

# RALLYE



GROUPE  
*Casino*  
NOURRIR UN MONDE  
DE DIVERSITÉ

G R O U P E  
**GO sport**

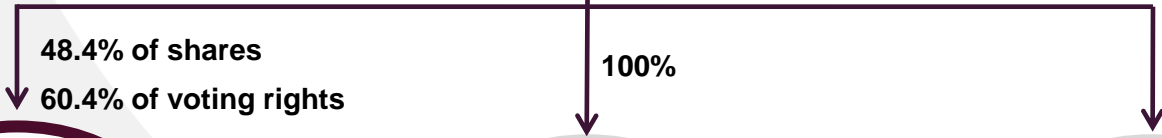
## 2014 Annual Results

February 17, 2015

# GROUP PRESENTATION AS AT DECEMBER 31, 2014



 Listed company



Strategic asset  
Among the global leaders in the retail industry



Specialist in the sporting goods retail industry



High-quality and diversified investment portfolio made up of both financial investments and real estate programmes



# 2014 HIGHLIGHTS

## RALLYE

- Continued refinancing at a significantly reduced cost
- Decrease in Rallye's 2014 cost of net financial debt by €23m, at €165m
- As of today, average maturity of Rallye's bond debt lengthened to 4.5 years (vs. 3.1 years at year-end 2013) following the year's operations

## CASINO GROUP

- Sales of €48.5 billion, up +4.7% on an organic basis
- COI of €2,231 million, up +5.6% on an organic basis
- In France, completion of the pricing repositioning cycle at discount banners (Géant and Leader Price) and satisfactory development of premium and convenience-store banners
- Internationally, sustained organic growth of the retailing business (+6.8%)
- Strong growth of Cnova (Gross Merchandise Volume up +26.6%)
- Net underlying Profit, Group share of €556m (-10.1%) affected by exchange rates and decided price cuts in France; at constant exchange rates, profit down by -3.9%

## OTHER ASSETS

- Delisting of Groupe GO Sport shares on November 5, 2014: Rallye now holds 100% of the company's shares and voting rights
- Investment Portfolio: €74m of net cash-in in 2014

# AGENDA

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- RALLYE: 2014 Annual Results

- Subsidiaries: 2014 Results

- Conclusion and perspectives

- Appendices

# KEY FIGURES OF THE 2014 P&L

<i>Continuing operations (in € millions)</i>	2013 restated <sup>(1)</sup>	2014	2014 at CER <sup>(2)</sup>
Net sales	48,519	49,155	
EBITDA <sup>(3)</sup>	3,299	3,210	
Current operating income (COI)	2,323	2,235	
Net profit, Group share	175	(32)	
Net underlying profit <sup>(4)</sup> , Group share	75	52	71

(1) The previously reported financial statements were adjusted further to the retrospective application of IFRS 11 and IFRIC 21, as well as changes relating primarily to determining the fair value of Monoprix' acquired assets and liabilities.

