RALLYE

Paris, July 26, 2013

INTERIM FINANCIAL REPORT

Article 222-4 of the AMF General Regulations

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1 – STATEMENT BY THE PERSON IN CHARGE OF THE INTERIM FINANCIAL REPORT

I hereby certify that, to my knowledge, the statements presented in the interim financial report have been established in accordance with the applicable accounting standards and that they present fairly the Rallye Group’s assets, financial position, and results; and that the interim business report gives a true and fair view of the important events that have occurred during the first six months of the fiscal year and their impact on the interim financial statements, of the main risks and uncertainties for the remaining six months of the year, and of major related-party transactions.

Paris, July 26, 2013

Didier Carlier
Chief Executive Officer

2 – INTERIM BUSINESS REPORT

Highlights of the first half of 2013

Rallye

- Successful 6-year bond issue of 300 million euros

On March 4, 2013, Rallye announced the successful placement of a bond issue in the amount of 300 million euros with a 6-year maturity. This new issue, more than 5 times oversubscribed, improves Rallye's liquidity and also extends the average maturity of its bond debt. This new bond, which will carry a 4.25% coupon, was subscribed by a diversified base of European investors.

- Tap for 150 million euros of the October 2018 private placement

On April 22, 2013, Rallye announced a successful tap of its private placement maturing on October 15, 2018 , in the amount of 150 million euros, thus raising the total amount of this line to 300 million euros. The financing cost for this tap is 3.754%, the lowest level ever achieved by Rallye (excluding exchangeable bonds).

Casino:

- The Casino group recorded a strong increase in its sales and current operating income in the first half of 2013, thanks to excellent operating performance of its international subsidiaries and to the enhancement of its profile both geographically and in its businesses
    - Controlled for one year, GPA's performances have improved significantly
    - On 10 July 2013, Casino Group received the approval of the French Competition Authority to take exclusive control of Monoprix, which is fully consolidated in the accounts of the Casino Group as of April 5, 2013.

Several events have also had an impact on the first half of 2013 at Casino:

- Successful 10-yearbond issue of €750 million

On **January 18, 2013**, Casino successfully placed a bond issue of €750 million with a 10-year maturity. This operation was intended to refinance the Group's next debt repayments.It extends the average maturity of Casino's bond debt from 4.5 years at the end of December 2012 to 5.1 years as of this date. This new bond, which will pay a coupon of 3.311%, was significantly oversubscribed by a diversified investor base.

- Process for Casino's acquisition of exclusive control of Monoprix finalized

Casino formally notified the French Competition Authority of the taking over of the exclusive control of Monoprix on **January 7, 2013**.
The first phase of the case review process was initiated on 6 February 2013, when the French Competition Authority declared the documentation complete.
As expected, at the end of this first review phase on **March 12, 2013,** the Competition Authority ruled that the case required a thorough examination, called phase 2, which allowed Casino to put forward all its arguments to the French Competition Authority.
On **April 5, 2013**, Casino exercised its right to have the 50% stake in Monoprix, held until then by Galeries Lafayette, temporarily carried by a subsidiary of Crédit Agricole Corporate & Investment Bank. The sale by Galeries Lafayette was completed, as previously disclosed, at a price of 1,175 million euros, funded by Casino.
On **July 10, 2013**, the Casino Group received the approval from the French Competition Authority to take exclusive control of the Monoprix Group. This authorization stipulates the sale of 58 stores out of the entire Casino Group network in France, representing a total sales area of approximately 21,000 m2, and does not impact any store under the Monoprix banner. Total disposals represent less than 1% of the Casino Group's turnover in France. The authorization concludes a constructive dialogue with the Competition Authority and allows the Casino Group to carry on the

development of the Monoprix Group. Monoprix is fully consolidated in the accounts of the Casino Group as of April 5, 2013, the date on which the acquisition of 50% of the Monoprix stock is presumed to have taken place.

- Two successful bond issues for a total amount of 600 million euros

On **April 29, 2013**, Casino successfully carried out two bond issues, representing a total of 600 million euros, consisting of 350 million euros added to the existing 2019 bond, and 250 million euros added to the existing 2023 bond. Following this transaction, the new nominal amount for these two bonds will increase to 1 billion euros each. The transaction extends the average maturity of Casino's bond debt from 5.1 years at the end of January 2013 to 5.4 years as of that date. The financing costs were at levels never before achieved by the Group. They were 1.990% for the 2019 bond operation, resulting for the first time in a cost below 2%, and 2.788% for the 2023 maturity. These two transactions were significantly oversubscribed by a diversified investor base.

- Green light from the French Competition Authority for the takeover of 38 convenience stores

On **May 27, 2013**, Casino received the green light from the French Competition Authority for the takeover of 38 convenience stores in southeast France from the Norma Group, subject to the sale of the targeted store based in Charlieu (42). The operation should come into force within the next weeks.

- Mr. Ronaldo Iabrudi appointed as a director of Casino Group in Brazil

On **June 10, 2013**, Casino Group announced the appointment of Mr. Iabrudi as director and representative of the company in Brazil. Mr. Iabrudi will lead the Casino Group's institutional relations with its various stakeholders. With this appointment of a highly experienced executive such as Mr. Iabrudi, Casino Group reaffirms its commitment to Brazil and its local presence. This appointment allows Casino to further engage with the Brazilian business community and with public regulators. In addition, it enhances the relationship, interaction, and interchange with GPA's management team.

Groupe GO Sport

GO Sport France used the first half of 2013 to work on its positioning in the area of communications and to launch projects designed to homogenize the store network by defining a new floor occupancy plan, and to improve customer relations by implementing a model store organization focused on sales and enhanced training for sales personnel. GO Sport also opened two franchise stores in France, in Brive and Briançon. As a result, at the end of June, the brand held 5 franchise stores in France, posting solid performances. The Courir brand has developed its MyCourir customer loyalty program (members of the program represented 33% of the banner's sales as of June 30, 2013, versus 28% as of year-end 2012). The first six months were also highlighted by the opening of a new Courir store in the Okabé shopping center in Kremlin-Bicêtre.

- Loïc Le Borgne becomes Chairman-Chief Executive Officer of Groupe GO Sport

Pierre LETZELTER announced his desire not to renew his term as member and Chairman of the Board of Groupe GO Sport. Following this decision, the Board of Directors, at its meeting of **April 19, 2013**, decided to combine the offices of Chairman and Chief Executive Officer. After a recommendation from the Appointments and Compensation Committee, the Board appointed Loïc Le Borgne, Group Chief Executive Officer since July 19, 2012, as Chairman-Chief Executive Officer. This combination of positions increases cohesion between strategy and management.

- Groupe GO Sport and Hervis Sports announce the participation of Forum Sport in STMI

On May 7, 2013, Groupe GO Sport and Hervis Sports announced the expansion of their international purchasing partnership by allowing Forum Sport, a Spanish sports equipment retailer, to join their common subsidiary STMI. This addition follows the membership of Twinner on June 25, 2012. The arrival of Forum Sport increases the international dimension of STMI by allowing it to cover a network of more than 1,200 stores in 11 European countries. Gross total sales of the four partners in STMI now total near €1.3 billion.

Subsequent events

Casino:

- Signing of a 5-year, USD 1 billion credit facility

On **July 4, 2013**, Casino announced the signature of a 5-year line confirmed credit facility in the amount of USD 1,000 million (approximately €770 million) with a group of ten international banks: JPMorgan and RBS (coordinating banks), Bank of America Merrill Lynch, Bank of Tokyo-Mitsubishi, Barclays, Citi, Credit Suisse, Deutsche Bank, Goldman Sachs, and Mizuho Bank. This credit line refinances the existing facility of USD 900 million signed in August 2011 with a three-year maturity. The increase in size and the extension of maturity to 5 years strengthen the Group's liquidity and extend the average maturity of Casino's confirmed lines from 1.8 to 3 years. This transaction gives the Group access to competitive financial resources with major international banks.

- Mr. Ronaldo Iabrudi named to the Boards of Directors of CBD and Via Varejo

On **July 18, 2013**, the Casino Group announced that its director and representative in Brazil, Ronaldo Iabrudi, had been appointed to serve on the Boards of Directors of Companhia Brasileira de Distribuição and Via Varejo, replacing Mr. Jean-Louis Bourgier and Mr. Abilio Diniz, respectively. Deliberation on the election of Mr. Iabrudi will take place at the Extraordinary General meetings of both companies, to be held in the coming weeks.

- Casino finalizes the acquisition of Monoprix

On **July 24, 2013**, following approval from the French Competition Authority to take exclusive control of the Monoprix Group, Casino finalized the acquisition of the remaining 50% of Monoprix held by a subsidiary of Crédit Agricole Corporate & Investment Bank under a temporary holding arrangement.

Rallye

On **July 17, 2013,** Rallye extended the maturity of its syndicated loan for €680 million by two years. This financing now matures in 2018.

Business report

Sales

Rallye's consolidated sales totaled €24.1 billion as of June 30, 2013, up 36.2% as compared to June 30, 2012. The breakdown by business unit is as follows:

(In € millions)	06/30/2013	06/30/2012	Change
Casino	23,767	17,348	+37.0%
Groupe Go Sport	311	324	-4.1%
Other *	9	8	-
Total	24,087	17,681	+36.2%

* Relative to holding activity and investment portfolio

In the first half of 2013, **Casino** recorded consolidated sales of 23.8 billion euros, up +37.0%, with a positive impact of +42% from changes in the scope of consolidation, resulting from the full consolidation of GPA since the second half of 2012 and of Monoprix as of the second quarter of 2013, while the foreign exchange rates had a negative impact of -6.4%. Organic growth in sales [1] excluding petrol was +1.9% over the first half.

