Paris, March 8, 2018

RALLYE

2017 Annual Results

Refinancing of the October 2018 bond at an equivalent yield with a €350m bond issue maturing in 2023, which has been significantly oversubscribed[1]

Enhancement of Rallye's shareholders' equity by €53m, following the success of the payment of a scrip dividend

At Casino level:

- **Objective of a trading profit growth of 20% reached**
- **Consolidated net sales of €37.8bn,** up **+5.0%** and organic growth of **+3.2%**
  - **In France:** unique mix of formats and effective action plans delivered **the best sales performance of the retail sector**, while also improving margins. Total gross sales under banner (including Cdiscount) up 2.3%[2] to €22bn
  - **E-commerce: is developing more intensively** through Cdiscount's latest strategic plan and partnership established with Ocado in order to deploy a state-of-the-art food e-commerce logistics and delivery solution
  - **In Latin America:** significant growth in the buoyant cash & carry segment and continued diversification of revenue sources (property development, consumer finance)
- **Consolidated trading profit of €1,242m,** up +20.1%
  - **In France**, increase in trading profit to €556m (€508m in 2016): sound standing profitability at Franprix and Monoprix, improved contribution from Casino Supermarkets and increased profitability at Géant
  - **E-commerce:** trading margin sequentially improved in the second half
  - **In Latin America:** sharp rise in trading profit to €713m (€538m in 2016)
- **Underlying net profit, Group share** of €372m, up +9.0%

The Board of Directors met on March 7, 2018 in order to close the books for the year ended December, 31 2017.

The Statutory Auditors have completed their audit and are in the process of issuing their report.

2017 KEY P&L DATA

In €m	**2016**	**2017**
Net Sales	**36,784**	**38,634**
EBITDA[3]	**1,710**	**1,941**
EBITDA margin	*4.6%*	*5.0%*
Trading profit	**1,033**	**1,237**
Trading profit margin	*2.8%*	*3.2%*
Net income from continuing operations, Group Share	**(150)**	**(89)**
Net income, Group Share	**1,203**	**(92)**
Net underlying income[4] from continuing operations, Group Share	**17**	**36**

[1] Order book reconciled of €2.6bn, more than 7x oversubscribed
[2] Excluding fuel and calendar effects
[3] EBITDA = trading profit + current depreciation and amortization expense
[4] Definition on page 6
Note: Organic and same-store changes exclude fuel and calendar effects.

Rallye consolidated net sales amounted to €38.6bn, up +5.0%. Trading profit reached €1,237m, up by +19.7% in 2017.

Rallye's holding perimeter net financial debt stood at €2,877m as at December 31, 2017, compared to €2,899m at the end of 2016. Rallye's recurring cash-flow equation[1] was again positive in 2017 at + €29m in line with 2016, thanks to:

- Continuing optimization of Rallye's net financial cost and holding costs compared to 2016
- An adjusted dividend policy: Rallye paid in 2017 a dividend of €1.40 per share (vs €1.83 in 2016) with the option for a payment of dividend in shares. 78% of option rights were exercised (of which 100% for Foncière Euris).

Rallye's net underlying profit from continuing operations, stood at €36m at the end of 2017.

Rallye issued a new bond maturing in January 2023 to refinance the October 2018 bond at an equivalent yield (4.375%). Rallye has a strong liquidity position with €1.7bn of confirmed and undrawn credit lines.

As at December 31, 2017 Rallye's financial covenants were met with ample headroom. The consolidated EBITDA to consolidated net cost of debt ratio amounted to 4.04x (vs a covenant at 2.75x), and Rallye's standalone shareholders' equity was €1,775m (vs a covenant at €1,200m).

1. SUBSIDIARIES ACTIVITY

- **Casino**

In 2017, the Group reported consolidated net sales of €37.8bn, a total increase of +5.0% including organic growth of +3.2%.

In France, same-store sales rose by +0.8% compared with 2016. Organic sales growth was +0.1%. This performance was primarily attributable to the premium and service-led banners (Franprix, Monoprix and Casino Supermarkets). Franprix, which saw a +3.1% increase in customer traffic, deployed its new Mandarine concept and various innovative initiatives. Monoprix, which traffic was up +2.1%, delivered a good performance in food sales and stepped up the pace of expansion. Casino Supermarkets consolidated their growth dynamic, driven by a good sales performance in fresh and organic products and development of the new concept. In Convenience, pursued the expansion of the franchise network continued and the new "Le Petit Casino" concept was expanded. Leader Price deployed its new "Next" concept and continues to improve its network. Géant continued to recover, with an increase in food sales and a reduction in non-food surface areas.