(2) At CER: at constant exchange rates

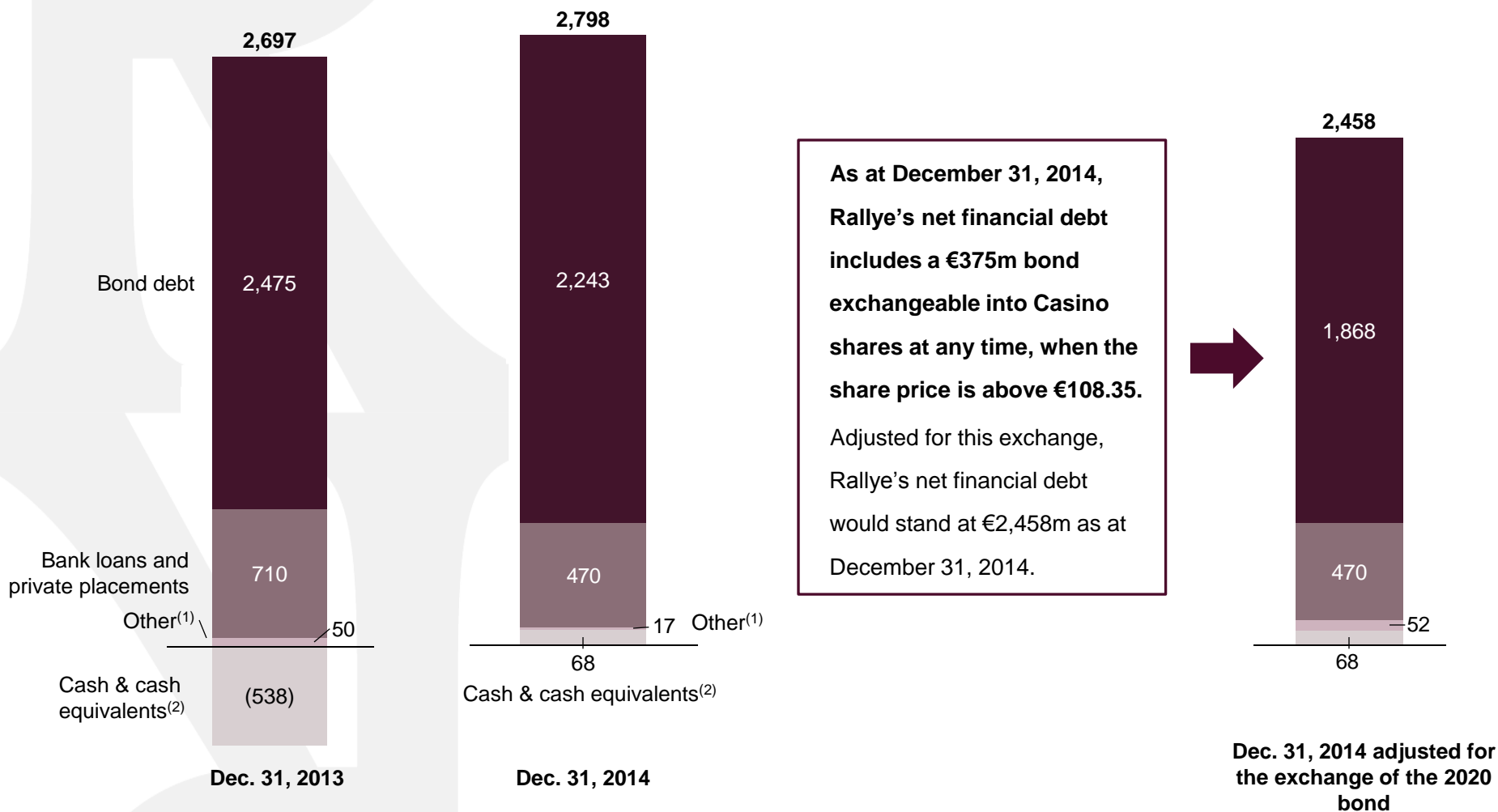
(3) EBITDA = current operating income + current depreciation and amortization expense

(4) Underlying net income corresponds to net profit from continuing operations adjusted for the impact of other operating income and expense, non-recurring financial items and non-recurring income tax expense/benefits

**Decrease in Rallye's 2014 cost of net financial debt by €23m, to €165m**

# NET FINANCIAL DEBT OF €2.8BN AS AT 12/31/2014

Rallye's net financial debt as at December 31, 2014 stood at €2,798m



As at December 31, 2014, Rallye's net financial debt includes a €375m bond exchangeable into Casino shares at any time, when the share price is above €108.35. Adjusted for this exchange, Rallye's net financial debt would stand at €2,458m as at December 31, 2014.