In **France**, organic sales[1] excluding petrol and calendar effect, were down -3.4%, under the impact of the price cuts at Géant and Casino supermarkets. The first half saw a gradual improvement in traffic and volumes for both banners, and the sustained developmentof e-commerce.
The sales of **Franprix/Leader Price** grew +2.4% over the semester. **Monoprix** posted a good increase in its organic sales, excluding petrol and the calendar effect, of +1.6%, driven by the improvement in same-store sales and by sustained expansion of all its formats.
At **Géant**, reported sales were down under the effect of significant price cuts; the new price positioning is very competitive. Food sales on a same-store basis, excluding the calendar effect, improved sequentially (-5.9% in Q2 2013, up from -7.7% in Q1 2013), thanks to the impact of improved traffic. Excluding the impact of price cuts, food sales, on a comparable basis and excluding the calendar effect, were almost flat in the second quarter. **Casino supermarkets**, where price indices are improving (independent panelist), recorded a progressive inflection in volumes driven by the private label and customer traffic following the price cuts. The **superettes** stepped up the roll-out of the Casino Shop and Shopping formats, particularly with the successful conversion of 71 stores in Lyon and Marseilles and more openings in new sales outlets (railway stations, airports, motorways, etc.) The banner continued to streamline its store network with 45 store openings and 208 store closures over the quarter. Finally, the **other activities,** which primarily include Cdiscount, Mercialys, and Casino Restauration, recorded sales growth of +5.3%, carried primarily by the strong performance of Cdiscount, whose business volume rose +17.3% in the first half of 2013.

Sales of **International operations** (which represented 61% of Casino's sales in H1 2013, compared with 48% in H1 2012), rose +75% and posted sustained organic growth[1] excluding petrol and calendar effect (+9%), driven by ongoing strong same-store sales, and by the still highly sustained expansion in all geographical areas.
Excluding currency and scope effects, **Latin America** reported very strong organic growth, excluding petrol and calendar effect (+9.5%), led by dynamic sales on a same-store basis (+6% excluding petrol and calendar effect), particularly in Brazil, and by the substantial contribution from expansion across all regions.
Sales in **Asia** increased by a sharp +11.4% to 1,828 million euros, up from 1,641 million euros in the first half of 2012, thanks to good same-store sales and a dynamic expansion.

As of June 30, 2013, consolidated sales for **Groupe GO Sport** were €310.8 million, down 4.0% on a same-store basis and using constant exchange rates, as compared to the first half of 2012.

Sales for the **GO Sport** banner were down 5.8% in **France** on a same-store basis. The **Courir** banner recorded its sixth semester of sales growth in a row, with an increase of 1.3%, confirming the sustainability of its new concept's success. In **Poland,** sales for the **GO Sport** banner rose sharply in the second quarter (+5.6%), despite an increase in competitive pressure in the Polish market.

[1] Based on a comparable scope of consolidation and constant exchange ratesand, for current operating income, excluding the impact of real-estate disposals (for information, GPA releases gross sales including calendar effect)

Current operating income

Rallye posted current operating income of 952 million euros, an increase of +50.6% over the first half of 2012. The breakdown by business unit is as follows:

(In € millions)	06/30/2013	06/30/2012	Change
Casino	969	638	51.9%
Groupe Go Sport	-16	-14	-20.4%
Other *	-	9	ns
Total	952	632	50.6%

* Relative to holding activity and investment portfolio

Current operating income for **Casino** was up +51.9% (+0.9% in organic growth[2]), driven by improved profitability in Brazil, strong organic growth internationally, and the full consolidation of both GPA and Monoprix. International operations now represent 74% of current operating income (up from 61% in the first half of 2012). Current operating income in **France** grew slightly by +1.2% compared to the first half of 2012, primarily under the impact of the full consolidation of Monoprix as of the second quarter of 2013, which offset the impact of the price investments at Casino France. Current operating income for the **International** operations grew strongly by +84.8%, impacted by the full consolidation of GPA and strong organic growth, which benefited from a very strong performance in Brazil. Organically, current operating income rose +8.2%.

Groupe GO Sport recorded a current operating loss of -16.5 million euros as of June 30, 2013, down 2.8 million euros as compared to the first half of 2012, as solid cost control only partially offset the deterioration in the sales margin.

Operating income

Other operating income and expenses show net income of 516 million euros in the first half of 2013, compared with a net expense of 109 million euros in the first half of 2012. This amount, which is primarily related to net income from scope transactions for 621 million euros, mainly reflects the impact of the deconsolidation of Mercialys following Casino's loss of control, and the revaluation of the share previously held in Monoprix after Casino acquired exclusive control.

After the impact of other operating income and expenses, operating income was €1,469 million in the first half of 2013, compared with €523 million in the first half of 2012.

Net income, Group share

(In € millions)	6/30/2013	6/30/2012
Current operating income	952	632
Other operating income and expenses	516	-109
Cost of net financial debt	-407	-318
Other financial income and expenses	-25	-52
Net income from continuing operations	749	38
Net income from discontinued operations	0	-1
Net income	749	37
Net income, Group share	167	-124
Underlying net income, Group share	-30	-34

Net income, Group share as of June 30, 2013, reached €167 million, compared with €-124 million as of June 30, 2012. Underlying net income, Group share, from continuing operations was -30 million euros at the end of June 2013 versus -34 million euros at the end of June 2012, an improvement of +10.3%.

Shareholders' equity

[2] Based on a comparable scope of consolidation and constant exchange, excluding the impact of real-estate disposals

Shareholders' equity, Group share totaled €1,741 million as of June 30, 2013, versus €1,826 million at December 31, 2012. The change was primarily due to:

- €167 million in net income, Group share for the half of the year;
- the change in ownership interests in subsidiaries for -43 million euros,
- recognition of €-168 million in negative translation adjustments;
- dividend payments in the amount of €49 million.

Financial structure of the holding company scope of consolidation

Rallye's holding company scope of consolidation includes Rallye and its wholly owned subsidiaries that operate as holding companies and hold Casino and Groupe GO Sport shares and the investment portfolio.

- Net debt of the Rallye holding company scope of consolidation

As of June 30, 2013, the restated net assets of the Rallye holding company scope of consolidation totaled €4,290 million, consisting of the Casino shares for €3,976 million, the investment portfolio for €249 million, and other assets for €65 million (including Groupe GO Sport shares for €25 million).

The net debt of the Rallye holding company scope of consolidation totaled €2,689 million as of June 30, 2012 and is therefore hedged 1.60 times by the restated assets.

This debt, which is composed of bond and bank financing for a total gross amount of 3,089 million euros, plus the accrued interest and IFRS restatements for a total of 133 million euros, is net of money market investments and cash and cash equivalents recorded in the amount of 533 million euros.

- Investment portfolio of the Rallye holding company scope of consolidation

As of June 30, 2013, the investment portfolio amounted to 249 million euros versus 257 million as of December 31, 2012. It consists of financial investments with a market value [3] of 200 million euros and real estate programs booked at historical cost [4] for 49 million euros. The decline in the value of the portfolio during the first half of 2013 primarily reflects the 16 million euros in net cash-in [5] received during the period.

Parent company results

Rallye's sales totaled €1.6 million as of June 30, 2013 versus €0.8 million as of June 30, 2012.
Rallye's net income totaled €34.8 million versus net income of €40.3 million as of June 30, 2012.

The Board of Directors of Rallye decided to go back to a dividend payment on an annual basis.

Major related-party transactions

The related-party transactions are described in Rallye's Reference Document for fiscal year 2012, which was filed with the French Financial Markets Authority (AMF) on April 16, 2013, under number D.13-0362. They mainly concern current transactions with companies over which the Group exercises notable influence or joint control and which have been consolidated under the equity or the proportionate consolidation method. The transactions are concluded at market price.
Transactions with related parties who are individuals (directors, executive officers, and members of their families) were not material, nor were transactions with the parent companies.

As of June 30, 2013, Foncière Euris owned 56.04% of Rallye's capital and 71.25% of its voting rights.

The only transaction in the first half between Rallye and Foncière Euris concerned the payment of the dividend balance for the fiscal year 2012, which was paid in cash and amounted to €28 million.

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[3] The market value of financial investments is the accounting value used for the consolidated financial statements (fair value – IAS 39) and is generally based on external valuations (fund General Partners) or pending transactions.
[4] Real estate developments are recorded at historical cost and are not revalued before the sale of investments (IAS 40).
[5] Net from investments

Rallye benefits from the guidance of Euris, the Group's parent company, under the terms of a strategic advisory services agreement signed in 2003.

Relationships with related parties, including the methods for compensating company directors, have remained comparable to those of the 2012 fiscal year, and no unusual transactions, in nature or amount, occurred during the period.

Main risks and uncertainties for the second half of 2013

The Group’s business activities are exposed to certain risk factors described in the Rallye Reference Document related to fiscal year 2012, which is available on the Group’s website, and was filed with the French Financial Markets Authority on April 16, 2013, under number D.13-0362.

