignation or revocation of the alternative representative, a replacement representative will be elected by a meeting of the general assembly of the Bondholders.

The Issuer shall pay to the Representative an amount of €300 per year.

All interested parties will at all times have the right to obtain the names and the addresses of the Representative at the head office of the Issuer and at the office of the Paying Agent.

(c) ***Powers of the Representative***

The Representative shall, in the absence of any decision to the contrary of a General Meeting of Bondholders, have the power to take all action to defend the common interests of the Bondholders.

All legal proceedings by or against the Bondholders must be brought by or against the Representative, and any legal proceedings which shall not be brought in accordance with this provision shall not be legally valid.

The Representative may not interfere in the management of the affairs of the Issuer.

(d) ***General Meetings***

General Meetings may be held at any time, on convocation either by the Issuer or the Representative. One or more Bondholders, holding together at least one-thirtieth of outstanding Bonds may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months from such demand, such Bondholders may commission one of themselves to petition the competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, hour, place, agenda and quorum requirements of any General Meeting will be published as provided in Condition 10 not less than 15 days prior to the date of the General Meeting for the first convocation and not less than six days for a second convocation.

Each Bondholder has the right to participate in General Meetings in person, by proxy, correspondence, or, if the *statuts* of the Issuer so specify[1], videoconference or any other means of telecommunications allowing the identification of the participating Bondholders. Each Bond carries the right to one vote.

(e) ***Powers of General Meetings***

A General Meeting is empowered to deliberate on the fixing of the remuneration of the Representative and on their dismissal and replacement, and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Bonds, including authorising the Representative to act at law as plaintiff or defendant.

A General Meeting may further deliberate on any proposal relating to the modification of these Conditions, including:

(i) any proposal whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions; and

[1] *The* statuts *of the Issuer contemplate the right for a Bondholder to participate in a General Meeting by videoconference or any other means of telecommunication allowing the identification of the participating Bondholders (articles 18 and 25-paragraph IV of the* statuts*).*

(ii) any proposal relating to the issue of securities carrying a right of preference compared to the rights of Bondholders; it being specified, however, that a General Meeting may not increase amounts payable by the Bondholders, nor establish any unequal treatment between the Bondholders, nor decide to convert the Bonds into shares of the Issuer or any other entity.

General Meetings may deliberate validly on first convocation only if Bondholders present or represented hold at least a fifth of the Bonds then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by the Bondholders attending such meeting or represented thereat.

In accordance with Article R.228-71 of the Code, the right of each Bondholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Bondholder as of 0:00, Paris time, on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting.

(f) ***Information to the Bondholders***

Each Bondholder or representative thereof will have the right, during the 15 day period preceding the holding of each General Meeting, personally or through a representative, to consult or make a copy of the resolutions which will be proposed, and of any reports which may be presented, at the meeting, which will be available for inspection at the principal office of the Issuer, at the specified office of the Paying Agent and at any other place specified in the notice of meeting.

(g) ***Expenses***

The Issuer will pay all reasonable expenses incurred in the operation of the *Masse*, including expenses relating to the calling and holding of meetings and remuneration of the Representative, and more generally all reasonable administrative expenses resolved upon by a General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable on the Bonds.

(h) ***Notice of Decisions***

Decisions of the meetings shall be published in accordance with the provisions set forth in Condition 10 not more than 90 days from the date thereof.

10. Notices

Any notice to the Bondholders shall be valid if delivered to the Bondholders through Euroclear France, Euroclear and Clearstream, Luxembourg, provided that as long as the Bonds are admitted to trading on the regulated market of the Luxembourg Stock Exchange and the rules of that stock exchange so require, such notice shall also be published in a leading daily newspaper having general circulation in Luxembourg (which is expected to be

the *Luxemburger Wort*) or on the Luxembourg Stock Exchange website (*www.bourse.lu*). Any such notice shall be deemed to have been given on the date of delivery of such notice to Euroclear France, Euroclear and Clearstream, Luxembourg or, where relevant and if later, the date of such publication or, if published more than once or on different dates, on the first date on which such publication is made.

11. Prescription

Claims against the Issuer for the payment of principal and interest in respect of the Bonds shall become prescribed ten years (in the case of principal) and five years (in the case of interest) from the due date for payment thereof.

12. Further Issues

The Issuer may from time to time without the consent of the Bondholder issue further bonds to be assimilated (*assimilables*) with the Bonds as regards their financial service, provided that such further bonds and the Bonds shall carry rights identical in all respects (or in all respects except in respect of the amount, the issue price or for the first payment of interest thereon) and that the terms of such further bonds shall provide for such assimilation. In the event of such assimilation, the Bondholders and the holders of any assimilated bonds may, for the defence of their common interests, be grouped in a *masse* having legal personality.

13. Governing Law and Jurisdiction

The Bonds are governed by the laws and Republic of France.

The Courts having jurisdiction over disputes in which the Issuer is the defendant, will be those within the jurisdiction of the *Cour d'Appel* of Paris and, in other cases, will be those designated in accordance with the nature of the dispute, unless otherwise provided by the French Civil Procedure Code (*Code de Procédure Civile*).

USE OF PROCEEDS

The net proceeds from the issue of the Bonds, which will be €493,585,000, will be used by Rallye for general corporate purposes, including in particular the financing of the buyback of bonds due 2011.

RECENT DEVELOPMENTS

CASINO

Super de Boer announced on 18 September 2009 that it received an offer from Jumbo for all its assets and liabilities - Casino Guichard-Perrachon S.A., which holds approximately 57 per cent. of the shares of Super de Boer, supports the offer

The offer is based on certain assumptions and is subject to customary conditions and procedures. The offer represents a value of EUR 4.20 per share, reduced with dividend withholding taxes that in certain circumstances could become payable in respect of the distribution of the purchase price by Super de Boer to certain shareholders.
The Board of Management and the Supervisory Board of Super de Boer currently assess the offer and its assumptions and conditions and are in discussions with Jumbo regarding the offer. In view of the status of such assessment Super de Boer cannot provide additional information at this time.
Casino Guichard-Perrachon S.A., which holds approximately 57 per cent. of the shares of Super de Boer, supports the offer, provided the Board of Management and the Supervisory Board of Super de Boer decide to support the offer.

Super de Boer has received on 5 October 2009 announcement from Sperwer's intention to make a public offer at EUR 4.50 per ordinary share

Super de Boer N.V. (Super de Boer) announces that B.V. Sperwer Holding (Sperwer) announced its intention to, subject to certain conditions, make a public offer for all Super de Boer ordinary shares at a price of EUR 4.50 per share. Sperwer announced that it has obtained committed financing, subject to the fulfillment of certain conditions. The offer is subject to such conditions, as well as subject to the cooperation of the Board of Management and the Supervisory Board, as well as confirmatory due diligence that has not started yet.
Sperwer announced that, instead of making a public offer, it is prepared to acquire all of the assets and liabilities of Super de Boer, at a price that corresponds to EUR 4.50 per share.
The Board of Management and the Supervisory Board of Super de Boer currently assess the offer and its assumptions and conditions. In view of the status of such assessment Super de Boer cannot provide additional information at this time. Further announcements will be made if circumstances so require.
Super de Boer has been informed by the Management Board of Schuitema N.V. that it does not intend to make an offer for Super de Boer.

Sale of Super de Boer assets and liabilities to Jumbo at a price equivalent to €4.82 per share (19 October 2009)
Casino's debt to be reduced by some €400 million

Super de Boer, a 57 per cent.-owned subsidiary of Casino, has announced the signature, on Sunday, 18 October, of an agreement with Jumbo for the sale of its total assets and liabilities for approximately €550 million, representing the equivalent of €4.82 per share.
This price values the business at 13.9x estimated 2009 EBITDA[1] and generates a gross capital gain of some €60 million for Casino.
The transaction is subject to the customary conditions precedent and must be approved by a simple majority of Super de Boer shareholders at an Extraordinary Meeting to be held for this purpose before the end of the year. Casino has given an undertaking to Super de Boer and Jumbo to vote in favour of the sale.
Following the sale of its assets and liabilities to Jumbo, in principle before the end of the year, Super de Boer plans to distribute the sale proceeds to its shareholders. This is expected to be done by liquidating the company.
The transaction will allow Groupe Casino to reduce its debt by around €400 million. It represents a key milestone in the €1 billion asset disposal programme to be completed by the end of next year, which is designed to give the Group increased financial flexibility.

Casino launched a new business in the photovoltaic energy sector through dedicated subsidiary GreenYellow (19 October 2009)
First implementations on Reunion Island, the pilot deployment area

Casino has created GreenYellow, a wholly‑owned subsidiary that will develop photovoltaic (PV) systems on store roofs and parking lot shade structures. The new venture will leverage the Group's expertise in property development, construction and operation, as well as the favourable geographic location of its stores, a majority of which are in sunny regions. One example is Reunion Island, where the Group's Indian Ocean subsidiary Vindémia is a partner in creating value from this promising business.