(1) Other = accrued interest and IFRS restatements

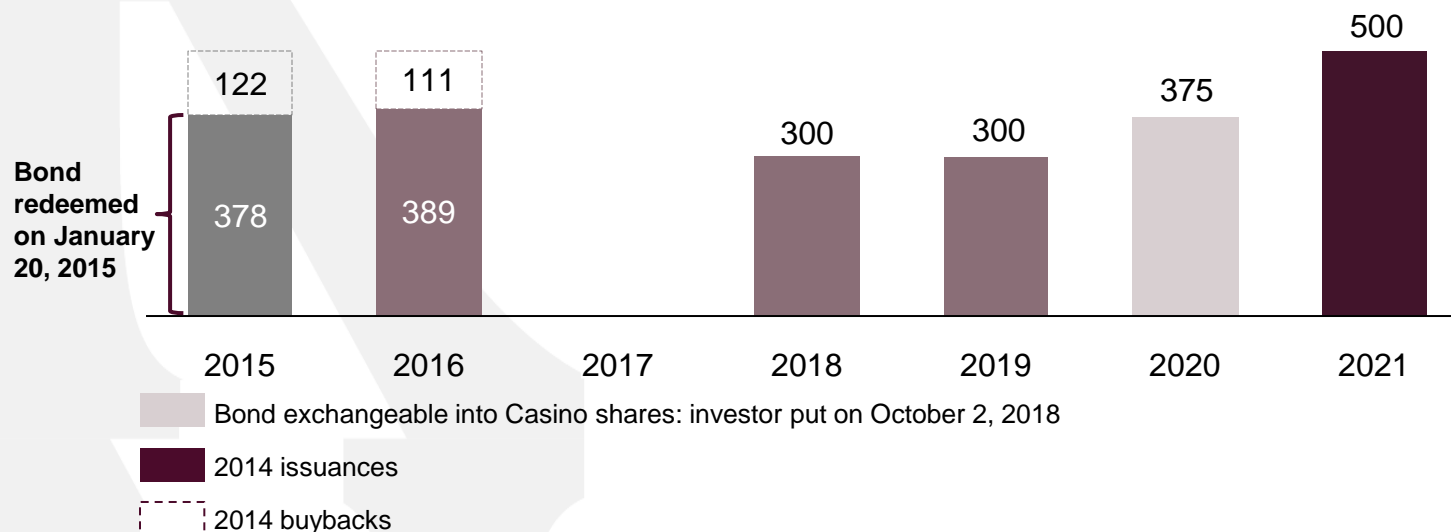
(2) Cash and cash equivalents are net of issued commercial paper as at December 31 (€390m in 2014 vs €72m in 2013)

# A LENGTHENED BOND SCHEDULE IN 2014

## Bond redemption schedule as at December 31, 2014

In € millions

Total: €2,243m



**As at December 31, 2014, the average maturity of Rallye's bond debt is 3.8 years (vs 3.1 years as at 12/31/2013) following the year's operations:**

- Repayment of a €500m bond maturing in March 2014
- Issuance in April 2014 of a €500m, 7-year bond, with a 4% coupon
- Buyback of €122m of the 2015 bond and €111m of the 2016 bond

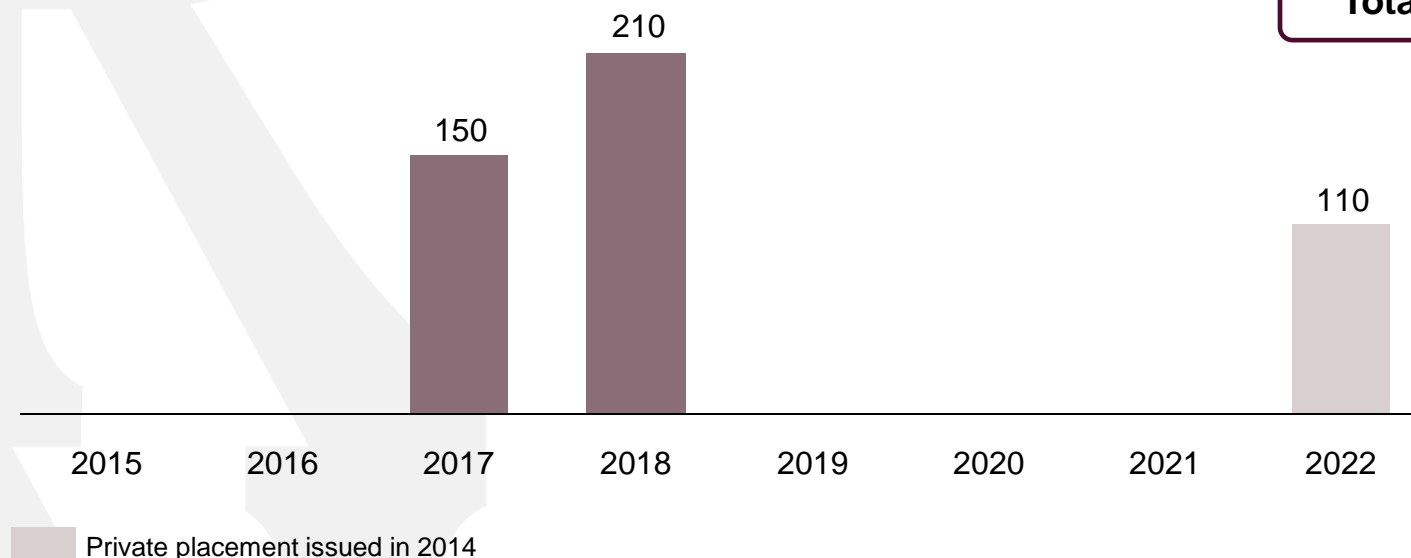
**Following the repayment of the bond maturing on January 20, 2015, the average maturity of Rallye's bond debt now stands at 4.5 years.**

