

# RALLYE

## 2011 third quarter consolidated net sales

### Rallye Group consolidated net sales by business segment

Consolidated net sales (€m)	Q3 2011	Q3 2010	Change QoQ
Casino	8,705.0	7,184.7	21.2%
Groupe GO Sport	181.8	190.5	-4.6%
Other*	37.4	2.1	-
<b>Total Rallye Group</b>	<b>8,924.2</b>	<b>7,377.3</b>	<b>21.0%</b>

\* Relative to holding activity, investment portfolio and, since Q3 2011, sales related to Rallye's stake in GPA

During the third quarter of 2011, Rallye's consolidated net sales reached €8.9bn, up 21.0% compared to the third quarter of 2010.

**Casino: Very strong growth in 2011 third-quarter sales (21.2%) driven by operations in emerging markets which now account for 46% of Casino sales. Sustained organic growth of 6.3% spurred by the double-digit organic growth of South America and Asia and by both good performance of the convenience formats and strong growth of Cdiscount in France**

**Casino** consolidated net sales rose by a reported 21.2% in the third quarter of 2011. Changes in the scope of consolidation added 16.6%, reflecting external growth in Brazil and Thailand and increased interest in GPA. The currency effect had a negative 1.7% impact; higher petrol prices added 0.6% to growth, while the calendar effect was virtually neutral both in France (0.1%) and in international operations (0.4%). Organic growth continued at a sustained pace of 5.7% (excluding petrol), in line with the first-half trend.

**In France**, sales were up 4.3% in Q3 2011 on a reported basis and 2.3% on an organic basis (of which 1.2% excluding petrol). Casino Group food market share was stable. All the convenience formats saw an increase in organic sales excluding petrol (Monoprix at 2%, Casino Supermarkets at 1%, Franprix at 0.9%, superettes stable) in a sign of their attractiveness to shoppers. Leader Price's organic sales were up 3.7%, led by a 0.7% growth in same-store sales and a rising contribution from expansion. Géant continued to turn in a satisfactory performance in food (stable same-store sales), while market share held steady. Cdiscount's organic sales again surged, by 15.4%. This very good performance enables Casino to grow cumulative non-food sales (Géant + Cdiscount) by 1.5%.

**International operations** continued to enjoy very high organic growth (13.1%), reflecting the powerful momentum of the Casino Group's banners in its four key countries (Brazil, Colombia, Thailand and Vietnam). Organic growth in South America was a very robust 13.6%, lifted by a sustained increase in same-store sales and assertive expansion by GPA in Brazil and Exito in Colombia. Acceleration in sales growth was confirmed in Asia, with organic sales up 15.3% (versus 10.9% in H1 2011) on the back of a very good same-store performance by Big C in Thailand and continued remarkable growth in Vietnam. Overall, international sales rose 50.1%, partly as a result of changes in the scope of consolidation, and accounted for 46% of the consolidated total versus 37% in Q3 2010.

**Groupe GO Sport: Groupe GO Sport sales, on a same-store basis and at constant exchange rates, were up 2.4% during the first 9 months of 2011; Q3 2011 suffered from the impact of the summer sales starting earlier in the 1<sup>st</sup> semester, but September showed tangible improvement trend for both banners**

During the first 9 months of 2011, Groupe GO Sport sales amounted to €509.5m, up by 2.4% on a same-store basis and at constant exchange rates.

For Q3 2011, Groupe GO Sport consolidated net sales amounted to €181.8m, down 3.7% on a same-store basis and at constant exchange rates, suffering from the impact of summer sales starting earlier in the 1st semester, and from a difficult summer for the whole market.

**In France**, GO Sport Q3 sales were down 5.3% on a same-store basis (-6.4% for total sales). However, September showed a clear upward trend, thanks to the implementation of collections better suited to each store's catchment area and by the good performance of the 42 remodeled stores.

Courir Q3 same-store sales are stable compared to that of Q3 2010 (-0.3% for total Courir sales), despite the negative impact of the summer sales shift. The new concept has now been rolled-out in 21 stores, which have greatly outperformed the rest of the network.

**In Poland**, third-quarter sales on a same-store basis and at constant exchange rates were up 2.1%. Like in France, sales rose strongly in September, benefiting from a "back-to-school" impact.

## **Outlook**

- **Casino** is confident in its capacity to deliver annual sales growth above 10% in each of the next three years and confirms its objectives for 2011:
  - ✓ Strengthen market share in France
  - ✓ Drive up margins at Franprix-Leader Price
  - ✓ Continue to deliver strong profitable organic growth in international markets
  - ✓ Conduct disposals and capital increase programme of more than €1 billion
  - ✓ Maintain its Net debt/EBITDA ratio at a level below 2.2x at year end 2011.
- **Groupe GO Sport**, comforted by its encouraging performance in September, intends to pursue its action plans for both GO Sport and Courir, based on greater offer and merchandising differentiation, a reinforced relationship with its clients and controlled costs and investments.
- **The investment portfolio** with both diversified and high-quality financial and real estate assets will be sold progressively with the objective of significantly reducing its size by year-end 2012.

## **Financial situation**

- At September 30<sup>th</sup> 2011, **Rallye's liquidity situation** has been reinforced by the closing in July of an additional 7-year €500m credit facility, allowing for a lengthening of Rallye's credit lines' maturity. The payment in shares of 46% of the interim dividend payment on October 6<sup>th</sup> 2011 allowed Rallye to increase its shareholders' equity by around €16.5m (with the creation of 793,939 additional shares).
- **Rallye** acquired 3.9 million preferred shares/ADRs<sup>1</sup> issued by Grupo Pão de Açúcar (GPA) and 9 million call options giving it the right to acquire the same number of ADRs. The economic participation in GPA (including preferred shares/ADRs, and the ADRs underlying to call options) amount to 5% of GPA's share capital. This acquisition reaffirms that Rallye is, as well as Casino, confident and committed towards Brazil and GPA.
- **Rallye** confirms its commitment to further improve its financial structure and to significantly reduce its net financial debt, notably through the significant reduction of the size of its investment portfolio.

For more information, please consult the company's website: [www.rallye.fr](http://www.rallye.fr)

### Analysts contact

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<sup>1</sup> ADR: American Depositary Receipts listed on the New York Stock Exchange and representing preferred shares

## Appendix: Rallye 2011/2010 consolidated net sales

(In € millions)

	2011	2010	Change
<b>First quarter:</b>			
Casino	7,850	6,609	+18.8%
Groupe GO Sport	158	164	-3.9%
Other*	4	4	-
<b>Total first quarter</b>	<b>8,012</b>	<b>6,777</b>	<b>+18.2%</b>
<b>Second quarter:</b>			
Casino	8,294	6,980	+18.8%
Groupe GO Sport	170	147	+15.9%
Other*	5	6	-
<b>Total second quarter</b>	<b>8,469</b>	<b>7,133</b>	<b>+18.7%</b>
<b>First semester:</b>			
Casino	16,144	13,589	+18.8%
Groupe GO Sport	328	311	+5.4%
Other*	9	10	-
<b>Total first semester</b>	<b>16,480</b>	<b>13,910</b>	<b>+18.5%</b>
<b>Third quarter:</b>			
Casino	8,705	7,185	+21.2%
Groupe GO Sport	182	191	-4.6%
Other*	37	2	-
<b>Total third quarter</b>	<b>8,924</b>	<b>7,377</b>	<b>+21.0%</b>

\* Relative to holding activity, investment portfolio and, since Q3 2011, sales related to Rallye's stake in GPA