As a designer and promoter of solar power generating systems, GreenYellow has defined an ambitious development programme that initially involves equipping all of the Group's sites located in the south of a Bordeaux‑Grenoble line, as well as in Corsica and Reunion Island. This represents potential capacity of more than 250 MW. Further out, non‑Group clients will be able to benefit from GreenYellow's expertise to equip their parking lots, commercial and industrial buildings with rooftop PV systems.

[1] *Based on the consensus among brokers covering Super de Boer*

For this purpose, GreenYellow has forged strong ties with such recognised specialists as SMAC (Bouygues) for sealing, Schneider Electric for electrical equipment and Sunpower for ultra‑high‑performance solar panels. For its projects on Reunion Island, it has selected local companies to build the PV systems, including SETB, Ineo and civil engineering contractors GTOI, Léon Grosse and SBTPC.

GreenYellow has also designed a specific PV shade structure for parking lots. This sophisticated manufactured structure's metal frame and special foundations are designed to withstand harsh weather conditions, as those for instance experienced by Reunion Island.
Shoppers will benefit from more comfortable parking conditions, such as protection from sun and rain. GreenYellow worked with GagnePark, a specialised SME in central France, to develop this new product.

A first trial was carried out in April 2009 at Vindémia's Jumbo store in Le Port on Reunion Island, involving four shade structures, 150 PV panels and 20 parking spaces.
Deployment began in September 2009, with the construction of eight solar power generating systems offering a combined capacity of 17.5 MW. Six units will be located on Reunion Island, at Jumbo stores in Le Port, Saint André, Saint Benoît, Savannah and Sainte Marie and a Score outlet in Saint Pierre. The other two will be built in Mayotte, at the Jumbo in Mamoudzou, and in mainland France, at the Géant Casino in Istres.

The systems are scheduled to come on stream in first‑half 2010, with the goal of deploying 70 MW of capacity by 2012.
In its role as the developer of one of the Green Energy Revolution Reunion Island (GERRI) programme's flagship projects, GreenYellow is establishing strong partnerships with local communities in the areas of sustainable development, as well as employment and training. For instance, discussions are underway with the Reunion General Council for the inclusion in outsourcing contracts of a clause requiring worksite job opportunities to be offered to the disadvantaged. Other initiatives include internships for students, experimental research opportunities for PhD candidates at the Saint Pierre technical college and R&D with specialised professional institutes and the French Agency for Energy and the Environment (ADEME).

In this way, GreenYellow will deliver benefits in three key areas:
- The shopping experience, as the shade structures protect customers from the rain and sun.
- The local economy and industrial base, thanks to the technical content of the company's systems and its potential for creating value.
- Society and the environment, in keeping with Casino's practices and the French government's targets set at the Grenelle Environment Round Table for quickly developing renewable energies.

Casino buys out the Baud family's minority interests in Franprix and Leader Price (13 November 2009)

On 12 November, Casino acquired the Baud family's remaining stakes in Franprix and Leader Price, respectively 5% and 25%, for a total of €428.6 million. The Group now holds 100% of the two companies' capital.
The price of €428.6 million was calculated by an independent expert based on the pricing formula agreed between the parties in 1998 and is thus close to the €413.4 million already recognised in financial liabilities in the Group's interim balance sheet at 30 June.
The interest on the purchase consideration and the Baud family's claims for compensation in lieu of dividends will be examined at a later date by the Court of Arbitration, in line with the ruling handed down on 2 July. They have been recognised under other liabilities in the Group's accounts.

Casino announces plans to make changes to its organization in France and speed up deployment of its precision retailing strategy (17 November 2009)

Since 2005, Casino has been deploying a precision retailing strategy that focuses on proactively responding to emerging shopper expectations and leveraging its brand equity.
This strategy has driven strong growth in Casino-brand products, which play a key role in building customer loyalty. It has also led to the rebranding of the Group's Géant hypermarkets, which were all renamed Géant Casino in late 2006, and the deployment since 2008 of an advertising strategy focused on the Casino brand and showcasing the Group's unique positioning in the French retail industry.
In addition, the precision retailing strategy has been significantly enhanced by the partnership with dunnhumby, which enables the Group to analyse customer buying habits and tailor its product and service offering to each type of shopper in each store.
In line with these choices – which are all designed to drive a customer-centric strategy and support the related organisation –, at the end of November, Casino will present to employee representatives two projects, one to broaden and deepen cross-business relations between the Hypermarket and Supermarket divisions, and the other to create a single purchasing department responsible for both food and non-food procurement.
This would enable the Group to capitalize on the respective strengths of the Hypermarket and Supermarket businesses, and thus improve their marketing efficiency and raise the profile of the Casino brand-banner, while ensuring that the two networks retain their unique characteristics and competitive advantages.
Reflecting this process, the position of Chief Operating Officer, Hypermarkets and Supermarkets, would be created, to whom the two divisions' General Executive Managing Directors would report.
The creation of a single Management Committee comprising representatives of the support functions (marketing, human resources, finance, logistics and information systems, project design and management, business development and franchising) would help to release marketing synergies between the two networks by improving coordination of :

- Promotional campaigns
- Loyalty programmes and customer services
- Extension and development programmes
- Food product assortments
- Advertising and Communication.

As part of the project, André Lucas, General Executive Managing Director, Casino Supermarkets, would become Chief Operating Officer, Casino Hypermarkets and Supermarkets.
He would be assisted and supported by :

- Gérard Walter, currently Food Purchasing Director, who would become General Executive Managing Director, Géant Casino.

- Jean Rubens, currently Director, Group Marketing, who would become General Executive Managing Director, Casino Supermarkets.

Alain Bizeul, currently Brands Director, and Stephan Ralaimongo, currently Marketing Communication Director, would become joint acting Directors, Group Marketing.
Jean Duboc, who was appointed General Executive Managing Director, Géant Hypermarkets in 2007 for three years, has successfully launched the necessary in-depth transformation of the hypermarket format. In light of his skills and many years' retailing experience in both South America and France, Mr Duboc will continue to partner the Group as Advisor to the Chairman.
With the same objective of increasing operational efficiency and optimising the Group's purchasing strategy, the Non-Food Purchasing and Food Purchasing Departments would be combined under the leadership of Hervé Daudin, Merchandise and Supply Chain Director.
He would be assisted and supported by :

- Yannick Migotto, currently Supply Chain Director at Franprix-Leader Price, who would become Director, Food Purchasing.

- A Director, Non-Food Purchasing who is in the process of being hired.

- Pierre Derouard, currently Deputy Merchandise and Supply Chain Director, who would take responsibility for a Finance and Administration Department of EMC Distribution, comprising the human resources, finance, legal, engineering and quality functions.

The Group will also continue deploying responsive, precision category management practices based on the designation of a single manager for each product family.
Lastly, a dedicated Finance Department for Casino France (covering the convenience, hypermarket and supermarket formats, Easydis, CIT and EMC Distribution) would be

created. Headed by Camille de Verdelhan, currently Strategy and Planning Director, it would help to ensure a more proactive approach to managing the sub-group's performance.
By streamlining decision-making processes, the new organisation is designed to improve coordination between banners with targeted customer strategies and pooled support functions, thereby enhancing the effectiveness of the Group's proprietary customer intelligence, purchasing and logistics systems.

Exito successfully completes its rights issue and renegotiates the Carulla put option (3 December 2009)

Exito, Casino's subsidiary, has successfully completed a COP 435 billion (€150 million) rights issue, placing 30 million shares at a price of COP 14,500 per share. The issue proceeds will enable Exito to pursue its expansion in Colombia, further consolidating its leadership, and to strengthen the company's balance sheet. Casino invested €29 million in the issue, acquiring 5.8 million shares.
Exito has also renegotiated the put option on 22.5% of the capital of Carulla Vivero granted to its minority partners in this subsidiary. Under the revised terms, Exito will acquire the remaining shares for $222 million, payable half in cash and half in stock, through the issuance of 14.3 million new Exito shares to the minority shareholders. This issue will take place in mid-December, following approval of the Colombian securities regulator. Following this buyout, Exito will own 99.8% of Carulla.
After the two transactions, Exito will have 333 million outstanding shares and will be 54.8%-owned by Casino (versus 61.2% previously).
The increase in Exito's free-float and the company's recent inclusion in the MSCI emerging markets index will raise the company's profile on the stock market.
Furthermore, the two transactions will enable to reduce Casino's consolidated net debt by around €195 million.

CBD strengthens its leadership of the Brazilian retail market (4 December 2009)

CBD announced today the joint venture agreement of its subsidiary Globex Utilidades S.A. ("Ponto Frio") with the retail business of Casa Bahia Comercial Ltda ("Casas Bahia"), the largest retailer of durable goods in Brazil.

Casas Bahia operates 513 stores, employs 57 thousand people and generated R$13.8 billion (€ 5.3 billion) in gross sales in 2008, with strong focus on white line goods, furniture, and electronics.
The current shareholders of Casas Bahia will contribute their retail business to Ponto Frio, in which they will hold a 49% stake, while CBD will continue to hold a majority ownership in the company. CBD and Casas Bahia are also contributing their respective internet operations to a new company in which CBD will hold 83% and Casas Bahia will have a 17% stake. This new entity will be the second largest Brazilian internet retailer.