E-commerce GMV rose by a significant +10%, led by historically high sales in the third quarter, a record Black Friday and the deployment of the strategic plan in the second quarter of 2017. Cdiscount lifted its market share by nearly 2 points on average in the second half and recorded an increase of +12% in traffic, with 946m visits.

In Latin America, in a context of decelerating food price inflation, organic growth for the year stood at +6.4%, led by the success of Assaí. Exito kept up the pace of expansion, developing the cash & carry business in Colombia, deploying the new "Carulla Fresh Market" concept, and expanding businesses that complement retail operations (such as real estate and multi-banner nationwide loyalty programme). At Multivarejo, the Extra hypermarkets performed well and Pão de Açúcar reported increased volumes. Assaí experienced very strong growth, reflecting the dynamic expansion programme and the strong commercial model.

Consolidated trading profit totalled €1,242m, up +20.1% at current exchange rates and +16.7% at constant exchange rates.

In **France**, trading profit came to €556m, an improvement of +9.5%. This performance was attributable to sound standing performance at Franprix and Monoprix, an improved contribution from Casino Supermarkets and increased profitability at Géant. The property development business also performed well, generating trading profit of €92m. Trading margin increased by +26 bps to 2.9%, led by the retail business units.

The **E-commerce** business's trading profit was lower at -€27m from -€11m in 2016, impacted by the investments made in the first half under the Cdiscount strategic plan. The plan has delivered good results, driving an

[1] Dividends paid by Casino, net of dividends paid by Rallye, net financial cost and holding costs

improvement in profitability in the second half and leading to slightly better profitability in fourth-quarter 2017 than in the same period of 2016.

Trading profit from **food retail operations in Latin America** came to €713m, up +32.7% as reported and +11.3% excluding the effect of tax credits. The segment's trading margin rose +69 bps to 4.2%. At Exito, trading margin contracted by -120 bps to 4.0%. At GPA Food, trading margin was up +148 bps at 4.3%.

Underlying net profit from continuing operations, Group share totalled €372m, an increase of +9.0% compared with €341m in 2016.

Consolidated cash-flow from continuing operations came to €1,573m, up +14.7%.

Consolidated net financial debt as at 31 December 2017 amounted to €4.1bn.

Net financial debt of Casino in France excluding Cdiscount[1] as at 31 December 2017 totalled €3.7bn, reflecting the impact of financial investments made in the first half (notably the buyback of the Cnova free float) and the change in working capital requirement at the end of the year.

- **Groupe GO Sport**

Groupe GO Sport's business volume was over €980m in 2017 (+5%) and net sales of €807m up +7.7% versus 2016.

GO Sport France's net business volume was over €465m in 2017, and same-store sales growth of 0.5%. Omni-channel is the driver of the banner's strategy through the upgrade of its website and the development of full cross-channel capabilities (e-reservation, click & collect, store-to-web). The rationalization of the integrated network and subsequent spreading of the affiliation are still ongoing.

Courir printed a new record year with net business volume over €330m up by 23%, backed by the strong performance of all channels. The momentum is driven by very steady same store sales growth for the 8th year in a row. Digital is key for Courir's strategy with the sharp acceleration of e-commerce sales.

International franchise's dynamism continued with the opening of 10 GO Sport stores and 7 Courir in 2017. Potential for future development is significant, notably in India (partnership contract signed with the conglomerate Lulu). In **Poland,** sales are growing at constant exchange rates.

Consolidated EBITDA and trading profit increased for the fourth year in a row.

A total of 564 stores at December 31, 2017, of which 96 abroad, all networks combined.

[1] Casino in France comprises the Casino, Guichard Perrachon parent company, the French businesses and wholly-owned holding companies.

2. CONCLUSION AND PERSPECTIVES

In 2018, Casino confirms its strategic priorities:

- Favouring the growth in the best formats
- Accelerating the development of digital and omni-channel activities
- Pursuing action plans to cut costs and improve the supply chain
- Increasing cash generation and strengthening the financial structure

Casino sets the following objectives:

- For **trading profit**:
  - In France, Casino is aiming to achieve for the food retail activity more than 10% organic[1] growth in trading profit excluding property development, led by growth in the most profitable formats and by improved hypermarket and convenience margins.
  - In all, Casino is aiming to deliver organic[1] growth in consolidated trading profit and above 10% excluding tax credits.