# A LENGTHENED SCHEDULE FOR NON-BOND DEBT

## Bank loans and private placements redemption schedule as at December 31, 2014

*In € millions*

**Total: €470m**



### **In 2014, Rallye continued to optimize its non-bond debt positions (bank loans and private placements):**

- No redemption before 2017
- Issuance in June 2014 of a private placement maturing in 2022 and bearing a 3.4% coupon
- Following the year's operations, the average maturity of Rallye's non-bond debt was lengthened to 3.7 years from 2.4 years at year-end 2013



# A STRONG LIQUIDITY POSITION, WITH €1.9BN OF CONFIRMED, UNDRAWN AND IMMEDIATELY AVAILABLE CREDIT LINES

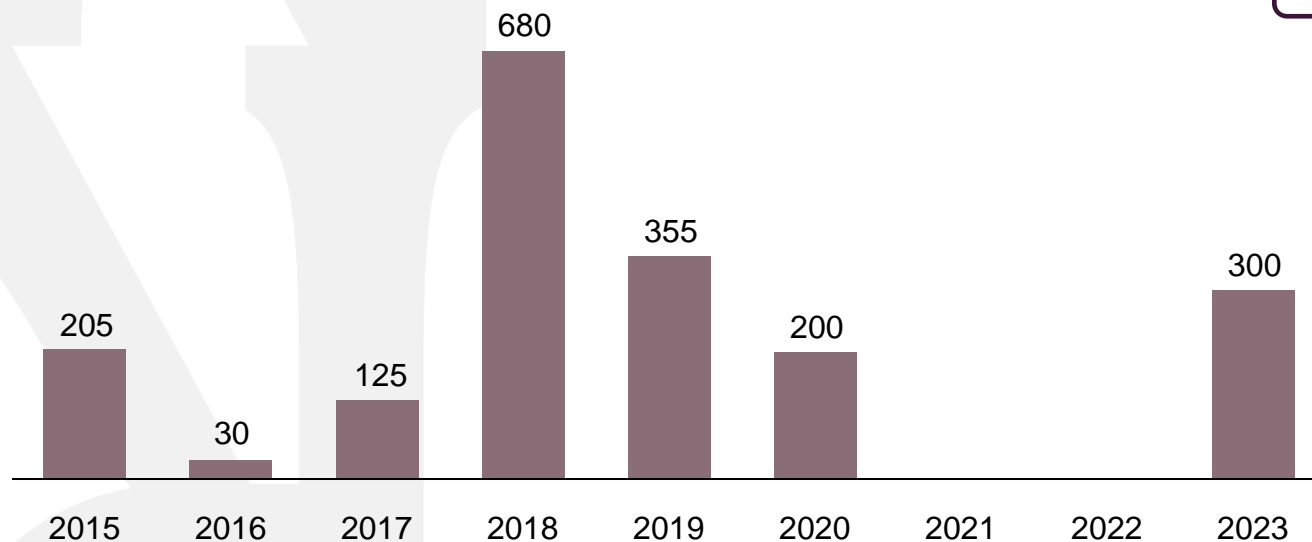
**The average maturity of the €1,895m of credit lines reached 4.1 years:**

- Confirmed credit lines are contracted with about twenty different banks
- No credit lines were drawn as at 12/31/2014