The Joint Venture will allow the companies to synergize and offer benefits to consumers

which will create a larger variety of products, better service and easier access to credit. With 68,000 employees, the combination of Ponto Frio and Casa Bahia will generate gross revenues (2008-based) of R$ 18.5 billion (€ 7.1 billion) through 1,015 stores in 18 Brazilian states.
CBD will operate 1,807 stores with revenues of approximately R$ 40 billion (€15.4 billion) and, with more than 137,000 employees, will become the largest private employer in Brazil. This transaction will be submitted to CBD's general meeting approval on January 11, 2010 and its closing is expected to take place before end of April 2010.
Casino welcomes this strategic agreement that will allow CBD to consolidate its leadership of the Brazilian retail market, in both the food and consumer durables segments. The Group thus confirms the priority given to expanding in Brazil, a country enjoying a fast growth in consumption, that will further increase its contribution to Group consolidated net sales.

Casino announced on 3 February 2010 the successful completion of exchange offer for Notes

Casino successfully completed its offer, launched on 26 January, to exchange its notes due 2012 and 2013.
In exchange, Casino issued new notes in an amount of €888 million due February 2017 and paying interest equivalent to the Mid-Swap rate plus a spread of 135 bps.
The exchange offer was highly successful, with qualifying holders tendering around €1.5 billion in notes, or almost twice the maximum acceptance amount.
It has reduced debt repayments due 2012 and 2013 by, respectively €440 million and €354 million, thereby improving the Group's debt profile and lengthening maturities.

Casino announced on 4 March 2010 its Full-Year 2009 Results

Full-Year 2009 Results

- **Tangible growth in attributable net profit (8.6%) and EPS (up 12.2%)**
- **Moderate 4.5% decline in trading profit (down 2.5% organic)**
- **Significant reduction in net debt at €4,072m (from €4,851m at end-2008)**
  - Improvement in free cash flow generation to €701m
  - €1bn asset disposal target for end-2010 already two-thirds met
- **Improvement in net debt/EBITDA ratio to 2.2x**
- **€2.65 ordinary dividend recommended (up 4.7%)**

Outlook

- **Target of net debt/EBITDA ratio of less than 2.2x confirmed at end-2010**
- **A stronger sales dynamic in France**
  - More competitive prices by reinvesting purchasing gains
  - Faster expansion in the convenience and discount formats

- **Stepped-up growth in international markets**
  - Sustained expansion, notably in Brazil and Vietnam

"In a difficult economic environment, Casino recorded solid results in 2009 while significantly improving its financial flexibility," said Jean-Charles Naouri, Chairman and Chief Executive Officer of Casino. "Far-reaching action has been taken by our teams over several years to establish the Group in the most promising retail formats and geographic markets, and this action is continuing to pay off. Our leadership positions, solid fundamentals and expansion programmes position the Group for growth and market share gains in 2010 and beyond."

KEY FIGURES

(Audited financial statements)

Continuing operations[1] (€m)	**2008[2]**	**2009**	***% change***	***% change (organic)[3]***
Net sales	27,076	**26,757**	*-1.2%*	*-1.0%*
EBITDA	1,909	**1,849**	*-3.2%*	*-1.0%*
EBITDA margin	*7.1%*	***6.9%***	*-14 bp*	*stable*
Trading profit	1,266	**1,209**	*-4.5%*	*-2.5%*
Trading margin	*4.7%*	***4.5%***	*-16 bp*	*-7 bp*
Profit attributable to equity holders of the parent	499	**543**	*+8.6%*	*N/A*
Diluted EPS[4] (€)	4.23	**4.75**	*+12.2%*	*N/A*
Free cash flow[5]	86	**701**	*N/A*	*N/A*
Net debt	4,851	**4,072**	*N/A*	*N/A*
Net Debt/EBITDA	*2.5x*	***2.2x***	*N/A*	*N/A*

(1) Super de Boer assets were disposed of at the end of 2009. In accordance with IFRS 5, the company's net income has been reclassified under "Discontinued operations" from 1 January 2008.

(2) Data for 2008 restated in line with IFRIC 13.

(3) Based on constant scope of consolidation and exchange rates, and excluding the impact of disposals to OPCI property mutual funds.

(4) For 2008 based on the total number of shares (ordinary shares + preferred non voting shares).

(5) Free cash flow = Cash flow + change in WCR – Capex.

Casino's 2009 results demonstrated its business model's resilience in an unfavourable economic environment.

Sales were stable on an organic basis excluding petrol (and down 1% including petrol), reflecting the resilience of convenience formats in France and sustained growth in international markets. EBITDA and trading margins were stable on an organic basis thanks

to margin improvement in international markets and the rapid deployment of cost-reduction plans.

RESILIENT PERFORMANCES BY CONVENIENCE FORMATS IN FRANCE

In France, sales declined by 3.8% on an organic basis, or 2.7% excluding petrol. Convenience formats held up well, thereby demonstrating their good fit with consumer expectations. Cdiscount recorded double-digit sales growth, consolidating its leadership in the French B-to-C e-commerce market.

Trading profit was down 11.1% as reported and 9.7% on an organic basis. Trading margin held up well (dipping 30 bp on an organic basis), reflecting the favourable mix of formats and the rapid deployment of the cost-reduction program.

- Sales in convenience formats were down 1.7% on an organic basis (excluding petrol). Sales were stable at Casino Supermarkets (excluding the effect of affiliate contract terminations) and Monoprix. Superettes sales declined by 4.1% under the impact of the ongoing optimisation of the store base. Convenience trading margin remained high at 4.9%.

- Same-store sales at Franprix were stable, attesting to the attractiveness of the banner, which also benefited from its successful new store concept. As for the discount sector, Leader Price was adversely affected by customers' scaled-back spending. Firm total sales at Franprix-Leader Price (down 1.4% on an organic basis) reflected both banners' faster expansion during the year. Trading margin remained solid at 6.1%, despite a 9.1% decline in same-store sales at Leader Price.

- In a more competitive business environment, Géant Casino pursued its controlled marketing strategy in food and continued to reposition its non-food offer. Tight control over costs partially offset the impact of lower sales on trading margin, which stood at 2.1%.

- The other businesses (Retail property, Cdiscount, Banque Casino, Casino Restauration) enjoyed sustained organic growth in sales (up 6.8%), led by Cdiscount's strong performance. The 36.2% increase in trading profit was led by Mercialys (boosted by transfers of assets from Casino) and by retail-related businesses.

GOOD PERFORMANCE IN INTERNATIONAL MARKETS

Sales in international markets rose by a robust 6.7%, led by sustained 4.9% organic sales growth and Ponto Frio's consolidation by GPA (Grupo Pao de Açucar).
Trading profit rose by 12% (15% on an organic basis), reflecting solid sales growth and effective cost-cutting plans.

- Sustained sales growth in **South America** (up 5.7% on an organic basis) was led by an excellent performance in Brazil, where same-store sales rose by a very strong 12.7%*. GPA crossed a major strategic milestone during the year with the acquisition of Globex (Ponto Frio) and the partnership with Casas Bahia's retail operations. This made GPA the undisputed leader in consumer electronics and household appliances and strengthened its position as Brazil's N°1 retailer. Trading margin for the region was down 40 bp on a reported basis to 3.8%, due to the impact of Ponto Frio's consolidation and margin decline in Venezuela. Excluding Venezuela, trading margin in South America rose by 28 bp on an organic basis, reflecting sharply higher profitability in Brazil.
- In **Asia**, organic growth in sales was a solid 5.1%, lifted by sustained expansion in Thailand in 2008 and very strong advances in same-store sales in Vietnam. Trading profit was up a sharp 13.7% (12.1% on an organic basis). Trading margin improved by a significant 34 bp to 5.4%, led by both Vietnam and Thailand.

IMPROVED OPERATING EFFICIENCY

ENHANCED FINANCIAL FLEXIBILITY

The rapid deployment of action plans enabled the Group to significantly improve its operating efficiency:

- Cost and inventory reduction targets were exceeded
- Capex was effectively managed

The Group enhanced its financial flexibility thanks to:

- Significant improvement in free cash flow generation
- Completion of two-thirds of the asset disposal program
- Successful Exito rights issue and renegotiation of the Carulla put

Net debt was reduced substantially to €4,072 million at year-end 2009 (from €4,851 million one year earlier) and the net debt/EBITDA ratio was brought down to 2.2x (compared with 2.5x at 31 December 2008).

The Group's liquidity position was strengthened through the issue of €1.5 billion in bonds during the year. The February 2010 bond exchanges improved the Group's debt profile and lengthened maturities.

At the Annual General Meeting on 29 April 2010, shareholders will be asked to approve the payment of a dividend of €2.65 per ordinary share, an increase of 4.7%. The dividend will be paid from 10th May 2010.