Trends and outlook

- **Casino** is maintaining its targets for 2013:
  - Strong growth in reported sales
  - Organic sales and organic trading profit growth
  - Maintaining a solid financial structure with a net financial NFD/EBITDA ratio below 2x

- In the second half, **GO Sport** will pursue the action plans initiated in the first half of 2013, particularly through the deployment of strategic projects destined to homogenize its store network and improve customer relations, a progressive increase in business on its e-commerce website, and the deployment of a franchise business in France. The banner will also pursue its plan to optimize costs and increase its purchasing volumes in order to improve its profitability.

  Courir will consolidate the achievements of the first half, will continue to refine its positioning to best meet the expectations of its core target customer base of 15-25 year olds, and will prepare the launch of a franchise business in France.

- **Rallye** benefits from a very strong liquidity situation, with €2.0 billion in confirmed, undrawn, and immediately available credit lines, and over €530 million in cash and cash equivalents as of June 30, 2013. The average maturity of the bank and bond debt and of credit lines has been extended thanks to dynamic and opportunistic financing strategy
  Rallye confirms its objective to sell its entire **investment portfolio** while keeping as a priority to maximize the assets' selling price in order to further improve its financial structure.

3 – INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2013

Rallye Group Consolidated Income Statement

(In € millions)	Notes	June 30, 2013	June 30, 2012
CONTINUING OPERATIONS			
Net sales	5	24,087	17,681
Full purchase costs of goods sold		(17,870)	(13,131)
Gross margin		**6,217**	**4,550**
Other income		114	195
Cost of goods sold	6	(4,431)	(3,350)
General and administrative expenses	6	(948)	(763)
Current operating income	**5**	**952**	**632**
Other operating income	7	825	53
Other operating expenses	7	(309)	(162)
Operating income		**1,469**	**523**
Income from cash and cash equivalents	8.1	88	51
Cost of financial debt	8.1	(496)	(369)
Cost of net financial debt	**8.1**	**(407)**	**(318)**
Other financial income	8.2	142	144
Other financial expenses	8.2	(167)	(196)
Profit before tax		**1,037**	**153**
Income tax expense	9	(286)	(100)
Income from associates	11	(2)	(16)
Net income from continuing operations		**749**	**38**
Company owners		**167**	**(124)**
Non-controlling interests		582	162
Discontinued operations			
Net income from discontinued operations			**(1)**
Company owners			(1)
Non-controlling interests			
Net income		**749**	**37**
Company owners		**167**	**(124)**
Non-controlling interests		582	162

(In € millions)	June 30, 2013	June 30, 2012
Consolidated net earnings per share attributable to company owners (in €)		
Base	3.47	(2.68)
Diluted	3.46	(2.68)
Net income per share from continuing operations, attributable to company owners (in €)		
Base	3.47	(2.67)
Diluted	3.46	(2.67)

Statement of Comprehensive Income

(In € millions)	June 30, 2013	June 30, 2012
Net income over the period	**749**	**37**
Items subsequently recyclable as income/loss	**(791)**	**38**
Cash flow hedges	4	(6)
IFRIC 16 - Hedges of a Net Investment in a Foreign Operation;		(24)
Translation adjustments	(813)	47
Financial assets available for sale	28	11
Share of associates in recyclable items	(7)	0
Income tax impact	(3)	10
Items not recyclable as income	**(4)**	**(9)**
Actuarial discrepancies	(6)	(14)
Income tax impact	2	5
Income and expenses booked directly as equity, net of taxes	**(795)**	**29**
Total income and expenses booked over the period, net of taxes	**(47)**	**66**
Of which, Group share	24	(161)
Non-controlling interests	(71)	228

(1) The negative change of 812 million euros in the first half of 2013 is primarily the result of the depreciation of the Brazilian currency in the amount of 586 million euros and of the Colombian currency in the amount of 207 million euros.
The positive change of 47 million euros in the first half of 2012 primarily reflect the appreciation of the Colombian currency in the amount of 263 million euros, offset by the depreciation of the Brazilian currency in the amount of 203 million euros.

Statement of Financial Position

(In € millions)	Notes	June 30, 2013	December 31, 2012
Goodwill	10	12,926	11,848
Intangible assets	10	3,761	3,922
Property, plant and equipment:	10	9,101	8,672
Investment property	10	742	714
Share of income/loss of associates	11	809	277
Other non-current financial assets		2,069	2,063
Non-current hedging financial assets		111	246
Deferred tax assets		873	849
Total non-current assets		**30,392**	**28,591**
Inventories		4,971	4,885
Trade receivables		1,482	1,744
Other current assets		1,691	1,656
Current tax receivables		89	49
Other current financial assets		387	477
Cash and cash equivalents	12	4,129	6,331
Assets and liabilities held for sale	13	140	1 476
Total current assets		**12,889**	**16,618**
Total Assets		**43,280**	**45,209**

SHAREHOLDERS' EQUITY AND LIABILITIES (in € millions)	Notes	June 30, 2013	December 31, 2012
Capital	14	146	146
Reserves and share of income/loss attributable to company owners		1,595	1,680
Equity attributable to company owners		**1,741**	**1,826**
Non-controlling interests		11,163	11,888
Shareholders' equity		**12,904**	**13,714**
Provisions	16	1,012	957
Non-current financial liabilities	17	11,121	11,730
Other non-current liabilities		862	1,007
Deferred tax liabilities		1,525	1,376
Total non-current liabilities		**14,520**	**15,070**
Provisions	16	227	278
Trade payables		5,999	6,747
Current financial liabilities	17	5,304	3,719
Tax liabilities payable		115	119
Other current liabilities		4,212	4,467
Liabilities related to assets held for sale	13		1,095
Total current liabilities		**15,856**	**16,424**
Total shareholders' equity and liabilities		**43,280**	**45,209**

(*) The financial statements previously published have been restated following changes in the determination of the fair value of the acquired GPA assets and liabilities (see Note 3.4)

Consolidated Cash Flow Statement

(In € millions)	June 30, 2013	June 30, 2012
Net income attributable to company owners	167	(124)
Non-controlling interests	582	162
Consolidated income	**749**	**37**
Amortization, depreciation, and provisions	618	422
Unrealized gains and losses related to changes in fair value	73	(76)
Expenses and income calculated and related to stock options and the like	14	9
Other calculated expenses and income	24	(23)
Amortization, depreciation, provisions and other non-disbursable items	**729**	**332**
Income/loss on asset disposals	(73)	(9)
Losses/(profits) related to changes in interests in subsidiaries with loss of control or non-controlling interests	(687)	(7)
Share of income/loss of associates	2	16
Dividends received from associates	50	2
Cash Flow	**770**	**371**
Cost of net financial debt (excluding changes in fair value and amortization)	384	296
Tax liability (including deferred taxes)	286	99
Cash flow before cost of net debt and taxes	**1,440**	**766**
Taxes paid	(206)	(147)
Change in Working Capital Requirement (Note 4.1)	(1,111)	(782)
Net cash flow from operating activities (A)	**123**	**(163)**
Disbursements related to acquisitions of tangible and intangible assets and investment properties	(793)	(554)
Receipts from sales of tangible and intangible assets and investment properties	182	36
Disbursements for acquisition of financial assets	(68)	(157)
Disbursements related to sales of financial assets	23	5
Impact of changes in scope of consolidation with change of control (Note 4.2)	(1,748)	(25)
Impact of changes in scope of consolidation related to joint ventures and associates		(22)
Change in loans and advances made		
Net cash flow from investing activities (B)	**(2,404)**	**(717)**
Dividends paid to shareholders of the parent company	(50)	(31)
Dividends paid to minority shareholders of consolidated companies	(247)	(703)
Dividends paid to holders of perpetual super subordinated notes	(9)	(11)
Capital reductions/increases in cash	7	(1)
Sums received from the exercise of stock options	1	2
Other transactions with minority shareholders (See Note 4.3)	(68)	242
Purchases and sale of treasury stock	(42)	(3)
Acquisitions and sales of financial investments	67	83
Bond issues	2,490	2,380
Bond redemptions	(2,050)	(1,250)
Net financial interest paid	(471)	(352)
Net cash flow from financing activities (C)	**(372)**	**356**
Impact of currency translation adjustments (D)	**(191)**	**22**
Change in cash (A+B+C+D)	**(2,844)**	**(502)**

Net cash and cash equivalents at beginning of period (E)	6,012	3,336
Net cash from activities held for sale	(204)	
Net cash at beginning of period on balance sheet	5,808	3,336
Net cash at end of period (F)	3,168	2,834
Net cash from activities held for sale		(204)
Net cash at end of period on balance sheet	3,168	2,799
Change in cash and cash equivalents (F-E)	**(2,844)**	**(502)**