## Confirmed credit lines maturity schedule as at February 17, 2015

*In € millions*

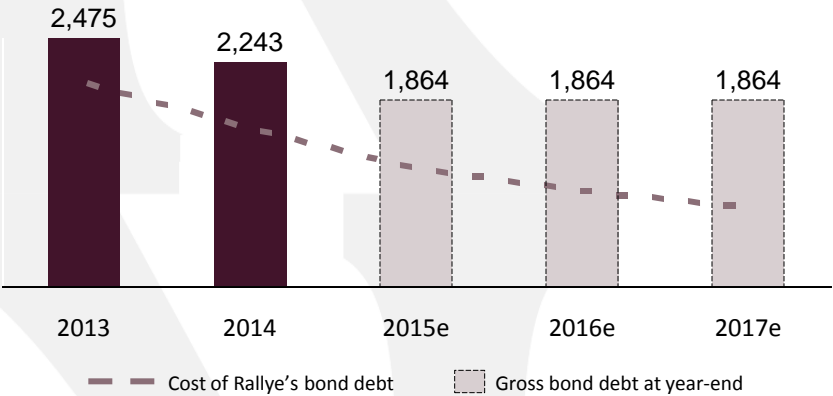
**Total: €1,895m**



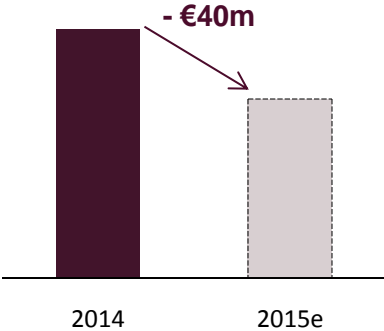
# CONTINUED REFINANCING AT A SIGNIFICANTLY REDUCED COST

- In 2014, Rallye carried on the replacement of its most expensive portion of debt with cheaper resources while lengthening its average maturity:
  - Rallye renewed more than €1bn of financing, which showed an average cost of 6.2%
  - This portion of debt was replaced with resources at half that cost on average and the average maturity was extended by more than three years

**Evolution of the average cost of Rallye’s bond debt<sup>(1)</sup>**



**Evolution of Rallye’s financial cost in 2015**



- **This refinancing policy at a much cheaper cost will lead to a mechanical decrease in Rallye’s financial cost of debt in the coming years, as existing financing is progressively replaced**
- **Following the 2014 refinancing operations, Rallye’s financial cost should improve by at least €40m in 2015**

<sup>(1)</sup> Considering a renewal at maturity with current market conditions for the 2016 bond

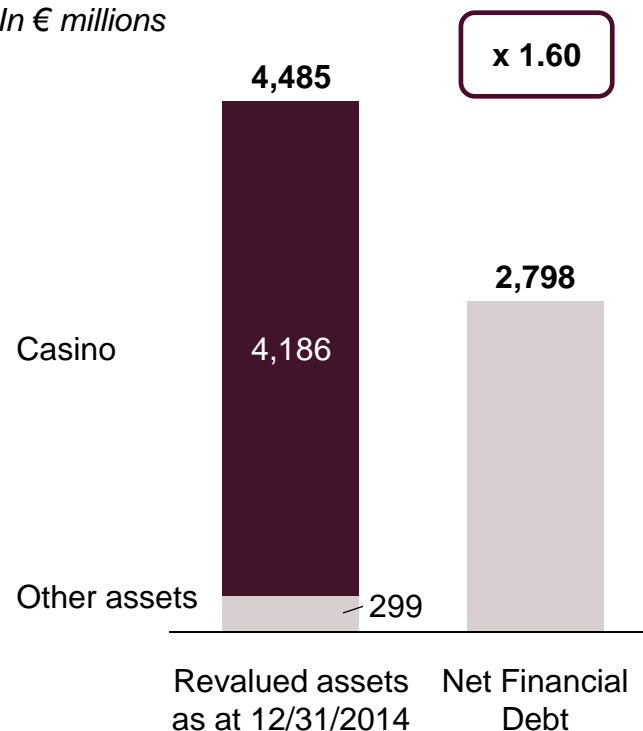
# CLOSE TO €4.5BN OF ASSETS AS AT DECEMBER 31, 2014, OF WHICH €4.2BN OF LISTED ASSETS