OUTLOOK AND CONCLUSION

Casino has strong fundamentals to drive future growth:

- favourable business mix in France weighted towards convenience and discount formats and N°1 ranking in B-to-C e-commerce.
- Leadership in private-label in France.
- Top-ranking positions in international high potential markets.
- Recognized expertise in leveraging property assets to create value.

The Group will continue to improve its operating efficiency through ongoing cost and inventory reductions and a selective investment strategy.

Casino will pursue its €1 billion asset disposal programme and confirms its target of a net debt/EBITDA ratio of less than 2.2x at end-2010.

In France, Casino intends to strengthen market share by improving the banners' price competitiveness through the reinvestment of purchasing gains and faster expansion of the convenience and discount formats.

Internationally, the quality of the Group's assets in high potential markets should drive strong and profitable business growth in 2010.

2010 Investor Calendar

Wednesday, 14 April (after the close of trading): First-quarter 2010 sales announcement
Thursday, 29 April: Annual General Meeting
Thursday, 29 July 2010 (before the market opens): Second-quarter 2010 sales and first-half results

2009 RESULTS (Audited financial statements)

Continuing operations[1] (in €m)	**2008[2]**	**2009**	***% change***	***Organic growth[3]***
Consolidated net sales	27,076	**26,757**	***-1.2%***	***-1.0%***
- of which France	*18,557*	***17,664***	*-4.8%*	*-3.8%*
- of which International	*8,520*	***9,093***	*+6.7%*	*+4.9%*
EBITDA[4]	1,909	**1,849**	***-3.2%***	***-1.0%***
- of which France	*1,329*	***1,222***	*-8.1%*	*-5.9%*
- of which International	*580*	***627***	*+8.2%*	*+10.2%*
Trading profit	1,266	**1,209**	***-4.5%***	***-2.5%***

Continuing operations[1] (in €m)	**2008[2]**	**2009**	***% change***	***Organic growth[3]***
- of which France	*904*	***804***	*-11.1%*	*-9.7%*
- of which International	*362*	***406***	*+12.0%*	*+15.0%*
Other operating income and expense, net	*(81)*	***(37)***	*n.m.*	
Operating profit	1,186	**1,173**	*-1.1%*	
Finance costs, net	(371)	**(343)**		
Other financial income and expense, net	(16)	**(2)**		
Income tax expense	(217)	**(201)**		
Share of profits of associates	14	**6**		
Profit from continuing operations, attributable to equity holders of the parent	499	**543**	*+8.6%*	
Profit (loss) from discontinued operations attributable to equity holders of the parent	(4)	**48**		
Net profit attributable to equity holders of the parent	495	**591**	*+19.3%*	
Underlying profit attributable to equity holders of the parent[5]	538	**534**	***-0.8%***	

(1) Super de Boer assets were disposed of at the end of 2009. In accordance with IFRS 5, the company's net income has been reclassified under "Discontinued operations" from 1 January 2008.

(2) Data for 2008 restated in line with IFRS 8 and IFRIC 13.

(3) Based on constant scope of consolidation and exchange rates, and excluding the impact of disposals to OPCI property mutual funds.

(4) EBITDA = Earnings before interest, taxes, depreciation and amortisation.

(5) See appendix.

APPENDIX

Underlying profit corresponds to profit from continuing operations adjusted for the impact of other operating income and expense (as defined in the "Significant Accounting Policies" section of the notes to the consolidated financial statements), non-recurring financial items and non-recurring income tax expense/benefits.

Non-recurring financial items include fair value adjustments to certain financial instruments whose market value may be highly volatile. For example, fair value adjustments to financial instruments that do not qualify for hedge accounting and embedded derivatives indexed to the Casino share price are excluded from underlying profit.

Non-recurring income tax expense/benefits correspond to tax effects related directly to the above adjustments and to direct non-recurring tax effects. In other words, the tax on underlying profit before tax is calculated at the standard average tax rate paid by the Group.

Underlying profit is a measure of the Group's recurring profitability.

In € million	2008	Adjustments	**2008 (Underlying)**	2009	Adjustments	**2009 (Underlying)**
Trading profit	1,266		**1,266**	1,209		**1,209**
Other operating income and expense, net	(81)	81	0	(37)	37	0
Operating profit	1,186	81	**1,266**	1,173	37	**1,209**
Finance costs, net[(1)]	(371)	6	(365)	(343)	3	(340)
Other financial income and expense, net[(2)]	(16)	18	2	(2)	13	11
Income tax expense[(3)]	(217)	(59)	(277)	(201)	(40)	(241)
Share of profit of associates	14		14	6		6
Profit from continuing operations	595	46	**640**	633	12	**645**
Attributable to minority interests[(4)]	95	7	102	91	20	111
Attributable to equity holders of the parent	499	39	**538**	543	(8)	**534**

(1) Finance costs, net are stated before (i) changes in the fair value of the embedded derivative corresponding to the indexation clause on the bonds indexed to the Casino share price and (ii) gains realized on the partial redemption of the bonds. In 2009, these items were respectively an expense of €3 million and income of €0 million (2008: an expense of €21 million and income of €15 million).

(2) Other financial income and expense is stated before changes in the fair value of interest rate derivatives not qualifying for hedge accounting, representing an expense of €13 million in 2009 (2008: an expense of €28 million) and changes in the fair value of share put and call options, representing income of €10 million in 2008.

(3) Income tax expense is stated before the tax effect of the above adjustments and non-recurring income tax expense/benefits (recognition of tax loss carryforwards, etc.) In other words, the tax on underlying profit before tax is calculated at the standard average tax rate paid by the Group.

(4) Minority interests are stated before the above adjustments and, in 2009, before adjustment of profit for the period from 29 April to 31 December 2008 initially allocated to minority interests for €17 million and subsequently re-allocated to equity holders of the parent.

GROUPE GO SPORT

GO Sport Group and Sport 2000 France announce on 29 October 2009 the signing of an international purchasing partnership agreement

The GO Sport[1] and Sport 2000 France[2] groups announce the signing of a memorandum of understanding concerning an international purchasing cooperation as part of a jointly owned and controlled company (50/50), "International Sports Retail Development" ("ISRD"). The new entity's scope of activity will cover the common suppliers of international brands, representing less than 30% of each partner's respective suppliers and more than 70% of their respective purchases.

The main mission of ISRD will be to manage, in the name of and on behalf of the two partners and their affiliates in France and abroad, the commercial negotiations with these international suppliers. Moreover, ISRD will develop new, high value added services for these suppliers.

Sport 2000 France and the GO Sport Group will maintain the complete independence of their respective commercial and network development policies. Sport 2000 France will moreover remain a member of Sport 2000 International.

In a context of difficult consumption and increased competition in the distribution market for sporting, leisure, textile and fashion goods, the international purchasing cooperation will enable the GO Sport and Sport 2000 France groups as well as their affiliates in France and abroad to improve their purchasing conditions and thereby strengthen their price competitiveness vis-à-vis sector competitors. In addition, this cooperation will reinforce their international development thanks in particular to new partnerships with suppliers falling within ISRD's scope of activity.

In this way Sport 2000 France and the GO Sport Group will be able to offer customers an expanded and more adapted product line with more attractive sales conditions on international brand products. The availability and distribution of products in stores should also improve through an expanded choice of more frequently renewed collections. As international brands' partners, the GO Sport Group and Sport 2000 France intend, as part of their strategy and positioning vis-à-vis the international brands, to stimulate the market for sporting, leisure, textile and fashion goods. The cooperation will also benefit suppliers by offering them higher visibility and improved distribution of their products in a dozen countries. They should also benefit from new high value added services (like comprehensive market studies, product tests, multi-banners/country promotional operations

[1] Including GO Sport and Courir banners.

[2] Including Sport 2000, S2, Mondovélo, Ski-Way, Espace Montagne and Sport 2000 Italie banners.

and even brand displays in market segments where they are little represented). Based in Geneva, ISRD, a company under Swiss law, will be managed equally by Sport 2000 France and GO Sport Group and have the adequate personnel to operate, including two negotiation managers, Chrystelle Gauthier and Max Ackerer, appointed respectively by each of the two groups, reporting to two executive vice presidents, Patrice Hournon and Frédéric Becquart.

François Neukirch, CEO of GO Sport Group, stated: "We are pleased to conclude this strategic agreement, which will not only let us improve our commercial offering to the benefit of customers but also to stimulate the market for sporting, leisure and fashion goods. This will also be an opportunity for suppliers to increase their visibility and their national and international market shares and to conquer new export markets with us."

Jean-Paul Onillon, CEO of Sport 2000 France, stated: "I am very pleased to participate in this pooling of resources in support of customers and members of Sport 2000 in France and in Italy. In this way we are going to reinvent a partnership relationship with the brands, in order to develop their place in our respective concepts and thereby to participate in the development of this market with major growth potential."

