

# RALLYE

## 2014 first quarter consolidated sales

### Rallye Group consolidated net sales by business segment

Consolidated net sales (€m)	Q1 2014	Q1 2013 <sup>1</sup>	Change QoQ 2014/2013 at current exchange rates	Change QoQ 2014/2013 at constant exchange rates
Casino Group	11,295	11,681	-3.3%	+8.3%
GO Sport Group	155	166	-6.8%	-6.8%
Other*	5	4	-	-
<b>Total Rallye Group</b>	<b>11,455</b>	<b>11,852</b>	<b>-3.3%</b>	<b>+8.1%</b>

\* Relative to holding activity and investment portfolio

During the first quarter of 2014, Rallye's consolidated net sales reached €11.5bn, up +8.1% at constant exchange rates compared to the first quarter of 2013. At current exchange rates, net sales were down -3.3%.

**Casino Group:** total Casino Group sales of €11.3bn in Q1 2014, organic growth<sup>2</sup> up +6.6%. In France, total sales of +8.3% with a renewed stability of Géant sales<sup>2</sup> thanks to continued strong growth in customer volumes and traffic, and e-commerce business volume up +13%. Internationally, organic growth<sup>2</sup> of +11% driven by excellent level of growth in Brazil (+13.3%)

In the first quarter of 2014, the Casino Group's consolidated net sales stood at €11.3bn, up +8.3% at constant exchange rates compared to the first quarter of 2013. Including foreign-exchange effect of -11.6% mainly linked to the real, Casino Group's consolidated net sales were down over the quarter. Excluding scope effect (which had a positive +3.6% impact) and excluding calendar, organic growth was up +6.6%. Average calendar was -0.8% in France and -1.8% internationally.

**In France**, total sales in Q1 stood at €4,674 million, up +8.3%, mainly due to the effect of the 100% consolidation of Monoprix, and down -1.8% on an organic growth basis<sup>2</sup>. Same-store sales<sup>2</sup> at the Géant hypermarkets continued to improve and are now stable (vs -2% in Q4 2013), buoyed by strong growth in volumes (+7% vs +5.6% in Q4 2013) and traffic (+4.2% vs +2.1% in Q4 2013). Food sales were up +3.1%. Non-food volumes turned positive again in March. Casino Supermarket sales were in line with the trend in Q4 2013, reflecting the price cuts. Traffic was up +2.2% and volumes were stable over the period. Monoprix sales posted growth of +0.6% on an organic basis excluding petrol and calendar effects. Franprix-Leader Price total sales fell due to repositioning of Leader Price price indices and equity accounting of Geimex<sup>3</sup>. The business volume of e-commerce in France grew by +13% in the first quarter 2014. This growth was provided mainly by strong development of the marketplace, where business grew by +89% in Q1. Ramp-up of the marketplace within e-commerce activities has been fast (it represented 18% of total volumes in Q1 and 21% in early April), benefiting from the priority granted in the early phase of deployment.

**International subsidiaries** posted another quarter of strong organic growth<sup>2</sup> at +11%. Same-store sales excluding calendar effect increased by +6.6% of which +8.7% was in Brazil. Globally, international sales were down -10.1% due to a significant foreign-exchange effect (-18.4%). Latin America posted robust organic growth<sup>2</sup> of +12.3%, driven by GPA's good performance and dynamic expansion in Brazil. Organic growth<sup>2</sup> in Asia remained positive at +5.2% despite the macroeconomic and political situation in Thailand.

<sup>1</sup> 2013 restated net sales, resulting from retrospective application of IFRS 11 (elimination in 2013 of proportional consolidation of the Casino Group's joint ventures) are shown in page 3. It is not taken into account in the evolutions of this table which are formulated in relation to Q1 2013 as published in 2013. The figures published in 2014 take into account the elimination of proportional integration.

<sup>2</sup> Excluding petrol and calendar effect: organic growth is growth at constant scope of consolidation and exchange rates.

<sup>3</sup> 50% owned by Casino. Geimex operates the Leader Price brand internationally.

## **GO Sport Group: gradual improvement in monthly same-store sales trend for GO Sport France over the quarter, strong performance for GO Sport Poland and good resilience of Courir sales**

In the first quarter of 2014, GO Sport Group's net consolidated sales were down -6.1% on a same-store basis compared to the first quarter of 2013. **In France**, sales for the **GO Sport** banner decreased (-8.8% on a same-store basis) over the quarter. Nevertheless, monthly same-store sales trend showed sequential improvement, mainly due to the action plans implemented in order to maintain promotional dynamics. Sales for **GO Sport in Poland** were up +3.0%, following the increase in the conversion rate linked to the successful projects of operational excellence, and the success of cycling and running products. **Courir** posted a good resilience of its sales (-0.8% on a same-store basis) and continued store renovations, with three additional remodelings over the quarter.

At March 31, 2014, GO Sport Group numbered 336 stores: 179 GO Sport stores (of which 40 franchisees, including 7 in France) and 157 Courir stores (of which 2 international franchisees).

## **Rallye: a strengthened liquidity situation**

- The disposal of **Rallye's investment portfolio**, which is composed of quality and diversified financial and real estate assets, carries on.
- **Rallye benefits from a very strong liquidity situation**, reinforced by the issuance in March 2014 of a new 7-year bond of €500m, bearing a yield of 4%, and significantly oversubscribed by a diversified investor base. This issuance was accompanied by the buyback of €110.6m of both bonds maturing in January 2015 and November 2016. These operations contribute to the mechanical decline in Rallye's financial cost and enable to extend the average maturity of Rallye's bond debt to 4.5 years from 3.1 years as at the end of December 2013.



### **Investor calendar:**

Tuesday May 13, 2014: Annual General Meeting

Wednesday July 30, 2014: second-quarter net sales and first-half 2014 results

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

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## Appendix: 2013 sales adjusted for impact of retrospective application of IFRS 11 and 2014/2013 changes adjusted

2013 net sales presented below ("Q1 2013 adjusted") were restated from retrospective application of IFRS 11 eliminating 2013 proportional consolidation. Joint ventures are now accounted in equity. The main companies impacted by retrospective application of IFRS 11 and now accounted in equity are:

- In France: Monoprix in Q1 2013, Geimex (Leader Price brand at international) in Q1 2013 and Q1 2014
- In Uruguay: Disco in Q1 2013 and Q1 2014

Q1 2013 restated net sales presented below reduces of €586m compared to published 2013, mainly due to Monoprix for €504m, the difference of €82m mainly related to Disco and Geimex.

Net consolidated sales (€m)	Q1 2013 published	Q1 2013 adjusted	Q1 2014	Changes Q1 2014 / Q1 2013 adjusted
Casino Group	11,681	11,098	11,295	+1.8%
GO Sport Group	166	166	155	-
Other*	4	2	5	-
<b>Total Rallye Group</b>	<b>11,852</b>	<b>11,266</b>	<b>11,455</b>	<b>+1.7%</b>