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# RALLYE

25<sup>th</sup> September 2013

## **Rallye SA launches a EUR 300 million offering of bonds due 2020 exchangeable for existing Casino, Guichard-Perrachon ordinary shares**

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Rallye SA ("Rallye") announces the launch today of a EUR 300 million offering of bonds (the "Bonds") exchangeable for existing ordinary shares (the "Shares") of Casino, Guichard-Perrachon ("Casino").

The Bonds will carry a 7 year maturity and are expected to bear interest at a rate of 1.00% per annum payable annually in arrear.

The Bonds will be issued at 100% of the principal amount and, unless previously redeemed, exchanged or cancelled, will be redeemed in cash or through the delivery of Shares or a combination thereof, at Rallye's option, on 2<sup>nd</sup> October 2020 at a redemption price between 109.36% – 113.31% of the principal amount, corresponding to a yield to maturity between 2.25% – 2.75% per annum. Any Bondholder will have the option to ask for the early redemption of the Bonds on 2<sup>nd</sup> October 2018, at the accreted principal amount, plus accrued interest.

The Bonds' nominal value will represent an issue premium between 25% – 30% over Casino's reference share price, calculated as the average of Casino share prices weighted by the volume of transactions on NYSE Euronext Paris from the opening of trading today to pricing (Volume Weighted Average Price ("VWAP")). Each Bond will be exchangeable for Shares at an initial ratio of one Share per Bond, subject to customary adjustments.

Bondholders may elect to exchange their Bonds for Shares subject to the Issuer's right to elect to deliver an equivalent amount in cash for all or part of the Shares. The number of Shares underlying the Bonds should represent approximately 3% of Casino's share capital.

Rallye will have the option to redeem the Bonds early (the "Issuer Call") on or after 17<sup>th</sup> October 2017 (the 4th anniversary of the issue date + 15 days), if the value of the Shares deliverable upon exchange of the Bonds exceeds 130% of the accreted principal amount of the Bonds for a specified period (in accordance with the conditions set forth in the Terms and Conditions of the Bonds).

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The final terms of the Bonds will be announced through a separate press release at the end of the bookbuilding period, which is expected to take place later today and settlement is expected to occur on or around 2<sup>nd</sup> October 2013.

The issue proceeds shall be used for Rallye's general financing needs.

Application will be made to have the Bonds admitted to trading on the Open Market (*Freiverkehr*) segment of the Frankfurt Stock Exchange or on an internationally recognised, regularly operating, regulated or non-regulated stock exchange, as determined by Rallye, within 90 days following the closing date.

The Bonds will be exclusively placed with institutional investors outside of the United States of America pursuant to Regulation S.

BNP PARIBAS, Deutsche Bank and The Royal Bank of Scotland are acting as Joint Bookrunners in respect of the offering of the Bonds.

**DISCLAIMER**

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*No communication or information relating to the Securities may be transmitted to the public in a country where there is a registration obligation or where an approval is required. No action has been or will be taken in any country in which such action would be required. The issuance or the subscription of the Bonds or the exchange for Shares may be subject to legal and regulatory restrictions in certain jurisdictions and Rallye assumes no liability in connection with the breach by any person of such restrictions.*

*This press release is an advertisement and not a prospectus within the meaning of the Prospectus Directive (as defined hereinafter).*

*This press release is not, and shall not be considered as, an offer to the public, an offer to subscribe or designed to solicit interest for purposes of an offer to the public by Rallye in any jurisdiction, including France.*

**European Economic Area**

*With respect to each Member State of the European Economic Area (the "Relevant Member States") which has implemented the Prospectus Directive, no action has been undertaken or will be undertaken to make an offer of Securities to the public requiring a publication of a prospectus in any Relevant Member State. As a result, the Securities may only be offered in the Relevant Member States:*

- (a) qualified investors as defined in the Amending Prospectus Directive; or*
- (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the Amending Prospectus Directive, 150, natural or legal persons (other than qualified investors as defined in the Amending Prospectus Directive); or*
- (c) in any other circumstances falling with Article 3(2) of the Prospectus Directive;*

*and provided that none of the offers referred in paragraphs (a) to (c) above requires the publication of a prospectus in accordance with the provisions of article 3 of the Prospectus Directive or of a supplement to the prospectus pursuant to the provisions of article 16 of the Prospectus Directive by Rallye or any of the bookrunners.*

*For purposes of this paragraph, within the meaning of the Prospectus Directive, (i) the expression an "offer of Securities to the public" in any Relevant Member State which has implemented the Prospectus Directive (as defined below) means the communication, to individuals or legal entities, in any form and by any means, of sufficient information on the terms and conditions of the offer and the Securities to be offered to enable an investor to decide to purchase or subscribe for the Securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and (ii) the expression "Prospectus Directive" means Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 (together with its amendments, including by the Amending Prospectus Directive, to the extent such Directive has been implemented in any Relevant Member State), including any appropriate implementing measure in any Relevant Member State, and (iii) the expression "Amending Prospectus Directive" means Directive 2010/73/EU of the European Union Parliament and Council of November 24, 2010.*

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**France**

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