## Net asset value computation as at 12/31/2014

	Number of shares	Price in €	Revalued assets in €m <sup>(1)</sup>
<b>Casino</b>	54,748,768	€76.5	<b>4,186</b>
<b>Other assets</b>			<b>299</b>
<i>Of which Investment Portfolio</i>			143
<i>Of which GO Sport Group<sup>(2)</sup></i>			102
<i>Of which other<sup>(3)</sup></i>			54
<b>Revalued assets</b>			<b>4,485</b>
<b>Net Financial Debt</b>			<b>2,798</b>
<b>Net asset value as at 12/31/2014</b>			<b>1,687</b>
<b>Net asset value per share as at 12/31/2014</b>			<b>€34.6</b>

## Net debt coverage by assets

In € millions



**As at February 16, 2015, the net debt coverage by assets ratio stood at 1.74 and the net asset value per share at €42.4**

<sup>(1)</sup> Listed assets valued at closing market price as at 12/31/2014 and non-listed assets valued at their fair value as at 12/31/2014

<sup>(2)</sup> Valued at delisting price of €9.10

<sup>(3)</sup> Of which Rallye's treasury shares valued at €29.1 as at 12/31/2014

## 2014 DIVIDEND

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- As at the Annual General Meeting of May 19, 2015, Rallye will offer the payment of a €1.83 dividend per share, stable compared to 2013
  - The dividend will be offered in cash
  - It will be paid on May 29, 2015

# AGENDA

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- RALLYE: 2014 Annual Results
- Subsidiaries: 2014 Results
  - Casino Group
  - Other assets
- Conclusion and perspectives
- Appendices

# 2014 HIGHLIGHTS

## ● In France :

- End of the price repositioning cycle of discount banners (Géant and Leader Price)
- Signing of a partnership agreement in the area of purchasing (Intermarché)
- Continuing the strategy centred on the 4 priorities of the Casino Group: discount banners (hypermarkets and Leader Price), premium banners, convenience and E-commerce

## ● Internationally:

- Improvement of macroeconomic context in Colombia, Thailand and Vietnam
- Slowdown in Brazil
- Sustained organic growth: +6.8%<sup>(1)</sup>
- Strong growth in profitability driven by operational efficiency plans
- Portfolio of assets balanced around 3 main countries: Brazil, Thailand and Colombia

## ● E-commerce :

Strong growth of Cnova in 2014 – GMV : +27%

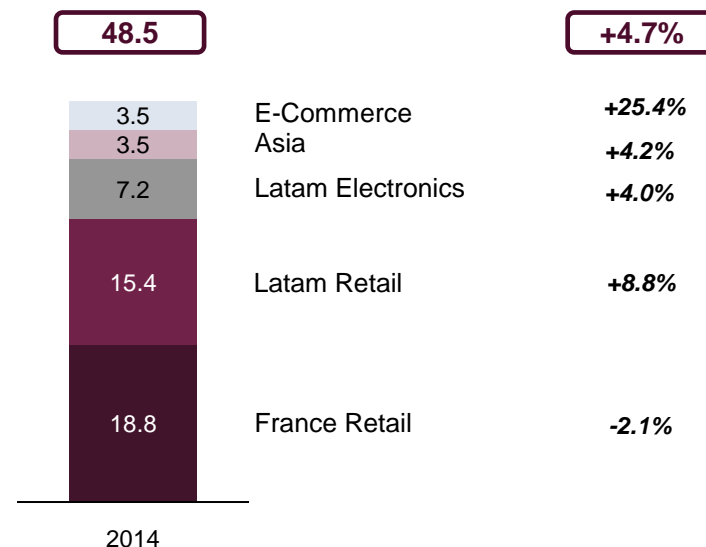
## ● Net underlying Profit, Group share:

€556 million (-10.1%) affected by exchange rates and decided price cuts in France; at constant exchange rates, profit down by -3.9%