The GO Sport Group generated, through its GO Sport and Courir retail banners, revenues of €727 million in 2008 in the sporting, leisure, textile and fashion goods distribution sectors. Besides France, its home country, the Group is also present abroad (Poland, Belgium, Saudi Arabia, United Arab Emirates, Qatar, Kuwait, Mauritius and Syria), with a total of 387 stores at the end of 2009, including 178 GO Sport (22 franchisees), 208 Courir (25 franchisees) and 1 Moviesport.

Sport 2000 France generated, through its Sport 2000, S2, Mondovélo, Ski-Way and Espace Montage retail banners, revenues of €598 million in 2008, in the sporting, leisure, textile and fashion goods distribution sectors. Regarding Sport 2000, the partnership will initially concern France and Italy, representing 617 and 235 sales outlets respectively

Groupe Go Sport announced on 12 February 2010 its Full-Year 2009 Results

Balance restored with a €1.1 M current operationg income, up €14.9 M compared to 2008

The Board of Directors of Groupe GO Sport, chaired by Pierre Letzelter, met on February 11, 2010 in order to review the accounts for the year ended December 31, 2009.

(i) 2009 key figures

(ii) **Audited figures**

In €M	2008	**2009**
Net sales	726.6	**693.8**
Gross margin	284.9	**277.1**

Gross margin / Net sales	39.2%	**39.9%**
EBITDA (1)	11.2	**20.8**
Current operating income	-13.8	**1.1**
Operating income	-8.9	**2.9**
Income before tax	-14.6	**0.4**
Net income from continuing operations	-13.2	**0.0**
Net income from discontinued operations (2)	-2.7	**-1.4**
Net income, group's share	-15.9	**-1.4**
Net income, group's share per share (€)	-4.25	**-0.38**

(1) EBITDA = Current operating income + current depreciation and amortisation expenses

(2) GO Sport Belgique activities are being reorganised, 2008 and 2009 figures have been restated pursuant to IFRS 5, 2009 Belgium activities are displayed thus under «Net income from discontinued operations»

Groupe GO Sport 2009 consolidated net sales amounted to €693.8m, down 4.4% compared to 2008.

In France, GO Sport banner recorded a 2.8% drop in sales compared to 2008, mainly due to a decrease in attendance and in the average selling price, also combined with the absence of major sporting event in 2009. However, tangible signs testify the good resilience of the banner in a difficult business environment, among which stable textile sales, commercial operations success and continued growth of private label.

Courir (excluding Moviesport) recorded a 6.7% decrease in net sales in 2009 (-9.0% on a same-store basis) but with a trend improvement during the fourth quarter, especially in December with +4.9% growth compared to 2008 fourth quarter.

Such positive trend reflects the first measures taken by the new Top Management, which aim at extending the textile offering and finding a better balance in collections between textile, accessories and shoes relating.

- **On the international side**, in Poland, sales grew by 1.8% on a same-store basis and at constant exchange rates, compared to 2008. Sales evolution in Euros (-17.3% on a same-store basis vs. 2008) was significantly affected by a negative exchange rate effect. Franchise dynamism is due to a strong network expansion compared to 2008 (+10 stores).

Sales margin rose by 0.7 pt, up 39.9%, mainly thanks to the growing importance of the private label, product mix improvement, and cleaning up of inventories.

Current operating income returned positive at €1.1m, a €14.9m increase compared to 2008, mainly thanks to a tight cost control, which more than offset the impact of sales decrease in France and rental costs increase.

Operating income strongly rose in 2009, up €2.9m (+€11.8m compared to 2008), reflecting solid cost reduction.

Net debt, which stood at €47.1m as at December 31, 2009, vs. €21.0m at December 31, 2008, rose under the impact of the LME, which shortened suppliers' payment terms.
In 2009, Group GO Sport opened 16 GO Sport stores (5 in France, 3 in Poland and 8 franchises), as well as 10 Courir stores (4 in France and 6 franchises). The Group kept rationalising its store base in France, by closing 4 GO Sport stores and 2 Courir stores. 4 Courir franchises have also been closed in Saudi Arabia.

The store base includes 387 stores as at December 31, 2009 (178 GO Sport stores, of which 25 franchises, 208 Courir stores, of which 25 franchises, and 1 Moviesport store).

Groupe GO Sport good resilience in 2009, which is well-illustrated through the return to a positive current operating income, demonstrates the relevance of the action plan implemented since the second half of 2007. The Group reiterates its confidence in the strategic decisions made, be it at the level of GO Sport France, where the priority is differentiation, or at the level of Courir, with the implementation of the new action plan aimed at revitalizing the banner. The Group also intends to keep on improving its profitability by maintaining a tight investment and cost control.

RALLYE

Rallye announced on 11 September 2009 that it has sold more than 50 per cent. of its stake in Mercialys

Since 2 June 2009, date of collection of a 7.6 per cent. stake in Mercialys following the distribution in kind of a part of Casino 2008 dividend, Rallye sold 3.7 million shares in the market, out of the 6.8 million shares received, for an amount of €89m. Rallye therefore now holds 3.1 million shares, valued at €80m as at 11 September 2009 (valuation based on Mercialys closing share price as at 11 September 2009 of €25.78 per share).

Rallye announced on 18 September 2009 that it has successfully issued a €500 million bond transaction maturing January 2015

Rallye successfully issued a €500 million bond transaction maturing 20 January 2015. This issue is aimed at refinancing the existing debt and extending its maturity, while reinforcing Rallye's liquidity situation.
The issue size - more than €4 billion – and the quality of the order book enabled Rallye to complete the €500 million issue at favorable conditions. The bonds offer an 8.375 per cent.

coupon and an 8.50 per cent. yield. The coupon has been swapped into variable rate, enabling Rallye to optimize its cost of debt.
The transaction was jointly managed by BNP Paribas, Calyon, Deutsche Bank, Natixis, RBS and Société Générale.

Description of the transaction:

Amount:	€500 000 000
Settlement date:	2 October 2009
Final maturity:	20 January 2015
Annual coupon:	8.375 per cent.
Yield:	8.50 per cent.
Reoffer price:	99.361 per cent.
Listing:	Luxembourg

Rallye released on 14 October 2009 its third quarter consolidated net sales

Rallye consolidated net sales reached €7.3bn, down 1.6 per cent. compared to 2008 third quarter.

Casino: Third quarter sales almost stable on an organic basis excluding petrol

During the third quarter of 2009, Casino's consolidated net sales were €7.1bn, down by a reported 1.4 per cent.. The negative currency effect and the lower petrol prices were partly offset by the positive impact of the consolidation of Ponto Frio by Grupo Pão de Açúcar from July 1st 2009. Excluding petrol sales, organic growth for the period was a negative 1.0 per cent.. Moreover, Super de Boer announced that it had received two offers from local competitors for the acquisition of the entire business. At this stage, reported sales include Super de Boer's contribution.
In France, organic growth was a negative 3.2 per cent. excluding petrol sales, in a persistently lacklustre consumer environment. However, reported sales in France were down 5.3 per cent., a performance in line with the first-half trend. The convenience formats (Monoprix, Casino Supermarkets and Franprix) continued to demonstrate strong resilience over the period. Franprix's same-store sales were almost stable (down 0.7 per cent.) in the quarter. This solid performance, combined with faster expansion at both Franprix and Leader Price, enabled the two banners to post a combined negative organic growth of 0.6 per cent., in line with the first half trend. In an increasingly competitive environment, Géant Casino reported a 6.3 per cent. decline in same-store sales excluding petrol, continuing the trend observed in the first half. During the period, the hypermarket banner kept up its strategy of targeted price cuts. Cdiscount maintained its strong momentum, attesting to the attractiveness of its business model.
International operations continued to perform well, with organic growth at 2.9 per cent. excluding petrol, lifted by the performance of the emerging markets (up by a strong 4.0 per cent.) which now represent more than 30 per cent. of the Group's sales vs 26 per cent. in

2008[1]. In South America, organic growth excluding petrol came to 5.5 per cent., led by a dynamic activity in Brazil. In Asia, sales were down by just 0.9 per cent. on an organic basis, negatively impacted by the gloomy economic environment in Thailand, while Vietnam continues to experience strong growth.
Consolidated net sales for the first nine months of 2009 were stable on an organic basis excluding petrol, reflecting the good positioning of the business portfolio characterised by a favourable mix of formats in France, a leadership in online non-food sales, and an international presence focused on high potential countries.

Groupe Go Sport: Well-resistant sales at GO Sport France during the first nine months of 2009

During the third quarter of 2009, Groupe GO Sport consolidated net sales were €188.5m, down 7.7 per cent. on a same-store basis and at constant exchange rates. In France, during the first nine months of 2009, the GO Sport banner sales were down 1.7 per cent. (-1.9 per cent. on a same-store basis and at constant exchange rates). In the third quarter, sales decreased by 5.5 per cent. (-6.6 per cent. on a same-store basis and at constant exchange rates), due to lower traffic and average basket. The volumes sold during the summer sales were relatively low, as the banner benefited from the successful commercial operations that took place before the summer, and from the spring sales. Nevertheless, the banner's results are improving since the beginning of September. Courir reported a 9.9 per cent. decrease in sales in the first nine months of the year (-12.0 per cent. on a same-store basis and at constant exchange rates, vs. a 7.4 per cent. increase in 2008). Since July, Jacques Krauze, the new CEO, is in charge of implementing a new action plan in order to revitalise the banner. In Poland, the negative currency effect hampered the change in euros in GO Sport net sales (-13.7 per cent. in the third quarter). On a comparable basis and at constant exchange rates, sales increased by 3.3 per cent., driven notably by the success of the private label.

