

RALLYE

2009 first quarter consolidated net sales

Rallye Group consolidated net sales by business segment

Consolidated net sales (in €m)	Q1 2009	Q1 2008 (*)	Var Q1 2009/2008	Var Q1 2009/2008 Organic (**)
Casino	6,624.1	6,853.2	-3.3%	-1.4%
Groupe GO Sport	171.7	175.1	-1.9%	+0.1%
Other (***)	2.1	4.6	-	-
Total Rallye Group	6,797.9	7,032.9	-3.3%	-

(*) Casino 2008 net sales were adjusted according to the application of IFRIC Interpretation 13 « Customer Loyalty Programmes » (notably impacting purchase coupons accounting treatment)

(**) Based on constant scope of consolidation and exchange rates

(***) Relative to holding activity and investment portfolio

During the first quarter of 2009, Rallye consolidated net sales reached €6.8bn, down 3.3% compared to 2008 first quarter.

CASINO : BUSINESS RESILIENT IN 2009 FIRST QUARTER – ORGANIC GROWTH OF 1.3%, EXCLUDING PETROL AND CALENDAR EFFECT, LED BY A SOLID PERFORMANCE IN INTERNATIONAL OPERATIONS AND CONVENIENCE FORMATS IN FRANCE

Casino consolidated net sales declined by a reported 3.3% at €6.6bn in the first quarter of 2009, reflecting the changes in the scope of consolidation (-0.6%) and the currency effect (-1.3%), the decline in petrol prices (-1.2%) and the calendar effect (-1.3%). Excluding petrol sales and restated for the calendar effect, however, organic growth was a positive 1.3%, which was a satisfactory performance in the current business environment.

In **France**, sales declined by an organic 2.8% excluding petrol. Franprix-Leader Price and the supermarket banners (Casino Supermarkets and Monoprix) reported a satisfactory performance, with sales excluding petrol virtually unchanged for the period. Cdiscount enjoyed another quarter of very strong growth, with an 18.5% increase in sales continuing to offset the decline in the hypermarkets' non-food sales. In a more competitive environment, Géant Casino maintained its carefully managed promotional strategy over the period.

International operations continued to deliver robust organic growth, with sales rising 4.5% excluding petrol. South American operations reported sustained 5.6% organic growth, led by a strong momentum in Brazil. Asia organic growth remained at a high 7.5%, lifted by the dynamic expansion strategy in Thailand and another quarter of very strong same-store growth in Vietnam.

Over the first quarter, Casino benefited from its well positioned business portfolio with a favourable mix of formats in France, a strong presence in the convenience and discount formats, a leadership in online non-food sales and an international presence focused on high potential countries.

GROUPE GO SPORT: CLEAR IMPROVEMENT IN GO SPORT SALES IN FRANCE, UP 3.0% ON A COMPARABLE BASIS - SHARP INCREASE IN SALES IN POLAND ON A COMPARABLE BASIS

Consolidated net sales in the first quarter of 2009 reached €172m, up 0.1% on a comparable basis and constant exchange rates, compared to the first quarter of last year.

In **France**, GO Sport banner sales increased by 3.0% on a comparable basis (+1.3% on a non comparable basis) compared to the first quarter of 2008. This performance reflects the clear trend improvement since the second half of 2008. It demonstrates the relevance of the action plan defined in end 2007 in order to prompt Groupe GO Sport net sales and profitability recovery. Courir (excluding Moviesport) sales decreased by 11.6% on a comparable basis (vs. +11.3% in 2008) and by 10.6% on a non comparable basis.

In **international markets**, growth on a comparable basis and constant exchange rates remained strong, thanks to the high performance in Poland (+9.6% in Zlotys, on a comparable basis) and to the dynamic franchise business, in expansion.

OUTLOOK

- At the end of March, **Casino** was in line with its business plan, thanks primarily to the improvement in the food and non-food product mixes and the fast deployment of cost-cutting plans. Casino is therefore confident in its ability to improve the competitiveness of each of its banners.

Casino's financial flexibility will be significantly enhanced by the improvement in Free Cash Flow¹ generation and a €1bn asset disposal programme to be implemented by the end of 2010. Casino therefore confirms its objective of improving the net debt/EBITDA ratio at the end of 2009 and of bringing the ratio down to below 2.2x by the end of 2010.

- **Groupe GO Sport**, strengthened by the good performance at GO Sport France, will pursue the action plan deployment which started to bear fruits and which includes significant cost reduction measures.

- **Rallye benefits from a sound liquidity position**, with about €900m of available confirmed credit lines. The entirety of the 2009-maturity credit lines is already renewed and the 2010-maturity credit lines are currently being renewed. Rallye has no bond redemption scheduled before October 2011. **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.

Rallye confirms its commitment to reducing its net financial debt and noticeably improving its financial structure ratios over the next two years, notably through the ongoing disposal of investment portfolio assets, in private equity (depending on market conditions) as well as in commercial real estate.

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 B (ISIN code: FR0000060618, Bloomberg code: RAL FP, Reuters code: GENC.PA).

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¹ Free Cash Flow = current operating cash flow before tax – capital expenditure + change in WCR – income tax paid – net interest paid.