Statement of Changes in Consolidated Shareholders' Equity

(In € millions)	Capital	Reserves related to capital (1)	Treasury shares	Cash flow hedges	Net investment hedge	Translation adjustments	Financial assets available for sale	Actuarial discrepancies	Consolidated reserves and income/loss	Shareholders equity attributable to owners	Non-controlling interests	Total shareholders' equity
As of January 1, 2012	**139**	**1,398**	**(14)**	**(1)**		**243**	**40**	**(6)**	**(167)**	**1,632**	**6,281**	**7,913**
Income and expenses realized directly in equity				(6)	(8)	(37)	19	(4)		(37)	66	29
Consolidated net income for 2012 (2)									(124)	(124)	162	38
Total income and expenses recognized	**0**	**0**	**0**	**(7)**	**(8)**	**(37)**	**19**	**(4)**	**(124)**	**(161)**	**228**	**67**
Capital transactions	3	13							12	28	29	57
Transactions in treasury shares			3						(1)	2	(5)	(3)
Dividends paid (3)									(49)	(49)	(747)	(796)
Change in interests without gain or loss of control of subsidiaries (4)									55	55	256	311
Changes in interest relating to the gain or loss of control of subsidiaries										0	1	1
Other changes									(2)	(2)	(6)	(8)
As of June 30, 2012	**142**	**1,411**	**(11)**	**(8)**	**(8)**	**206**	**59**	**(10)**	**(276)**	**1,506**	**6,038**	**7,544**
As of January 1, 2013	**146**	**1,439**	**(11)**	**2**	**(15)**	**52**	**66**	**(19)**	**167**	**1,826**	**11,888**	**13,714**
Income and expenses realized directly in equity				1		(168)	26	(2)		(143)	(653)	(796)
Consolidated net income for 2013 (2)									167	167	582	749
Total income and expenses recognized	**0**	**0**	**0**	**1**	**0**	**(168)**	**26**	**(2)**	**167**	**24**	**(71)**	**(47)**
Capital transactions									(9)	(9)	19	10
Transactions in treasury shares			(3)						(2)	(5)	(33)	(38)
Dividends paid (3)									(49)	(49)	(240)	(289)
Change in interests without gain or loss of control of subsidiaries (5)									(44)	(44)	(38)	(82)
Changes in interest relating to the gain or loss of control of subsidiaries (6)										0	(364)	(364)
Other changes									(2)	(2)	2	
As of June 30, 2013	**146**	**1,439**	**(14)**	**3**	**(15)**	**(116)**	**92**	**(21)**	**228**	**1,741**	**11,163**	**12,904**

(1) Capital reserves = issue premiums, contribution premium, merger premiums, legal reserves

(2) Non-controlling interests come primarily from Casino, which was held at 49.45% in 2012 and 49.08% in 2013, and from minority shareholders in Casino (primarily GPA)

(3) Dividends paid to minority shareholders correspond to the annual distribution of Casino, Guichard-Perrachon for fiscal years 2012 and 2013 for 166 and 173 million euros, respectively. The balance of the dividends paid to minority shareholders in the first half of 2013 concern the entities Exito and Big C Thailand, for 43 and 19 million euros, respectively. For the period ended June 30, 2012, the balance of the dividends paid to the minority shareholders of Exito, Big C Thailand and Mercialys amounted to 39, 15, and 528 million euros. The change between the two periods is primarily the result of the exceptional distribution made by Mercialys in 2012 in the context of the loss of control

(4) The positive impact of 311 million euros represents 155 million euros in transactions executed on the subsidiary Big C Thailand related to the reduction in the percentage held by the Casino group in the subsidiary following (i) the capital increase to which the Casino group did not subscribe and (ii) the market sale of shares of the subsidiary and 150 million for the change in Rallye’s interest in the Casino group.

(5) Corresponds primarily to the change in the put and the change in the share of GPA minority shareholders for a total amount of 51 million euros and the buyback transactions from minority shareholders related to Franprix-Leader Price masterfranchises for -43 million euros

(6) Corresponds primarily to the exit of minority shareholders for 351 million euros following the loss of control of Mercialys

GENERAL INFORMATION

Rallye is a *société anonyme* (joint-stock company) registered in France and listed on NYSE Euronext Paris, in Eurolist Compartment A. The company and its subsidiaries are hereinafter referred to as the "Group" or the "Rallye group."

The condensed consolidated financial statements as of June 30, 2013, reflect the company's financial position and that of its subsidiaries and joint ventures, as well as the Group's interests in associates. The statements were subjected to a limited review by our auditors.

On July 25, 2013, the Board of Directors prepared and authorized the publication of Rallye's consolidated financial statements for the six-month period ended June 30, 2013.

NOTE 1: BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS AND ACCOUNTING METHODS

1.1 Compliance statement

Pursuant to European regulation 1606/2002 of July 19, 2002, the condensed consolidated financial statements of the Rallye group as of June 30, 2013 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and adopted by the European Union as of June 30, 2013.

These accounting standards are available on the European Commission website and include the international accounting standards (IAS and IFRS), the interpretations issued by the Standing Interpretation Committee (SIC), and the International Financial Reporting Interpretations Committee (IFRIC). (http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm)

1.2 Basis of preparation

The condensed consolidated financial statements were established in compliance with the international financial reporting standard IAS 34 ("Interim financial reporting").

The interim consolidated financial statements are to be read as a supplement to the consolidated financial statements for the fiscal year ended December 31, 2012, as they appear in the Reference Document filed with the French Financial Markets Authority (AMF) on April 16, 2013, under number D.13-0362.
The Rallye Group's consolidated financial statements as of December 31, 2012 are available on request from the company's financial department at 32, rue de Ponthieu in Paris' 8th arrondissement, or on the Internet site www.rallye.fr.

The financial statements are expressed in euro millions, the Group's functional and reporting currency. The tables contain data rounded off individually to the nearest million euros. Calculations based on rounded figures may differ from reported aggregates and sub-totals.

1.3 Accounting methods

The accounting rules and methods applied in the preparation of the condensed interim financial statements are identical to those used for the consolidated financial statements for the fiscal year ended December 31, 2012, taking into account or with the exception of the new standards and interpretations listed hereafter.

2.3.1. Standards, amendments to standards, and interpretations applicable in the European Union as of the fiscal year beginning January 1, 2013

The Group has adopted the following standards, amendments, and interpretations, which are applicable as of January 1, 2013. The date of application coincides with the date of the IASB:
- IFRS 13 – Fair value measurement;
- IAS 1 Amendment - Presentation of Financial Statements;
- IAS 19 Amendment – Employee benefits:
- Annual improvements to the IFRS–2009-2011 cycle (issued in May 2012);
- Amendment to IFRS 7–Disclosures–Set-off of financial assets and liabilities:

These newly published standards did not have a material impact on the Group's results or financial position.

2.3.2. Standards and interpretations not yet in effect in the European Union

Texts adopted by the European Union

- IFRS 10 – Consolidated Financial Statements (applicable to periods beginning on or after January 1, 2014);
- IFRS 11 – "Joint Agreements" (applicable to periods beginning on or after January 1, 2014);
- IFRS 12 – Disclosure of investments in other entities (applicable to periods beginning on or after January 1, 2014);
- IFRS 10, 11 and 12 amendments: transitional provisions (applicable to periods beginning on or after January 1, 2013);
- IAS 27 revised – Separate Financial Statements (applicable to periods beginning on or after July 1, 2014);
- IAS 28 revised – Investments in associates and joint ventures (applicable to periods opening on or after January 1, 2014);
- IAS 32 amendment – Offsetting financial assets and liabilities (applicable to periods beginning on or after January 1, 2014);

The European Union has set a mandatory application date for the standards described above for fiscal years beginning on or after January 1, 2014, versus the January 1, 2013 date set by the IASB, with the exception of the amendment to IAS 32.

The Group has not applied any of these new amendments or new standards early and is currently assessing the impacts resulting from first-time application, particularly those related to IFRS 10, on the scope of consolidation.

Following the takeover of control of Monoprix, the application of IFRS 11 will have no material impact on the Group's consolidated financial statements.

Texts not adopted by the European Union

Subject to their definitive adoption by the European Union, the standards, amendments to standards and interpretations published by the IASB and presented hereinafter are applicable, according to the IASB, to annual periods beginning on or after January 1, 2014 (with the exception of IFRS 9).

- IFRS 9 – Financial Instruments: classifications and valuations and subsequent amendments to IFRS 9 and IFRS 7 (applicable according to the IASB to periods beginning on or after January 1, 2015);
- Amendments to IFRS 10, IFRS 12, and IAS 27 – Investment entities;
- Amendment to IAS 36 – Disclosure of the non-recoverable amount of non-financial assets;
- IFRIC 21 – Levies;
- Amendment to IAS 39 – Novation of derivatives and continuation of hedge accounting.

The Group has not applied any of these new standards or interpretations early and is currently assessing the impacts of first-time application of IFRS 9.

1.4 Using estimates and judgments

The preparation of consolidated financial statements requires that management use estimates, judgments and assumptions that may have an impact on the assets, liabilities, income, and expenses included in the financial statements, as well as on some of the data included in the Notes to the financial statements.
As assumptions are inherently uncertain, actual results could differ from those estimates. The Group regularly revisits its estimates and assumptions in order to take into account past experience and to include factors deemed to be relevant under prevailing economic conditions.

When preparing these interim consolidated financial statements, the main judgments made by management, and the main assumptions used, are the same as those applied when preparing the consolidated financial statements for the fiscal year ended December 31, 2012.

The main judgments for the period concerned:
- the method for consolidating Monoprix and Mercialys and the revaluation of their earlier percentage (see Notes 3.1 and 3.2, respectively)
- the determination of the fair values of the identifiable assets and liabilities of GPA (Note 3.4)

NOTE 2: EVENTS DURING THE PERIOD

2.1 Changes in the scope of consolidation

During the first half of 2013, the following main changes in the scope of consolidation took place:

- **Main entries and exits from the scope of consolidation:**

Name of the company/sub-group	Business	Country	Type of Transaction	Consolidation method
Monoprix (Note 3.1.)	Retail	France	Takeover	FC
Mercialys (Note 3.2.)	Real estate	France	Loss of control	EM
Franprix-Leader Price sub-group (Note 3.3)	Retail	France	Takeover	FC

2.2 Other highlights

- **Bond issues**

On January 18, 2013, the Casino group completed a 10-year (2023), 750-million-euro bond issue remunerated at 3.31% in the context of its EMTN program.