Investment portfolio:

The disposal program of the investment portfolio is progressing according to plan, at prices in line with the assets fair value as at June 30, 2009. As of today, more than half of the €80m disposals which were being negotiated as at end of August 2009, have been completed.

Outlook:

- Casino intends to step up its action plans with the objective to enhance its banners' shopper appeal and effectively maintain margins, in particular by moving up a gear in the implementation of programmes to cut costs and optimizing both its food and non-food product mixes. Financial flexibility will be enhanced by the improvement in free cash

[1] *The 2009 percentage was computed excluding Super de Boer*

flow[1] generation and a €1 billion asset disposal programme to be implemented by the end of 2010. The Group therefore confirms its objective of improving the net debt/EBITDA ratio at the end of 2009 and of reducing the ratio to less than 2.2x by the end of 2010.

- Groupe GO Sport, encouraged by the good resistance of its sales since the beginning of 2009, intends to pursue the deployment of its action plan defined in 2007, aimed at improving its sales and profitability.
- As to the investment portfolio, the disposals will be pursued according to the Group's commitment, in commercial real estate by 2010 as well as in Private Equity, depending on market conditions.

Financial situation:

- In the first semester, Rallye renewed the entirety of the 2009-maturity credit lines for €280m, as well as the syndicated loan for an amount of €410m, and new financings have been obtained for a total amount of €140m. Since then, the Group kept reinforcing its liquidity situation through the successful €500m bond issue on September 18, 2009 maturing in January 2015, which also allowed Rallye to extend its debt maturity.
- As to its stake in Mercialys, Rallye sold 4.1 million shares in the market since June 2, 2009, for an amount of €98m. As of today, Rallye therefore holds 2.8 million shares, valued at €81m[2].
- Rallye confirms its commitment to reduce its net financial debt and noticeably improve its financial structure ratios over the next two years, notably through the ongoing disposal of investment portfolio assets.

Rallye announced on 16 October 2009 that it has successfully issued a €500 million bond transaction maturing November 2016

RALLYE successfully issued a € 500 million bond transaction maturing November 4, 2016. This issue, which follows the one of September 18, 2009, with a similar amount and a maturity of 5 years and 3 months, is aimed at refinancing the existing debt and extending its maturity, while reinforcing Rallye's liquidity situation.
The issue size – about € 3.5 billion – and the quality of the order book enabled Rallye to complete the € 500 million issue at favorable conditions. The bonds offer a 7.625% coupon and a 7.70% yield, currently reduced to 5.28% following a swap into variable rate.
The transaction was jointly managed by BNP Paribas, Calyon, Deutsche Bank, Natixis, RBS and Société Générale.
Description of the transaction:

[1] *Free cash flow = current operating cash flow before tax, less capital expenditure, changes in WCR, income tax paid and net interest paid*

[2] *Valuation based on Mercialys closing market price as at October 13, 2009 (€28.87 / share)*

Amount:	€500 000 000
Settlement date:	November 4, 2009
Final maturity:	November 4, 2016
Annual coupon:	7.625%
Yield:	7.70%
Reoffer price:	99.605%
Listing:	Luxembourg

Rallye released on 18 January 2010 its 2009 Fourth-Quarter sales

During the fourth quarter of 2009, Rallye consolidated net sales reached €7.5bn, up 2.0% compared to the fourth quarter of 2008.
For full year 2009, Rallye consolidated net sales reached €27.5bn, down 1.3% compared to 2008.

Casino: 2009 fourth quarter sales up 2.2% - full year sales stable on an organic**1** basis excluding petrol

In the fourth quarter of 2009, Casino consolidated net sales reached €7.3bn, up 2.2% on a reported basis. The Group benefited from changes in the scope of consolidation (+1.5%) – mainly explained by the consolidation of Ponto Frio by Grupo Pão de Açúcar from July 1, 2009 – and from currency effect (+0.6%), as well as from the slightly positive impact of petrol sales (+0.3%). Organic1 sales excluding petrol were stable, an improvement compared to 2009 third quarter (-0.9%).

In France, sales were down 2.7% on an organic1 basis excluding petrol (versus a 3.2% decline in the third quarter). The convenience formats continued to demonstrate good resilience, with Casino Supermarkets, Monoprix and Franprix reporting stable total sales over the period. Cdiscount maintained solid sales growth over the period, with sales growing double-digit over the full year and reaching over 1 billion euros (including VAT), thereby consolidating the company's lead in online B to C sales in France. Géant Casino's performance tracked the trend observed in the first nine months, as the banner pursued its controlled marketing strategy, as reflected in moderate promotional activity and further targeted price cuts. The trend in same-store sales at Leader Price was on a par with the previous quarter, as the entire discount sector continued to suffer from scaled-back spending by its traditional customer base, which has been harder hit by the recession.

International operations, which accounted for 37% of Casino consolidated sales over the period, reported a faster 4.8% increase in organic1 growth (versus +3.5% in the third quarter), confirming their role as a growth driver. South America kept posting a robust

1 Based on constant scope of consolidation and exchange rates

organic1 growth of +4.9%, lifted by a continuing strong dynamism of Brazil (+14.1% in same-store sales), while the sales trend improvement in Colombia offset weaker business in Venezuela. In Asia, sales improved tangibly by an organic1 6.7% (after declining 0.9% in the third quarter), reflecting a recovery in same-store sales in Thailand and very strong growth in Vietnam.

Over the full year 2009, consolidated sales were stable on an organic1 basis excluding petrol, a performance reflecting the good positioning of the business portfolio, characterised by a mix heavily weighted towards convenience and discount formats, both promising and profitable, an unrivalled presence in urban convenience stores, leadership in online non-food sales and an international presence focused on high potential countries.

Groupe GO Sport: sales growth turned positive anew at Courir in the fourth quarter of 2009 while full year consolidated sales at GO Sport in France demonstrated good resilience

Groupe GO Sport consolidated net sales for the fourth quarter of 2009 reached €166.8m, down 3.9% compared to the fourth quarter of last year. Consolidated net sales for full year 2009 declined by 4.4% on a same-store basis and at constant exchange rates, at €693.8m.

In France, over the full year, GO Sport banner sales were down 2.8% (-3.7% on a same-store basis and at constant exchange rates). During the fourth quarter, sales decreased by 6.0% (-8.9% on a same-store basis and at constant exchange rates), due to lower traffic and average selling price, the latter reflecting notably the increasing share of private label products in total sales. Moreover, the banner's performance improved significantly during the last two weeks of December. Courir reported a 6.7% decrease in sales over the full year (-9.0% on a same-store basis and at constant exchange rates). However, sales increased by 4.9% in the fourth quarter (+2.0% on a same-store basis), in particular in December, reflecting the first actions implemented by the new management team.
In Poland, sales increased by 1.8% over the full year on a same-store basis and at constant exchange rates, notably due to the strong progression of private label products. The negative currency effect hampered GO Sport net sales in euros (-3.2% in the fourth quarter of 2009, compared to 2008).

Financial situation

In 2009, Rallye renewed the entirety of the 2009-maturity credit lines for €280m and obtained new financings for a total amount of €140m. Rallye also renewed the syndicated loan for an amount of €410m, as well as more than half of its €440m bank loans maturing in 2010. Moreover, the Group kept reinforcing its liquidity situation through two bond issues in September and October 2009 of €500m each, maturing in January 2015 and November 2016 respectively. This €1bn fundraising on the bond market is notably aimed at refinancing the existing debt and extending its maturity.

As to its stake in Mercialys, Rallye holds at the end of 2009 2.1 million shares with a market value of €52m[1]. Between June 2 and December 31, Rallye sold 4.8 million shares in the market, for an amount of €115m.

Paris, 12 March 2010

RALLYE
2009 Annual Results

Good resilience of operating results, tangible growth in attributable net profit and enhanced financial flexibility at Casino

Improvement in profitability at Groupe GO Sport, with a current operating income turning positive anew

Reduction in net debt and strengthened liquidity situation

The Board of Directors of Rallye, chaired by Jean-Charles NAOURI, met on March 11, 2010 in order to review the accounts for the year ended December 31, 2009.

