

RALLYE

2008 third quarter consolidated net sales

Rallye Group consolidated net sales by business segment

Consolidated net sales (in €M)	Q3 2008	Change QoQ	9 months 2008	Change 9Mo9M
Casino	7,214.2	+12.7%	21,026.8	+17.1%
Groupe GO Sport	204.9	-4.4%	553.1	-3.0%
Other (*)	3.6		11.5	
Total Rallye Group	7,422.7	+12.1%	21,591.4	+16.6%

(*) Relative to holding activity and investment portfolio.

Rallye consolidated net sales reached €7.4bn, up 12.1% compared to 2007 third quarter.

CASINO : SHARP INCREASE IN NET SALES, UP 12.7% - FASTER ORGANIC GROWTH¹, UP 7.3%

During the third quarter of 2008, Casino consolidated net sales reached €7.2bn, up 12.7%, reflecting sustained organic growth¹ and the full consolidation of Super de Boer.

In France, Casino turned in a very good performance, reporting organic sales growth¹ of 5.3%, led by convenience and discount formats, as well as by private labels and value-line products. Sales growth at Franprix-Leader Price accelerated to 12.1%, reflecting strong same-store growth (10% at Franprix and 5.3% at Leader Price) along with the effects of the more dynamic expansion strategy, which is being implemented according to plan. In all, convenience store sales rose 5.7%, thanks to the strong growth of Casino supermarkets, achieving a further 0.1-point gain in market share.

This third quarter performance, which was in line with that for the first half, contributed to a robust 4.9% increase in sales over the first nine months of the year, in an environment that was consistent with Casino expectations and strategy.

International operations reported very strong growth in sales, led by double-digit organic growth¹ in South America (+11.6%) and Asia (+16.5%), underpinned by strong same-store growth.

Sales for the third quarter attest to the effectiveness of Casino business model in the current environment, both in France, thanks to a favourable mix of formats and the effectiveness of Casino differentiation levers, and in international markets, with a platform of international assets concentrated in high potential markets (Brazil, Colombia, Thailand).

GROUPE GO SPORT : DECREASE OF 4.4% IN NET SALES

During the third quarter of 2008, Groupe GO Sport consolidated net sales were €204.9m, down 4.4% compared to 2007 third quarter. In France, GO Sport banner saw a 8.3% (8.9% on a comparable basis) decrease in sales, mainly due to lower traffic. This performance can be explained by Groupe GO Sport voluntarism to reduce progressively inventories, and therefore fewer products to sell off during summer sales. The private label brand, well adapted to the current environment, continues to grow. Courir (excluding Moviesport) confirms its leadership position in the sneaker market with a 0.6% sales growth on a comparable basis, demonstrating the relevance of the banner positioning. International operations reported strong growth in sales thanks to a sustained 31.9% (15.7% in Zlotys) rise in sales in Poland, led by traffic growth (+15.5%) and the very good commercial performances of private label.

¹ Based on constant scope of consolidation and exchange rates.

INVESTMENT PORTFOLIO

Following the announcement of the strategic decision to reduce the size of the investment portfolio, a significant disposal program has been deployed and is being implemented according to plan: since the end of the first half of 2008, around €170m disposals (vs €150m as at end of August) have been realised (or are being finalised), at prices in line with the assets fair value at June 30, 2008. These disposals will generate a contribution to Rallye current operating income of about €30m.

OUTLOOK

- **Casino** confirms its 2008 targets:
 - ✓ Faster organic growth in sales
 - ✓ Further growth in current operating income

- **Groupe GO Sport** is convinced of the soundness of the strategic orientations engaged and intends to pursue the action plan deployment, based on the differentiation and repositioning of the offering, the purchasing, logistics and information system optimisation as well as better cost control and investment screening.

Regarding the **investment portfolio**, Rallye confirms its €250m asset disposal program, of which €170m already realised or being finalised and €80m currently being sold according to plan.

FINANCIAL SITUATION

- As at September 30, 2008, Rallye benefits from a significant stock of liquidity, with €1.4bn of unused and available confirmed credit lines with an average maturity of 3 years. This historically wise liquidity management strategy allows the Group to be confident in the current perturbed market.

- Rallye bank financing are perfectly secured as there is no covenant linked to assets' market price or to Casino's rating. Furthermore the covenants existing on some of the financing are fully respected.

About Rallye

The Rallye Group is present in food and specialised retail through its two main subsidiaries, Casino and Groupe GO Sport. Casino, Rallye's main asset, representing 97% of 2007 consolidated net sales, is a key food retailer in France, with a wide network of multi-format chains and leading market positions in South America and South-East Asia.

Rallye share is listed on the Eurolist by Euronext Paris, compartment A (ISIN code: FR0000060618, Bloomberg code: RAL FP, Reuters code: GENC.PA).

Contact :

Didier CARLIER

+33 (0) 1 44 71 13 73

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

Appendix : 2007/2008 Rallye consolidated net sales

(In € millions)

	2008	2007	Change
First quarter :			
Casino	6,862	5,480	+25.2%
Groupe GO Sport	175	178	-1.6%
Other (*)	5	2	
Total first quarter	7,042	5,660	+24.4%
Second quarter :			
Casino	6,951	6,067	+14.6%
Groupe GO Sport	173	178	-2.8%
Other (*)	3	1	
Total second quarter	7,128	6,246	+14.2%
First semester :			
Casino	13,813	11,547	+19.6%
Groupe GO Sport	348	356	-2.2%
Other (*)	8	3	
Total first semester	14,169	11,906	+19.0%
Third quarter :			
Casino	7,214	6,403	+12.7%
Groupe GO Sport	205	214	-4.4%
Other (*)	4	2	
Total third quarter	7,423	6,619	+12.1%
Nine months :			
Casino	21,027	17,950	+17.1%
Groupe GO Sport	553	570	-3.0%
Other (*)	12	5	
Total nine months	21,591	18,525	+16.6%

(*) Relative to holding activity and investment portfolio.