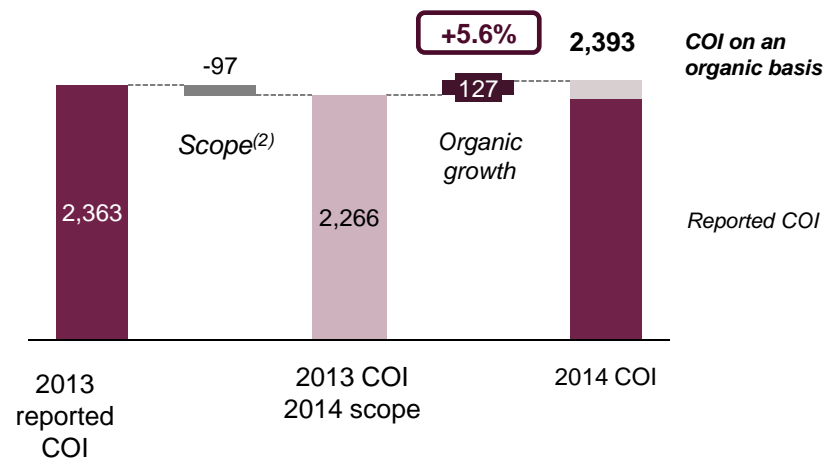
<sup>(1)</sup> Excluding petrol and calendar effect

<sup>(2)</sup> Scope effects are mainly composed of Mercialis and Disco

## Organic growth<sup>(1)</sup> of sales in 2014 (in €bn)



## Organic growth in Casino Group COI (in €m)



# 2014 KEY FIGURES

	2014	Organic change vs. 2013 published
<b>Consolidated net sales</b>	<b>€48,493m</b>	<b>+4.7%<sup>(1)</sup></b>
<b>EBITDA <sup>(2)</sup></b>	<b>€3,191m</b>	<b>+4.1%</b>
<i>EBITDA margin</i>	<i>6.6%</i>	<i>stable</i>
<b>Current operating income</b>	<b>€2,231m</b>	<b>+5.6%</b>
<i>Current operating margin</i>	<i>4.6%</i>	<i>+7bp</i>
<b>Net underlying profit, Group share</b>	<b>€556m</b>	<b>-3.9% at CER</b>
Cash flow	€2,015m	+9.1% at CER
Net Financial Debt	€5,822m	1.8x EBITDA

(1) Excluding petrol and calendar effect

(2) EBITDA = current operating income + current depreciation and amortization expense

# FRANCE RETAIL: END OF THE PRICE REPOSITIONING CYCLE OF DISCOUNT BANNERS AND SATISFACTORY DEVELOPMENT OF PREMIUM AND CONVENIENCE BANNERS

- **Géant:** increase in both food and non-food sales volumes thanks to strong price cuts
- **Leader Price:** reassertion of the discount model (now positioned as the least expensive banner on the market<sup>(1)</sup>, positive traffic and stable sales volumes in Q4 2014 and implementation of a new concept combining convenience and discount: Leader Price Express) and significant price investment mainly explaining the fall of current operating income
- **Monoprix:** continued expansion in different formats (Monoprix, Monop', Naturalia, etc.) and high margin maintained
- **Convenience stores:** good operating performance at Franprix, substantial increase in sales, success of renovations and resumption of expansion

In €m	2013 published <i>Excluding Mercialis</i>	2014	Organic growth
<b>Net sales</b>	<b>18,881</b>	<b>18,848</b>	<b>-2.1%</b> <sup>(2)</sup>
EBITDA <sup>(3)</sup>	987	835	-17.0%
<b>COI</b>	<b>555</b>	<b>396</b>	<b>-28.1%</b>
<i>COI margin</i>	<i>2.9%</i>	<i>2.1%</i>	







(1) *Independent panels*

(2) *Excluding petrol and calendar effect*

(3) *EBITDA = current operating income + current depreciation and amortization expense*