2009 results
Consolidated figures

(in €m)	*2008 (1)*	***2009***	*Change*
Net sales from continuing operations	***27,820***	***27,478***	***(1.2)%***
EBITDA (2)	***1,931***	***1,889***	***(2.2)%***
Current operating income	***1,265***	***1,227***	***(3.0)%***
Net income from continuing operations	*275*	*448*	*62.9%*
Net income from continuing operations, Group's share	***(83)***	***79***	
Net income from discontinued operations (3)	*1*	*226*	
Net income	*276*	*674*	*144.2%*
Net income, Group's share	***(87)***	***101***	

(1) IFRS 8 "Operating Segments" and IFRIC 13 "Customer Loyalty Programmes" have been applied from January 1, 2009. Comparative information for 2008 were adjusted accordingly
(2) EBITDA = Current operating income + current depreciation and amortisation expenses
(3) Super de Boer assets were disposed of at the end of 2009. In accordance with IFRS 5, the company's net income has been reclassified under "Discontinued operations" from January 1, 2008

1 Valuation based on Mercialys closing market price as at December 31, 2009 (€24.55 / share)

1. Group activity

Rallye consolidated net sales reached €27.5bn, down 1.2% compared with 2008. Current operating income amounted to €1,227m, down 3.0%. Net income, Group's share was €101m in 2009 compared with €(87)m in 2008, mainly thanks to the tangible improvement of the financial result[1].

Rallye's net debt was reduced to €2,606m, from €2,688m as at December 31, 2008.

In 2009, Rallye disposed of financial and real estate assets for €91m, in line with the announced targets. Rallye's investment portfolio was valued at €517m as at December 31, 2009, from €622m at year-end 2008. The financial investment portfolio's contribution to Rallye 2009 current operating income amounted to €23m (vs. €42m in 2008).

2. Subsidiaries activity

Casino: Good resilience of the business model and enhanced financial flexibility:

- Tangible growth in attributable net profit (+8.6%) and EPS (+12.2%)
- Moderate 4.5% decline in current operating income (down 2.5% on an organic2 basis)
- Significant reduction in net debt at €4,072m (from €4,851m at year-end 2008)

In 2009, Casino's consolidated sales amounted to €26.8bn, stable on an organic basis excluding petrol. The 2009 results demonstrated Casino's business model resilience in an unfavourable economic environment. EBITDA margin was stable on an organic basis and current operating income amounted to €1,209m, in moderate decline of 4.5% (2.5% decline on an organic[2] basis) compared with 2008, thanks to margin improvement in international markets and the rapid deployment of cost-reduction plans.

Net income, Group's share, rose by 8.6%, at €543m in 2009.

In France, sales declined by 3.8% on an organic basis, or 2.7% excluding petrol. Convenience formats held up well, thereby demonstrating their good fit with consumer expectations. Cdiscount recorded double-digit sales growth, consolidating its leadership in the French B-to-C e-commerce market. Current operating income was down 11.1% as reported and 9.7% on an organic basis. Current operating margin held up well (dipping 30

[1] Financial result = cost of net debt + other financial income and expenses

[2] Based on constant scope of consolidation and exchange rates, and excluding the impact of disposals to OPCI property mutual funds

bp on an organic basis), reflecting the favourable mix of formats and the rapid deployment of the cost-reduction programme.

Sales in international markets rose by a robust 6.7%, led by a sustained 4.9% organic sales growth and the consolidation of Ponto Frio by GPA (Grupo Pao de Açucar). Current operating income increased by 12% (15% on an organic basis), reflecting solid sales growth and effective cost-cutting plans.

Net debt was reduced substantially to €4,072m at year-end 2009 (from €4,851m one year earlier) and the net debt/EBITDA ratio was brought down to 2.2x (compared with 2.5x as at December 31, 2008). Casino's liquidity position was strengthened following the €1.5bn bond issue during the year. The February 2010 bond exchanges enabled to improve Casino's debt profile and to lengthen its maturities.

Groupe GO Sport: Current operating income turning positive anew, at €1.1m, up €14.9m compared with 2008

Groupe GO Sport 2009 consolidated net sales amounted to €693.8m, down 4.4% compared with 2008, on a same-store basis and at constant exchange rates. In France, GO Sport banner recorded a 2.8% drop in sales compared with 2008. Nevertheless, the stable textile sales, the success of commercial operations and the continued growth of private label are tangible signs attesting to the good resilience of the banner in a difficult business environment. Courir recorded a 6.7% decrease in net sales in 2009 (9.0% decrease on a same-store basis) with however a notable trend improvement during the fourth quarter, especially in December, with a 4.9% growth compared with 2008 fourth quarter. In Poland, sales grew by 1.8% on a same-store basis and at constant exchange rates, compared with 2008.

Current operating income turned positive anew at €1.1m, a €14.9m increase compared with 2008, mainly due to a tight cost control.

Net income from continuing operations was close to 0 while it stood at €(13.2)m at year-end 2008.

3. conclusion

- A **portfolio of assets with strong fundamentals for Rallye:**
  - **Casino** benefits from:
    - a favourable business mix in France with leading positions on convenience formats, non-food B-to-C e-commerce and private label (in volume)
    - top-ranking positions in international high potential markets
    - a recognized expertise in leveraging property assets to create value

    - an enhanced financial flexibility
- Casino will pursue and accelerate the implementation of its action plans by:
    - strengthening its market share in France
    - driving strong and profitable business growth in international markets
    - improving its operational efficiency through ongoing cost and inventory reductions and a selective investment strategy
    - confirming its target of a net debt/EBITDA ratio of less than 2.2x at year-end 2010, by improving its free cash flow generation and pursuing its €1 billion asset disposal programme

- **Groupe GO Sport**, supported by a current operating income turning positive anew in 2009, will continue the implementation of its strategy based on differentiation, customer-relationship reinforcement, store base rationalisation and tight control over costs and investments
- **An investment portfolio**, with high-quality financial and real estate assets, for which the disposal programme should be completed by year-end 2012

- **Rallye benefits from a strengthened liquidity situation**, with €1.4bn of undrawn and available confirmed credit lines, and more than €680m of cash and cash equivalents. Debt maturity has been extended thanks to a €1bn bond issue in 2009 and to the refinancing of loans maturing in 2010

Rallye confirms its commitment to keep on improving its financial structure and to reduce its net debt by year-end 2012

A dividend for financial year 2009 of €1.83 per share, stable compared with 2008, will be proposed at the Annual Shareholders' Meeting of May 19, 2010. As an interim dividend of €0.80 per share was paid on October 2, 2009, the balance thus amounts to €1.03 per share. Shareholders will be given the option for 50% of the balance to be paid in shares.
Foncière Euris, Rallye's majority shareholder, has notified its decision to be paid in shares.

Rallye announced the launch of a tender offer

On 15 March 2010, Rallye announced the launch of an offer to repurchase bonds due 2011. The bondholders of such existing bonds are being offered a 104.875 per cent. price and are invited to tender their bonds until 23 March 2010.
The Group's debt profile is thereby improved, its maturity extended and its liquidity situation reinforced.

TAXATION

The statements herein regarding taxation are based on the laws in force in the Republic of France and/or, as the case may be, the Grand Duchy of Luxembourg as of the date of this Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of, the Bonds. Each prospective holder or beneficial owner of Bonds should consult its tax advisor as to the French or, as the case may be, the Luxembourg tax consequences of any investment in, or ownership and disposition of, the Bonds.

European Savings Tax Directive

On 3 June 2003, the European Council of Economic and Finance Ministers adopted the Directive 2003/48/EC regarding the taxation of savings income (the "**Directive**"). Pursuant to the Directive and subject to a number of conditions being met, Member State are required, since 1st July 2005, to provide to the tax authorities of another Member State, *inter alia*, details of payments of interest within the meaning of the Directive (interest, products, premiums or other debt income) made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident in that other Member State (the "**Disclosure of Information Method**").

For these purposes, the term "**paying agent**" is widely defined and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Directive, for the immediate benefit of individuals.

However, throughout a transitional period, certain Member States (the Grand-Duchy of Luxembourg and Austria), instead of using the Disclosure of Information Method used by other Member States, withhold an amount on interests payments. The rate of such withholding tax equals 20 per cent. from 1st July 2008 to 30 June 2011 and 35 per cent. as from 1st July 2011. Such transitional period will end at the end of the first full fiscal year following the later of (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the European Council, and the last of several jurisdictions (Switzerland, Liechtenstein, San Marino, Monaco and Andorra), providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on 18 April 2002 (the "**OECD Model Agreement**") with respect to interest payments within the meaning of the Directive, in addition to the simultaneous application by those same jurisdictions countries of a withholding tax on such payments at the rates defined for the corresponding periods and (ii) the date on which the European Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Directive.

A number of non-EU countries and dependent or associated territories have agreed to adopt similar measures (transitional withholding or exchange of information) with effect since 1st July 2005.

The Directive was implemented into French law under Article 242 ter of the French *Code général des impôts*, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

The Directive and several agreements concluded between Luxembourg and certain dependent territories of the European Union were implemented in Luxembourg by the Laws of 21 June 2005 (the "**Laws**").