- In France, a **free cash flow**[2] from continuing operations excluding exceptional items covering finance costs and dividends and allowing to improve the financial net debt

- **A reduction in the consolidated net debt** with:
  - The return to a breakeven free cash flow for Cdiscount
  - Free cash flow[2] from continuing operations excluding exceptional items above €1bn in total
  - A capex budget around €1bn
  - And a significant potential effect from the sale of Via Varejo

Rallye benefits from a strong liquidity position, with €1.7bn of confirmed and undrawn credit lines. The average maturity of these lines is 3.6 years. With 78% of the rights exercised in favour of the payment in shares, Rallye increased its shareholders' equity by €53m and comforted its positive recurring cash-flow equation. Rallye will maintain in 2018 a positive recurring cash-flow equation through constant optimization of its financial and holding cost, and through an adjusted dividend policy

Rallye reiterates its strategy to maximize its assets' value and confirms the strength of its financial structure, especially by maintaining a positive recurring cash-flow equation

In order for Rallye to maintain a positive recurring cash-flow equation, the Board of Directors held on March 7, 2018 decided to recommend to the General Annual Meeting of May 23, 2018 a dividend of €1.00 per share, to be paid on June 21, 2018. Shareholders will be able to opt for payment of the dividend in shares.

For more information, please consult the company's website:
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[1] Excluding currency and scope effects
[2] Before dividends paid to shareholders and to TSSDI deeply subordinated notes and excluding finance costs

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APPENDICES

2017 RESULTS[1]

(CONSOLIDATED DATA)

in €m	**2016**	**2017**
Net Sales	**36,784**	**38,634**
EBITDA[2]	**1,710**	**1,942**
Trading profit	**1,033**	**1,237**
Other operational income and expenses	(634)	(490)
Cost of net financial debt	(435)	(480)
Cost of net financial debt	(49)	(85)
Profit (loss) before tax	**(85)**	**182**
Income tax expense	(40)	(48)
Income from associated companies	19	10
Net profit (loss) from continuing operations	**(107)**	**143**
Group Share	**(150)**	**(89)**
of which minority interests	*43*	*232*
Net profit (loss) from discontinued operations	2,161	(47)
of which Group share	*1,353*	*(4)*
of which minority interests	*808*	*51*
Net profit (loss)	**2,054**	**191**
Group Share	**1,203**	**(92)**
of which minority interests	*851*	*283*

[1] The 2016 and 2017 financial statements reflect the application of IFRS 5 to Via Varejo, which is being held for sale. In accordance with IFRS 5: Via Varejo's operations (including those of Cnova Brazil) have been classified as discontinued operations since 2016. Via Varejo's assets and liabilities are presented on a separate line in the statement of financial position.

[2] EBITDA = trading profit + current depreciation and amortization expense

2017 SIMPLIFIED BALANCE SHEET

(CONSOLIDATED DATA)

In €m	2016	2017
Non-current assets	24,881	23,217
Current assets	18,785	16,645
Total assets	**43,666**	**39,862**
Equity	12,631	11,263
Non-current financial liabilities	10,064	9,559
Other non-current liabilities	2,716	2,131
Current liabilities	18,254	16,908
Total equity and liabilities	**43,666**	**39,862**

RECONCILIATION OF REPORTED PROFIT TO UNDERLYING PROFIT

Underlying net profit corresponds to net profit from continuing operations, adjusted for (i) the impact of other operating income and expenses, as defined in the “Significant accounting policies" section in the notes to the consolidated financial statements, (ii) the impact of non-recurring financial items, as well as (iii) income tax expense/benefits related to these adjustments.

Non-recurring financial items include fair value adjustments to equity derivative instruments (such as total return swaps and forward instruments related to GPA shares) and the effects of discounting Brazilian tax liabilities.

In €m	2016	Restated items	2016 underlying	2017	Restated items	2017 underlying
Trading profit	**1,033**	**-**	**1,033**	**1,237**	**-**	**1,237**
Other operating income and expenses	(634)	634	-	(490)	490	-
Operating profit	**399**	**634**	**1,033**	**747**	**490**	**1,237**
Cost of net financial debt	(435)	-	(435)	(480)	-	(480)
Other financial income and expenses	(49)	(50)	(100)	(85)	(40)	(125)
Income tax expenses	(40)	(155)	(195)	(48)	(103)	(151)
Income from associated companies	19	-	19	10	-	10
Net profit (loss) from continuing operations	**(107)**	**429**	**322**	**143**	**347**	**491**
of which minority interests [1]	43	262	305	232	223	455
Of which Group share	**(150)**	**166**	**17**	**(89)**	**125**	**36**

[1] Minority interests have been restated for the amounts relating to the restated items listed above