On March 4, 2013, Rallye announced the successful placement of a bond issue in the amount of 300 million euros with a 6-year maturity. This issue, more than 5 timesoversubscribed, improves Rallye’s liquidity and also extends the average maturity of its bond debt. This new bond line, which will carry a 4.25% coupon, was subscribed by a diversified base of European investors.

On April 22, 2013, Rallye announced a successful tap of its October 15, 2018 private placement in the amount of 150 million euros, thus raising the total amount of this line to 300 million euros. The financing cost for the tap is 3.754%, the lowest level ever achieved by Rallye (excluding exchangeable bonds).

On April 29, 2013, the Casino group issued two bond placements, representing a total of 600 million euros, consisting of 350 million euros added to the existing 2019 bond, and 250 million euros added to the existing 2023 bond.

- **Diniz dispute arbitration proceeding**

On May 1, 2013, the Casino group filed a counter-claim against Mr. Diniz in the context of an arbitration proceeding. This claim seeks to have the court rule that the election of Mr. Diniz as chairman of the Board of Directors of Brasil Foods S.A., without his resignation as chairman of the Board of GPA, constitutes a conflict of interest in violation of Brazilian law and the shareholders' agreements signed by Casino and Mr. Diniz within GPA.

Other than the legal fees incurred in it, this proceeding has no impact on the consolidated financial statements.

- **Acquisition of 38 convenience stores**

On May 27, 2013, the Casino group announced that it had obtained authorization from the Competition Authority to acquire 38 convenience stores from the Norma Group, provided that it sells the store in Charlieu. The definitive acquisition agreement is expected to be executed in the third quarter of 2013.

NOTE 3: CONSOLIDATION SCOPE TRANSACTIONS

3.1 Takeover of Monoprix

On April 5, 2013, Casino exercised its option to have the 50% stake in Monoprix, which had been held until then by Galeries Lafayette (GL), carried by a subsidiary of Crédit Agricole Corporate & Investment Bank (CACIB) under the terms of the settlement protocol signed on July 26, 2012.

On April 5, 2013, the sale by GL was completed at a price of 1,175 million euros, financed by Casino.

On July 10, 2013, the Competition Authority approved the takeover of Monoprix with the obligation to sell 58 stores of the Casino group (50 consolidated stores and 8 independent stores), 55 of which are in Paris (see Note 13).

The payment for the Monoprix stock made to GL ended the co-control agreement between Casino and GL, as CACIB was not substituted for GL as a partner of the Group.

In accordance with the commitments made to the French Competition Authority by the Casino group, the governance of Monoprix was modified and placed Monoprix under self-directed management during the temporary holding period.

Under the agreements with CACIB, and since the prepayment made on April 5, 2013 during the implementation of the temporary holding arrangement, Casino has been exposed to the risks and advantages of the 50% stake previously held by GL. As a result and pursuant to IAS 27, the Casino group has controlled Monoprix since April 5, 2013, the date as of which Monoprix has been fully consolidated. The Group consolidated Monoprix proportionately at 50% until April 4, 2013.

On July 24, 2013, following approval from the Competition Authority to take exclusive control of the Monoprix group, the Casino group has finalized the acquisition of the remaining 50% held by a subsidiary of Crédit Agricole Corporate & Investment Bank under a temporary holding arrangement (see Note 22).

The Monoprix balance sheet and provisional goodwill are as follows:

(In € millions)	Balance sheet as of April 5, 2013 *
Intangible assets	136
Property, plant, and equipment:	1,092
Other non-current assets	22
Deferred tax assets	
Inventories	325
Trade receivables	34
Current tax receivables	9
Other current assets	139
Cash and cash equivalents	106
ASSETS	**1,864**
Non-current provisions	75
Non-current financial liabilities	2
Other non-current liabilities	1
Deferred tax liabilities	150
Current provisions	7
Current financial liabilities	620
Trade payables	443
Other current liabilities	329
Liabilities	**1,627**
100% identifiable assets and liabilities, net (A)	**237**
Fair value of the 50% percentage previously held (B)	**1,175**
Acquisition price for 50% of Monoprix (C)	**1,176**
Provisional goodwill (B + C - A)	**2,114**

(*) Given the date of completion of the transaction, the Group was unable to estimate the fair value of the assets and liabilities. As a result, the Monoprix acquisition balance sheet was consolidated at its net book value and goodwill was recognized for the difference with the consideration transferred. The provisional goodwill includes, at this stage, the fair values of the intangible assets (including the brand) and the real estate assets.

Pursuant to IFRS 3R, the shift from proportionate consolidation at 50% to full consolidation at 100% resulted in the recognition of a revaluation income of its previously held percentage in the amount of 139 million euros (see Note 7).

The table below shows the impact of the 100% consolidation of Monoprix in the Casino group's consolidated statements for the period ended June 30, 2013, as if the takeover of Monoprix had occurred on January 1, 2013.

(In € millions)	CASINO group: June 30, 2013 proforma	Casino group June 30, 2012 published
Sales	24,270	23,767
Current operating income	992	969
Operating income	1,521	1,499
Net financial income (loss)	(342)	(340)
Profit before tax	1,179	1,158
Consolidated net income	**884**	**871**

Company owners*	**606**	**594**
Non-controlling interests	277	277

(*) At the level of the Rallye group, the share of the income attributable to the company's owners would be 297 million euros for the proforma statements versus 292 million euros for the published statements

This proforma data does not include the potential impact of the valuation of the assets and liabilities at fair value and the cost of financing if the takeover had occurred on January 1, 2013. This fair value valuation work will begin during the second half of 2013.

3.2 Loss of control of Mercialys

In early January 2012, the Casino group initiated a process to lose control of its Mercialys subsidiary. Since that date, the assets and liabilities of this subsidiary have been classified in accordance with IFRS 5 as "assets held for sale" and "liabilities associated with assets held for sale."

After the 2012 sale of 9.9% of the Mercialys shares, the Casino group reduced its stake in Mercialys to 40.2%. This decrease in the stake generated a gain of 89 million euros, which was recognized over the first half of 2013 at the time of the loss of control of Mercialys.

The sale process in 2012 also included a reorganization of the governance and of the agreements between Casino and Mercialys.

The Shareholders' Meeting held on June 21, 2013, confirmed the independence of the Board of Directors and the loss of control of a majority of the voting rights at the Shareholders' Meeting.

As a result, the Mercialys group has been consolidated in the Casino consolidated financial statements using the equity method since June 21, 2013 (see Note 11). The impact of the loss of control generated a gain of €548 million presented as "Other operating income" (see Note 7). This gain includes income of €459 million related to the fair value revaluation of the interest retained, determined on the basis of the market price on the date control was lost, and the gain of €89 million from the sale of the 9.9% at the end of 2012 recognized over the semester.

3.3 Franprix-Leader Price sub-group transactions

During the first half of 2013, Franprix – Leader Price acquired control primarily of three sub-groups (Distri Sud-Ouest, RLPG Développement, and Cafige) in which it held a minority interest. These sub-groups operate 159 stores under the Franprix and Leader Price brands. The amount disbursed for the acquisition of these sub-groups totaled 85 million euros and generated provisional goodwill of 276 million euros and an expense of 4 million euros recorded under "Other operating expense." The acquisition costs for these sub-groups amounted to 3 million euros.
If these acquisitions had been completed on January 1, 2013, the contribution to sales and net income would have been 56 and -12 million euros.

In addition, Franprix-Leader Price purchased minority interests, related primarily to the Distri Sud-Ouest, Cogefisd, and Figeac master franchises for 83 million euros, generating an impact of -43 million euros on the Casino group's share of equity.

3.4 Takeover of GPA

On the date of takeover, the fair value assigned to the identifiable assets and liabilities of GPA was determined by an independent expert and can be summarized as follows:

(In € millions)	**Definitive fair value at July 2, 2012**
Intangible assets	3,301
Property, plant, and equipment:	3,096
Other non-current assets	571
Deferred tax assets	992
Inventories	2,014
Trade receivables	2,025
Other current assets	1,157
Cash and cash equivalents	2,159
ASSETS	**15,316**
Provisions	714
Non-current financial liabilities	2,311
Other non-current liabilities	608
Deferred tax liabilities	1,374
Current financial liabilities	959
Trade payables	1,641
Other current liabilities	3,011
Liabilities	**10,617**
Identifiable assets and liabilities at 100%, net (A)	**4,698**
Revaluation of the percentage of 40.3% previously held (B)	**3,331**
Fair value of the minority interests (using the complete goodwill method) (C)	**6,234**
Goodwill (B + C - A)	**4,867**

The valuation at fair value of the identifiable assets and liabilities leads to the recognition of goodwill of 4,867 million euros, which is an increase of 482 million euros over the provisional value presented in the consolidated financial statements for the year ended December 31, 2012. This change primarily reflect the revision of the assumptions for value of the lease rights for -288 million euros net of tax and of the contingent fiscal liabilities for 115 million euros net of taxes, as well as the recognition of provisions for social risks in the amount of 45 million euros, net of taxes.