French Taxation

Following the introduction of the French *loi de finances rectificative pour 2009 no. 3* (n° 2009-1674 dated 30 December 2009) (the "**Law**"), payments of interest and other revenues made by the Issuer with respect to bonds issued on or after 1 March 2010 (other than bonds (described below) which are assimilated (*assimilées*) and form a single series with bonds issued prior to 1 March 2010 having the benefit of Article 131 *quater* of the French *Code général des impôts*) will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a "**Non-Cooperative State**"). If such payments under the bonds are made in a Non-Cooperative State, a 50 % withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, interest and other revenues on such bonds will no longer be deductible from the Issuer's taxable income, as from the fiscal years starting on or after 1 January 2011, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* of the French *Code général des impôts*, at a rate of 25% or 50%.

Notwithstanding the foregoing, the Law provides that neither the 50% withholding tax nor the non-deductibility will apply in respect of a particular issue of bonds if the issuer can prove that the principal purpose and effect of such issue of bonds was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the ruling (*rescrit*) 2010/11 (FP and FE) of the *Direction générale des impôts* dated 22 February 2010, an issue of bonds will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of bonds, if such bonds are:

(i) offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer other than in a Non-

cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

(ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

(iii) admitted, at the time of their issue, to the clearing operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State be able to benefit from the Exception.

Luxembourg Withholding Taxation

There is no Luxembourg withholding tax payable on payments received upon repayment of the principal of the Bonds.

Individuals

Luxembourg residents

A 10 per cent. withholding tax has been introduced, since 1st January 2006 on interest payments made by Luxembourg paying agents (defined in the same way as in the Directive) to Luxembourg individual residents. Only interest accrued after 1st July 2005 falls within the scope of this withholding tax. Income from current accounts, provided that the interest rate is not higher than 0.75 per cent., are exempt from the withholding tax. Furthermore, interest which is accrued once a year on savings accounts (short and long term) and which does not exceed 250 euro per person and per paying agent is exempted from the withholding tax.

This withholding tax represents the final tax liability for the Luxembourg individual resident taxpayers.

Luxembourg non-residents

Subject to the application of the Directive and the Laws, there is no withholding tax for Bondholders non-resident of Luxembourg on payments of interest (including accrued but unpaid interest).

Under the Directive and the Laws, a Luxembourg based paying agent (within the meaning of the Directive) is required since 1st July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State, unless the beneficiary of the interest payments elects for the

exchange of information. The same regime applies to payments to individuals resident in certain dependent territories.

The withholding tax rate is 20 per cent. (as from 1st July 2008), increasing to 35 per cent. (as from 1st July 2011). The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

Corporations

There is no withholding tax for Luxembourg resident and non-resident corporations Bondholders on payments of interest (including accrued but unpaid interest).

All prospective Bondholders should seek independent advice as to their tax positions.

SUBSCRIPTION AND SALE

Subscription Arrangements

BNP Paribas, Deutsche Bank AG, London Branch, Crédit Agricole Corporate and Investment Bank, Natixis and The Royal Bank of Scotland plc (the "**Joint Lead Managers**") have, pursuant to a subscription agreement dated 22 March 2010 (the "**Subscription Agreement**"), agreed with the Issuer, subject to the satisfaction of certain conditions, to procure subscription and payment, failing which to subscribe and pay, for the Bonds.

The Joint Lead Managers are entitled to terminate the Subscription Agreement in certain limited circumstances prior to the issue of the Bonds. The Issuer has agreed to indemnify the Joint Lead Managers against certain liabilities in connection with the offer and sale of the Bonds.

General Restrictions

Each of the Joint Lead Managers has agreed, to the best of its knowledge, to observe all applicable laws and regulations in each jurisdiction in or from which it may acquire, offer, sell or deliver Bonds or have in its possession or distribute this Prospectus or any other offering material relating to the Bonds. No action has been taken by the Issuer or the Joint Lead Managers that would, or is intended to, permit a public offer of the Bonds or possession or distribution of the Prospectus or any other offering material relating to the Bonds in any country or jurisdiction where any such action for that purpose is required. Accordingly, each of the Joint Lead Managers has agreed that it will not, directly or indirectly, offer, sell or deliver any Bonds or distribute or publish any Prospectus, prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and all offers and sales of Bonds by it will be made on the same terms.

France

Each of the Joint Lead Managers and the Issuer has acknowledged that the Bonds are deemed to be issued outside the Republic of France and has represented and agreed that (i) it has not offered or sold and will not offer or sell, directly or indirectly, any Bonds to the public in the Republic of France, and (ii) offers and sales of Bonds in the Republic of France will be made only to (a) persons providing investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*) as defined in and in accordance with Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*. In addition, each of the Joint Lead Managers and the Issuer has represented and agreed that it has not distributed or caused to be distributed and will not distribute or cause to be distributed in the Republic of France, the Prospectus or any other offering material relating to the Bonds other than to investors to whom offers and sales of Bonds in the Republic of France may be made as described above.

United States

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or, and may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold only outside of the United States to non-U.S. persons in reliance upon an exemption from registration under the Securities Act pursuant to Regulation S under the Securities Act ("**Regulation S**"). Terms used in this paragraph and not otherwise defined in this Prospectus have the meanings given to them in Regulation S.

Each Joint Lead Manager has represented and agreed that:

i. it has not offered or sold, and will not offer or sell, the Bonds (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the Issue Date of the Bonds, within the United States or to, or for the account or benefit of, U.S. persons; and

ii. it will have sent to each distributor or dealer to which it sells Bonds during such 40-day period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons.

Terms used in this paragraph and not otherwise defined in this Prospectus have the meanings given to them in Regulation S.

In addition, until 40 days after the commencement of the offering of the Bonds, an offer or sale of Bonds within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

United Kingdom

Each Joint Lead Manager has represented and agreed that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Bonds in circumstances in which section 21(1) of the FSMA would not, if the Issuer were not an authorised person, apply to the Issuer; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

GENERAL INFORMATION

Corporate Authorisations
The issue of the Bonds was authorised by the *Président Directeur Général* of the Issuer on 15 March 2010 pursuant to a resolution of the *Conseil d'administration* of the Issuer adopted on 9 December 2009.

Listing and admission to trading of the Bonds
Application has been made to the Luxembourg Stock Exchange for the Bonds to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List.

Estimated total expenses

The estimate of the total expenses of the issue of the Bonds related to the admission to trading is €4,740.

Clearing of the Bonds
The Bonds have been accepted for clearance through Euroclear France, Euroclear and Clearstream under the following reference numbers:

ISIN Number: FR0010874115

Euroclear and Clearstream Common Code: 049659458

The address of Euroclear France is 115, rue Réaumur, 75081 Paris Cedex 02, France. The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Bruxelles, Belgium and the address of Clearstream, Luxembourg is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg.

No Significant Change in the Issuer's Financial or Trading Position - No Material Adverse Change
Except as disclosed in this Prospectus, there has been no significant change in the financial or trading position of the Issuer or of the Group since 30 June 2009 and there has been no material adverse change in the prospects of the Issuer or of the Group since 31 December 2008.

Legal and Administration Proceedings
Except as disclosed in this Prospectus, there has been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and/or Group's financial position or profitability.

Yield
The yield of the Bonds is 6 per cent. per annum and is calculated at the issue date on the basis of the issue price of the Bonds. It is not an indication of future yield.

Documents available
Copies of:

(i) the *statuts* of the Issuer;

(ii) the Agency Agreement;

(iii) this Prospectus;

(iv) the audited historical financial information of the Issuer for the years ended 31 December 2007 and 2008; and

(v) the documents incorporated by reference.

will be available for inspection during the usual business hours on any week day (except Saturdays and public holidays) at the primary business office of the Issuer.

The Prospectus and the documents incorporated by reference in the Prospectus will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Auditors
Ernst & Young et Autres and KPMG Audit are the statutory auditors of the Issuer. Ernst & Young et Autres and KPMG Audit have audited, and rendered unqualified reports on, the consolidated financial statements of the Issuer as at, and for the two years ended, 31 December 2007 and 31 December 2008. Ernst & Young et Autres and KPMG Audit are registered as *Commissaires aux Comptes* (members of the *Compagnie Nationale des Commissaires aux Comptes*) and regulated by the *Haut Conseil du Commissariat aux Comptes*.

RALLYE
83, rue du Faubourg Saint-Honoré
75008 Paris
France

STATUTORY AUDITORS OF RALLYE

Ernst & Young et Autres
41, rue Ybry
92576 Neuilly-sur-Seine
France

KPMG Audit
1, cours Valmy
92923 Paris-La Défense Cedex
France

LEGAL ADVISORS

To Rallye
Simmons & Simmons
5, boulevard de la Madeleine
75001 Paris
France

To the Joint Lead Managers
Linklaters LLP
25, rue de Marignan
75008 Paris
France

FISCAL AGENT AND PAYING AGENT

BNP Paribas Securities Services
Les Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin
France

LUXEMBOURG LISTING AGENT

BNP Paribas Securities Services, Luxembourg Branch
33, rue de Gasperich, Howald – Hesperange
L-2085 Luxembourg
Grand-Duchy of Luxembourg