Therefore, these change led to the following restatement of the Casino group's consolidated financial statements for the year ended December 31, 2012:

(In € millions)	Casino Group December 31, 2012 published	Casino Group December 31, 2012 restated	Adjustments related to the takeover of GPA (1)
Goodwill	10,380	10,832	452
Intangible assets (2)	4,211	3,884	(327)
Property, plant, and equipment (2):	8,681	8,625	(56)
Other non-current assets	2,880	2,855	(25)
Deferred tax assets	671	841	170
Other current assets	8,226	8,226	
Cash and cash equivalents	6,303	6,303	
Assets and liabilities held for sale	1,461	1,461	
ASSETS	**42,813**	**43,027**	**214**
Shareholders' equity	15,201	15,201	
Non-current provisions	762	950	188
Non-current financial liabilities	9,394	9,394	
Other non-current liabilities	900	900	
Deferred tax liabilities	1,366	1,371	5
Current provision	275	275	
Current financial liabilities	2,786	2,786	
Trade payables	6,655	6,655	
Tax liabilities payable	118	118	
Other current liabilities	4,260	4,281	21
Liabilities related to assets held for sale	1,095	1,095	
Liabilities	**42,813**	**43,027**	**214**

(1) These variations are the restatements noted in the statement of financial position of the Rallye group at December 31, 2012.

(2) The restated 2012 statements also include a reclassification of the tangible assets as intangible assets for 54 million euros.

As a result, the main adjustments in fair value are in the recognition or revaluation of the brands (1,379 million euros), the lease rights (497 million euros), the real estate assets (86 million euros), the fiscal liabilities (350 million euros), the provisions for social risks (92 million euros), and the net deferred tax liabilities related to fair value adjustments (415 million euros).

The table below presents the impact of the 100% consolidation of GPA in the Casino group's consolidated financial statements for the year ended June 30, 2012 if the acquisition of control of GPA had occurred on January 1, 2012.

(In € millions)	Casino Group June 30, 2012 proforma	Casino Group June 30, 2012 published
Sales	23,314	17,348
Current operating income	926	638
Operating income	795	534
Net financial income (loss)	(346)	(201)
Profit before tax	449	333
Consolidated net income	**306**	**222**
Company owners*	110	**124**
Non-controlling interests	197	98

(*)The reduction of 14 million euros in proforma net income, group share of Casino results from the recognition of certain transactions directly as shareholders' equity since they were transactions between shareholders, whereas they were previously made with a consolidated company using the proportionate consolidation method and stated as income for the period ended June 30, 2012.
At the level of the Rallye group, the share of income attributable to owners of the company would be 54 million euros for the proforma statements versus 61 million euros for the published statements.

NOTE 4: ADDITIONAL INFORMATION RELATED TO THE CASH FLOW STATEMENT

4.1 Change in working capital requirement related to operating activities

(In € millions)	June 30, 2013	June 30, 2012
Merchandise inventories	(42)	100
Real estate development inventories	(31)	28
Trade payables	(831)	(827)
Trade receivables and related accounts	199	146
Receivables related to credit activities	(5)	31
Financing of credit activities	(13)	(5)
Others	(388)	(255)
Change in working capital requirement	**(1,111)**	**(782)**

4.2 Impact on cash of changes in scope of consolidation with change of control

(In € millions)	June 30, 2013	June 30, 2012
Amount paid for the acquisition of consolidated shares	(1,285)	(47)
Cash and cash equivalents / (bank overdrafts) of the companies acquired	(250)	2
Amount received for the sale of consolidated shares	(6)	22
(Cash and cash equivalents) / bank overdrafts of the companies sold	(208)	(2)
Impact of changes in scope of consolidation with change of control	**(1,748)**	**(25)**

As of June 30, 2013, the net impact of these transactions on the Group's cash results primarily from the takeover of Monoprix in the amount of -1,432 million euros and the takeovers made by the Franprix – Leader Price sub-group for a total of -94 million euros.

As of June 30, 2012, the net impact of these transactions on the Group's cash flow resulted primarily from the takeovers and losses of control made by the Franprix – Leader Price sub-group for -40 million euros.

4.3 Impact on cash flow of transactions with minority shareholders

(In € millions)	June 30, 2013	June 30, 2012
Sale of shares and capital increase of Big C Thailand		157
Franprix-Leader Price sub-group	(83)	-
Change in ownership of Casino shares by Rallye		80
Others	15	5
Impact of transactions with minority shareholders	**(68)**	**242**

NOTE 5: SEGMENT REPORTING

5.1 Key indicators by operating segment

Period ended June 30, 2013:

(In € millions)	Food and general retailing				Sporting goods retailing		Holdings and financial investments		Continuing operations June 30, 2013
	France	Latin America	Asia	Other international segments	France	Other international segments	France	Other international segments	
Sales	9,201	12,314	1,828	423	281	30	4	6	24,087
Current operating income*	254	601	114		(16)		(10)	9	952

Period ended June 30, 2012:

(In € millions)	Food and general retailing				Sporting goods retailing		Holdings and financial investments		Continuing operations June 30, 2012
	France	Latin America	Asia	Other international segments	France	Other international segments	France	Other international segments	
Sales	9,026	6,257	1,641	424	295	29	4	5	17,681
Current operating income*	250	266	117	5	(14)		(8)	16	632

* In accordance with IFRS 8, "Operating Segments," reporting by operating segment is prepared based on internal reporting.

5.2 Non-current assets by geographical region

The non-current assets by geographical region are as follows:

(In € millions)	Food and general retailing				Sporting goods retailing		Holdings and financial investments		Total
	France	Latin America	Asia	Other international segments	France	Other international segments	France	Other international segments	
As of December 31, 2012	9,612	13,406	2,092	328	101	5	27	177	25,748
As of June 30, 2013	**12,260**	**12,637**	**2,119**	**323**	**94**	**5**	**25**	**181**	**27,644**

Non-current assets include goodwill, property, plant, and equipment, and intangible assets, investment properties, interests in related companies, and long-term prepaid expenses.

NOTE 6: REPORT ON CURRENT OPERATING INCOME

6.1 Seasonal nature of the business

The Group's activities are slightly seasonal in nature, with more business in the second half, especially in the month of December.

6.2 Expense type by function

Period ended as of June 30, 2013:

(In € millions)	Logistics	Cost of goods sold	General and administrative expenses	June 30, 2013
Personnel expenses	(290)	(2,002)	(504)	(2,796)
Other expenses	(519)	(2,081)	(330)	(2,930)
Amortization and depreciation	(34)	(348)	(114)	(496)
Total	**(843)**	**(4,431)**	**(948)**	**(6,222)**

Period ended as of June 30, 2012:

(In € millions)	Logistics *	Cost of goods sold	General and administrative expenses	June 30 2012
Personnel expenses	(259)	(1,493)	(429)	(2,181)
Other expenses	(409)	(1,571)	(262)	(2,242)
Amortization and depreciation	(19)	(287)	(72)	(378)
Total	**(687)**	**(3,350)**	**(763)**	**(4,801)**

(*) Logistics costs are included under "Full cost of goods sold"

NOTE 7: Other operating income and expenses

(In € millions)	June 30, 2013	June 30, 2012
Total other operating income	**825**	**53**
Total other operating expenses	**(309)**	**(162)**
Total operating income and expenses	**516**	**(109)**
Breakdown by type:		
Income/loss on asset disposals	71	7
Restructuring provisions and expenses (1)	(40)	(46)
Provisions and expenses for disputes and contingencies (2)	(59)	(13)
Net income/(expenses) related to consolidation scope transactions (3)	621	(62)
Impairment losses (4)	(48)	(6)
Other operating income and expenses	(29)	11
Total net other operating income and expenses	**516**	**(109)**

(1) This restructuring expense for the first half of 2013 essentially represents Casino France and GPA in the amount of 19 and 15 million euros, respectively. In the first half of 2012, it represented the Casino France and Franprix-Leader Price segments for 26 and 14 million euros, respectively.

(2) The provisions for disputes and contingencies primarily concerns GPA for 36 million euros. In the first half of 2012, provisions for expenses for disputes related to GPA amounted to 6 million euros.

(3) The income of 621 million euros recognized in the first half of 2013 is essentially the result of the loss of control of Mercialys (548 million euros) and the revaluation of the percentage of Monoprix previously held (139 million euros), partially offset by expenses for a total amount of 64 million euros related primarily to the scope of consolidation transactions of GPA (31 million euros) and Monoprix (18 million euros). In the first half of 2012, the loss of 62 million euros essentially reflects transaction costs for the scope of consolidation transactions related primarily to the takeover of GPA and the loss of control process for Mercialys.

(4) The impairment recorded as of June 30, 2013, represents real estate assets of the Casino France segment and the goodwill attached to the Franprix – Leader Price segment for 9 million euros each, and depreciations taken on the private equity portfolio stated in AFS for 20 million euros.

NOTE 8: FINANCIAL INCOME (LOSS)

8.1 Cost of net financial debt

(In € millions)	June 30, 2013	June 30, 2012
Income from sale of cash equivalents	0	0
Income from cash and cash equivalents	88	51
Income from cash and cash equivalents	**88**	**51**
Interest expense on financing activities after hedging	(490)	(366)
Financial lease expenses	(6)	(3)
Cost of financial debt	**(496)**	**(369)**
Cost of net financial debt	**(407)**	**(318)**

8.2 Other financial income and expenses

(In € millions)	June 30, 2013	June 30, 2012
Financial income from investments	0	1
Foreign exchange gains (excluding financing activities)	26	58
Income from discounting and undiscounting calculations	1	9
Positive change in the fair value of non-hedging derivatives (1)	57	38
Positive change in the fair value of financial assets valued at their fair value	1	0
Other financial income	57	38
Total other financial income	**142**	**144**
Foreign exchange losses (excluding financing activities)	(33)	(64)
Expenses from discounting and undiscounting calculations	(9)	(7)
Negative change in the fair value of non-hedging derivatives (1)	(45)	(57)
Other financial expenses	(81)	(69)
Total other financial expenses	**(167)**	**(196)**
Total other financial income and expenses	**(25)**	**(52)**

(1) In June 2013, the net income of 12 million euros primarily reflects the change in value of the Total Return Swaps (TRS), forwards, and options to buy shares of Group companies, as well as the change in value of the interest rate swaps and other derivatives.
Following a change in the entry values of the Big C Thailand and GPA TRS and the GPA forward during the half, the Casino group collected proceeds of 93 million euros.
As of June 30, 2012, the net expense of 19 million euros came primarily from the TRS on GPA preferred shares for +26 million euros, and the interest rate swaps and other derivatives in the amount of – 48 million euros.

NOTE 9: TAX EXPENSE

The tax expense as of June 30, 2013, comes essentially from the Casino group. This tax expense represents an effective rate of 24.6% for the Casino group as of June 30, 2013, versus 28.4% as of June 30, 2012. This improvement in the effective tax rate is due primarily to the takeover and loss of control transactions and to sales of shares within the Casino group.

NOTE 10: GOODWILL, INTANGIBLE ASSETS, PROPERTY, PLANT, AND EQUIPMENT, AND INVESTMENT PROPERTIES

During the first half of 2013, acquisitions of intangible assets, property, plant, and equipment, and investment property totaled €746 million versus €473 million for the same period of 2012.

As of June 30, 2013, the group conducted a review of the impairment indices as defined in the notes to the 2012 consolidated financial statements relative to goodwill and to fixed assets. Certain Cash Generating Units (CGUs) presented impairment indicators and impairment tests were affected as a result.

In terms of goodwill, test updates did not reveal any impairment as of June 30, 2013. The excess between the value in use and the book value resulting from the 2012 annual tests of the concerned CGU combinations, remains sufficient to justify the absence of any impairment risk even by reducing the main assumptions made in determining value in use. It should be noted that the Casino group performs an impairment test for goodwill every year as of December 31, after Management approves the medium-term plans. With regard to other fixed assets, impairment test updates also did not reveal any material impairment as of June 30, 2013.

NOTE 11: SHARE OF INCOME/LOSS OF ASSOCIATES

(In € millions)	Opening	Impairment	Share of income of associates	Distribution of dividends	Change in scope of consolidation and foreign exchange	Closing
Changes over fiscal 2012						
Associated companies of the GPA group	42		8	(3)	55	102
Associated companies of the Franprix-Leader Price group	122	(30)	(26)		(9)	57
Banque du Groupe Casino			(4)		86	82
Monshowroom.com					18	17
Pont de Grenelle	10					10
Ruban Bleu Saint Nazaire	7		(1)	1	(1)	6
Centrum NS	25		29		(53)	
Other companies	1		1		1	2
Total	**207**	**(30)**	**6**	**(2)**	**97**	**277**
Changes over the first half of 2013						
Mercialys (1)				(48)	609	560
Associated companies of the GPA group	102		5		(7)	99
Banque du Groupe Casino	82					82
Associated companies of the Franprix-Leader Price group	57		(6)		(17)	34
Monshowroom.com	17					17
Pont de Grenelle	10					10
Ruban Bleu Saint Nazaire	6	(3)		1		4
Other companies*	2					1
Total	**277**	**(3)**	**(2)**	**(47)**	**585**	**809**

(1) See Note 3.2.

NOTE 12: NET CASH AND CASH-EQUIVALENTS

The “Net Cash and Cash Equivalents" aggregate breaks down as follows:

(In € millions)	June 30, 2013	December 30, 2012
Cash equivalents	2,500	3,786
Cash	1,629	2,545
Cash and cash equivalents	**4,129**	**6,331**
Bank overdrafts	(961)	(523)
Net cash and cash-equivalents	**3,168**	**5,808**

- **Derecognition of financial assets with continued implication**

During the first half of 2013, the French subsidiaries of the Casino group and its Thailand subsidiary executed assignments of trade receivables (see Note 24.3 to the 2012 consolidated financial statements). The amount of the receivables assigned with continued implication in the first half at the level of the Casino group totaled 556 million euros. The net cost attached to these operations was 5 million euros.

As of June 30, 2013, the Group's cash included 199 million euros in receivables assigned with continue implication (312 million euros as of December 31, 2012).

- **Derecognition of financial assets without continued implication**

In the first half of 2013, GPA assigned receivables for a total amount of 5,149 million euros to financial institutions (bank card or banking institutions) without recourse or without obligations attached (see Note 21.1 of the Notes to the 2012 consolidated financial statements).

NOTE 13: ASSETS HELD FOR SALE AND RELATED LIABILITIES

Assets held for sale and related liabilities break down as follows:

(In € millions)	June 30, 2013	December 31, 2012
Assets of Franprix-Leader Price (1)	86	
GPA assets (2)	18	
Monoprix assets (1)	15	
DCF assets (1)	3	
Property assets of the Actifs Magasins sub-group	3	
Assets of the Mercialys sub-group		1,461
Other	15	15
Assets held for sale	**140**	**1,476**
Liabilities related to assets held for sale		**1,095**

(1) In the context of the takeover of Monoprix on April 5, 2013 and the opinion of the French Competition Authority, the Casino group initiated a process to sell 58 stores included in the Monoprix (stores under the Monop' brand), Franprix - Leader Price, and Casino France segments (see Note 3.1).

(2) In the context of the takeover of Nova Casa Bahia by GPA in 2011, the Group initiated a process to sell 74 Via Varejo stores pursuant to the decision of the Brazilian Competition Authority.

The change recorded between December 31, 2012 and June 30, 2013 comes essentially from the completion of the loss of control of Mercialys (see Note 3.2), which is now consolidated using the equity method.

NOTE 14: SHARE CAPITAL

14.1 Share capital

At June 30, 2013, share capital consisted of 48,707,605 shares representing a nominal value of €146 million.

14.2 Change in capital

Share capital is composed of shares of common stock issued and fully paid up, with a par value of 3 euros.

	June 30, 2013	December 31, 2012
Number of shares as of January 1	**48,691,578**	**46,466,160**
Exercise of stock subscription options (1)	67,003	23,703
2011 dividend payment in shares (interim and balance)		774,497
2012 dividend payment in shares (interim)		1,501,723
Cancellation of shares (1)	(50,976)	(74,505)
Number of shares at the end of the period	**48,707,605**	**48,691,578**

(1) The Board of Directors, at its meeting of May 14, 2003, cancelled 50,976 treasury shares held by Rallye. The number of cancelled shares corresponds to the creation of new shares related to stock options exercised at May 14, 2013.

NOTE 15: DIVIDEND PAYMENTS

The general meeting of the shareholders held on May 14, 2013, resolved to pay a dividend of €1.83 per share for fiscal year 2012. An interim dividend of €0.80 per share was paid in October 2012, leaving a balance of €1.03 per share paid in cash.

NOTE 16: PROVISIONS

▪ Breakdown and change

(In € millions)	As of January 1, 2013, restated	Increases for the year	Reversals for the year	Changes in consolidation and transfers	Foreign exchange change	Others	As of June 30, 2013
After-sale service	7	5	(7)	0	0	0	**5**
Seniority awards	27	1	0	2	0	0	**30**
Retirement	217	90	(92)	30	(2)	10	**254**
Services rendered	17	17	(17)	0	0	0	**17**
Other disputes	50	12	(22)	0	0	1	**41**
Other risks and contingencies	898	207	(135)	(49)	(49)	3	**877**
Restructurings	18	2	(3)	1	0	(3)	**15**
Total provisions	**1,234**	**334**	**(276)**	**(16)**	**(51)**	**11**	**1,239**
non-current	957	108	(110)	38	(50)	69	**1,012**
current	278	226	(166)	(53)	0	(57)	**227**

The provisions for other disputes, risks and contingencies consist of a number of sums related to proceedings on labor disputes (labor court), real estate (disputes over work, disputed rents, tenant evictions, etc.), tax or economic matters (infringements, etc.).
More specifically, the other risks and contingencies amounted to 877 million euros and primarily represent the provisions relative to GPA (see table below).

(In € millions)	PIS / Cofins / CPMF dispute (1)	Other tax disputes	Wage disputes	Civil and other disputes	Total
December 31, 2012, restated	119	376	85	95	**675**
June 30, 2013	**154**	**340**	**122**	**69**	**685**

(1) VAT and similar taxes

NOTE 17: BORROWINGS, DEBT, AND FINANCIAL LIABILITIES

17.1 Breakdown of net financial debt

(In € millions)	June 30, 2013			December 31, 2012		
	Non-current share	Current share	Total	Non-current share	Current share	Total
Bond issues	8,980	1,795	10,775	8,672	1,125	9,797
Other financial debt	2,011	2,995	5,006	2,528	2,462	4,991
Lease contracts	63	39	101	69	46	115
Debt related to put options on minority interests	41	459	500	443	69	512
Financial derivatives recognized as liabilities	27	16	43	17	17	34
Total financial liabilities	**11,121**	**5,304**	**16,425**	**11,730**	**3,719**	**15,449**
Financial derivatives recognized as assets	(111)	(123)	(233)	(246)	(139)	(385)
Other financial assets	(40)	0	(40)	(40)	0	(40)
Marketable securities and similar assets	0	(264)	(264)	0	(337)	(337)
Cash and cash equivalents	0	(4,129)	(4,129)	0	(6,331)	(6,331)
Total financial assets	**(151)**	**(4,516)**	**(4,667)**	**(286)**	**(6,808)**	**(7,094)**
Net financial debt	**10,971**	**788**	**11,758**	**11,444**	**(3,089)**	**8,355**

17.2 Change in financial debt

(In € millions)	June 30, 2013	December 31, 2012
Financial debt at the beginning of the period	**15,063**	**12,831**
New borrowings (1)	2,644	2,228
Repayments (principal and interest) (2)	(1,952)	(2,102)
Changes in fair value (through profit or loss)	1	(10)
Translation adjustments	(197)	(248)
Changes in consolidation scope (3)	618	1,975
Changes in debt related to put options on minority interests		403
Reclassification as financial liabilities held for sale	,	(12)
Others	15	(2)
Financial debt at the end of the period	**16,192**	**15,063**
Financial liabilities (see Note 17.1)	16,425	15,449
Financial derivatives recognized as assets (see Note 17.1)	(233)	(386)

(1) The new borrowings consist primarily of the transactions described below: (i) The subscription by Casino, Guichard-Perrachon of bonds for a total amount of 1,350 million euros (respectively 750 million euros in bonds remunerated at the rate of 3.31% and 600 million euros in additional bond financing remunerated at the rate of 1.99% and 2.788%, respectively, for the line of 350 and 250 million euros), (ii) the issue of a 300-million-euro bond with a 6-year maturity at a rate of 4.25% by Rallye and the additional financing of a private placement maturing in 2018 for 150 million euros, (iii) the net change in commercial paper for 456 million euros, and (iv) the draw on a Casino Guichard-Perrachon line of credit for 200 million euros.

(2) The loan repayments are primarily related to (i) the bonds on Casino, Guichard –Perrachon and GPA for 544 and 172 million euros, respectively, and (ii) the bond on Rallye for 300 million euros, and (iii) other borrowings and financial debt related to Alpetrol, Casino Guichard-Perrachon, GPA, and Franprix – Leader Price for 125,184, 277, and 289 million euros, respectively.

(3) The impact of the change in scope of consolidation for the period primarily reflects Monoprix and Franprix – Leader Price in the amounts of 311 and 305 million euros, respectively. In 2012, this was essentially the result of the takeover of GPA.

17.3 Debt payment schedule

(In € millions)	June 30, 2013	Less than 1 year	1-5 years	Over 5 years	December 31, 2012 restated
Bond issues	10,775	1,795	4,369	4,611	9,797
Other borrowings	5,006	2,995	1,471	540	4,991
Lease finance contracts	101	39	47	16	115
Debt related to puts on minority interests	500	459	20	21	512
Financial derivatives (fair value hedging)	43	16	3	24	34
Trade payables	**5,999**	**5,999**			**6,746**
Other debt	**5,074**	**4,212**	**569**	**293**	**5,454**
Total	**27,498**	**15,515**	**6,478**	**5,505**	**27,648**

NOTE 18: FAIR VALUE OF FINANCIAL INSTRUMENTS

18.1 Book value and fair value of the financial assets and liabilities

The table below compares the book value of the financial assets and liabilities with their fair value.

(In € millions)	June 30, 2013			
	Book value	Non-financial assets or liabilities	Values of the financial assets or liabilities	Fair value
Financial assets				
Other non-current financial assets	2,069	742	1,327	1,327
Non-current hedging financial assets	111		111	111
Trade receivables	1,482		1,482	1,482
Other current assets	1,691	775	916	916
Other current financial assets	387		387	387
Cash and cash equivalents	4,129		4,129	4,129
Financial liabilities				
Bond issues	10,775		10,775	11,313
Other borrowings and financial debts	5,506		5,506	5,470
Finance leases	101		101	101
Financial derivatives (fair value hedging)	43		43	43
Trade payables	5,999		5,999	5,999
Other debt	5,074	1,708	3,366	3,366

18.2 Hierarchy of the fair value of financial instruments

The following table presents the financial assets and liabilities booked at fair value, according to the following three hierarchies:

(In € millions)	Hierarchy of fair values			
	Market price level 1:	Models with observable parameters level 2:	Models with non-observable parameters level 3:	June 30, 2013
Assets				
Financial assets available for sale	172	17	229	**418**
Hedge derivative assets (current and non-current)		233		**233**
Derivative assets (current and non-current)	89	12	125	**226**
Cash and cash equivalents	599	4		**603**
Liabilities	-	-	-	
Hedge derivative liabilities (current and non-current)		43		**43**
Derivative liabilities (current and non-current)		244		**244**
Debts related to the purchase of minority interests		428	72	**500**

NOTE 19: OFF-BALANCE SHEET COMMITMENTS RELATED TO EXTRAORDINARY TRANSACTIONS

The Group's off-balance sheet commitments declined essentially because of the takeover of Monoprix for 1,175 million euros, and the exercise of commitments to purchase related to Franprix-Leader Price for 91 million euros.

NOTE 20: CONTINGENT LIABILITIES AND ASSETS

GPA’s contingent liabilities break down as follows:

In € millions.	June 30, 2013	December 31, 2012, restated
INSS (employer’s social contributions related to the social protection plan)	101	105
IRPJ - IRRF and CSLL (taxes on profits)	406	290
COFINS, PIS and CPMF (VAT and similar taxes)	354	372
ISS, IPTU and ITBI (tax on services, tax on urban real estate and tax on real estate transactions)	102	111
ICMS (VAT)	1,045	1,039
Wage disputes	142	150
Civil disputes	203	191
Total	**2,352**	**2,257**

NOTE 21: RELATED PARTIES

The Rallye company is controlled by Foncière Euris, which is in turn held by Finatis, and then by Euris.

As of June 30, 2013, Foncière Euris held 56.04% of Rallye’s capital and 71.25% of its voting rights. The Rallye Group benefits from the guidance of Euris, the Group's ultimate controlling company, under the terms of a strategic advisory services agreement signed in 2003.

Relationships with other related parties, including the methods for compensating company directors, have remained comparable to those of the 2012 fiscal year and no unusual transactions, in nature or amount, occurred during the period.

The principal transaction for the half between Rallye and Foncière Euris was the payment of the 2012 dividend balance for 28 million euros, which was paid in cash.

The parent companies subscribed to bonds issued by associates of the Franprix – Leader Price sub-group. As a result of the repayment of 85 million euros over the period, and the takeover of these entities by the Casino group during the half, these bonds are now a financial debt for 88 million euros in the Group’s accounts as of June 30, 2013.

During the half, Cdiscount executed two assignments of receivables to Banque du Groupe Casino in the amount of 117 million euros (see Note 12).

NOTE 22: EVENTS AFTER THE BALANCE-SHEET DATE

On July 4, 2013, Casino, Guichard-Perrachon signed a confirmed, 5-year line of credit for the amount of USD 1,000 million (around 770 million euros) with a group of ten banks. This line refinances the existing facility of USD 900 million signed in August 2011 for a three-year term.

On July 17, 2013, Rallye extended the maturity of its syndicated credit facility by 2 years for 680 million euros. As a result, the maturity of this financing was extended to 2018.

On July 24, 2013, following the approval from the French Competition Authority for its acquisition of exclusive control of the Monoprix group, the Casino group finalized the acquisition of the remaining 50% of Monoprix held by a subsidiary of Crédit Agricole Corporate & Investment Bank under a temporary holding arrangement (see Note 3.1).

4 –AUDITORS' REPORT ON THE 2013 INTERIM FINANCIAL REPORT

This is a free translation into English of the statutory auditors' report issued in French and it is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

Period from January 1 to June 30, 2013

To the Shareholders,

In the performance of the engagement entrusted to us at your general meetings and in application of Article L. 451-1-2 III of the French Monetary and Financial Code, we have carried out:

a limited review of Rallye's condensed interim consolidated financial statements for the period from January 1 to June 30, 2013, as attached herein;

a verification of the information provided in the interim business report.

These condensed interim consolidated financial statements were prepared under the authority of your Board of Directors. Our role is to express an opinion on these financial statements based on our limited review.

1. Conclusion on the financial statements

We conducted our review in accordance with the auditing standards applicable in France. A limited review essentially consists of speaking with the members of the management in charge of accounting and financial matters, and of implementing analytical processes. A limited review is not extensive as an audit performed in accordance with the auditing standards applicable in France. Consequently, the assurance, in the context of a review, that the financial statements taken as a whole are free of material misstatements is a moderate assurance, lower than that obtained in an audit.

Based on our limited review, we did not find any material misstatements that would call into question the compliance of the condensed interim consolidated financial statements with IAS 34 (IFRS) as adopted by the European Union for the purposes of interim reporting.

2. Specific verification

We have also verified the information presented in the interim business report while commenting on the condensed interim consolidated financial statements upon which we performed our limited review.

We have no matters to report regarding its fair presentation and conformity with the condensed interim consolidated financial statements.

Paris-La Défense, July 25, 2013
The Statutory Auditors

KPMG Audit
Department of KPMG S.A.
Patrick-Hubert Petit

ERNST & YOUNG et autres.
Pierre Bourgeois