# FRANCE RETAIL: A BUOYANT MIX OF FORMATS

	<ul style="list-style-type: none"> <li>● Now <b>co-leader in terms of price for the hypermarket segment<sup>(1)</sup> in France</b> with food sales growing since Q4</li> <li>● <b>Positive traffic and strong recovery of volumes in 2014</b> with good performance at the end of the year and pursuit of the <b>sustained increase in FMCG volumes at the start of 2015 (4W at +6%)</b></li> <li>● <b>Numerous innovative sales initiatives</b> (rounded prices, synergies with Cdiscount, pallet displays...)</li> </ul>
	<ul style="list-style-type: none"> <li>● Now the <b>least expensive banner on the market<sup>(1)</sup></b></li> <li>● <b>Notable recovery in traffic and volumes since the start of Q4 2014</b></li> <li>● <b>Increase in the total sales of +1.2%</b> thanks to the expansion and acquisition of Le Mutant and Norma stores, and <b>stable market share in 2014 with an improvement beginning of 2015 (+0.1pt)</b></li> <li>● Sale of technology products in <b>cooperation with Cdiscount</b></li> <li>● Implementation of a <b>new Leader Price Express</b> concept, combining convenience and discount</li> <li>● <b>1,041 stores as of the end of January 2015</b>, of which 281 Leader Price Express</li> </ul>
	<ul style="list-style-type: none"> <li>● <b>Organic growth of sales<sup>(2)</sup> and good performance of food sales</b></li> <li>● <b>Success of different sales formats</b> (City Marché, Monop', Daily Monop', Monoprix.fr)</li> <li>● <b>Very satisfactory development of Naturalia</b> (92 stores as of end 2014) and <b>sustained expansion</b> (67 stores opened in 2014)</li> </ul>
	<ul style="list-style-type: none"> <li>● <b>Steady recovery in sales</b> during the year, and <b>stable traffic in the 4th quarter</b></li> </ul>
	<ul style="list-style-type: none"> <li>● <b>Continued implementation of the banner's new concept</b></li> <li>● <b>Increase in volumes of own-brand sales and stability of market share in 2014</b></li> <li>● <b>Maintenance of good level of profitability</b></li> </ul>
	<ul style="list-style-type: none"> <li>● <b>Recovery of same-store sales in Q4 and amplification of this trend in Q1 2015</b></li> <li>● <b>Sustained level of expansion of franchises: Vival and Spar</b></li> <li>● <b>Success of the transformation of integrated stores</b> into the new <b>Petit Casino</b> and <b>Casino Shop</b> concepts</li> </ul>

(1) Independent panels

(2) Excluding the 9pm closing time of some stores and stores disposals mandated by the French Competition Authority

# INTERNATIONAL: VERY GOOD PERFORMANCE

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- **Colombia, Thailand and Vietnam:**

- Improvement in the macroeconomic environment
- Very satisfactory operating and financial performances

- **Brazil:**

- Economic slowdown
- Strong growth in profitability driven by management efforts

- **Continuing strong dynamic of expansion in all regions:** 752 net openings of stores internationally (vs. 642 in 2013)

- **Unfavorable exchange effects**, mainly linked to the depreciation of the real. Now, in 2015, neutral impact following a reverse movement of the real and the euro

# LATAM RETAIL: STRONG ORGANIC GROWTH OF THE COI

Latam Retail -



2014

## GPA (food banners)

- Confirmed **leadership** in **food retailing** (Multivarejo), **increasing market share for Pão de Açúcar** (unchallenged leader of the premium format) and **excellent performance of cash & carry stores** (Assaí)
- **Acceleration in the development of convenience model** (through Minimercado format) and opening of 108 stores in 2014, of which 9 Assaí and 92 convenience stores)
- **Improvement in EBITDA** at **Assaí** and **Multivarejo**, with a growing share of Assaí in the total mix

## Grupo Éxito

- **Leading food retailer in Colombia** (with a market share strengthened in 2014) in a buoyant environment after a difficult period
- **Good dynamics of expansion**, particularly in the **discount formats** via the affiliate networks
- **Finalisation of the integration of Super Inter** (46 new stores for a turnover of \$400 million)
- **Development of malls** (+66,000 sq m in 2014, i.e. a total of 275,000 sq m)
- **Continued high profitability** (EBITDA margin of 8.4%, with a slight decrease notably linked to the accelerated development of Surtimax and Aliados formats) and **net cash position of €856m** at the end of the year

In €m	2013 published	2014	Organic growth
<b>Net sales</b>	<b>15,661</b>	<b>15,422</b>	<b>+8.8%<sup>(2)</sup></b>
EBITDA <sup>(1)</sup>	1,253	1,215	+7.6%
<b>COI</b>	<b>892</b>	<b>895</b>	<b>+11.9%</b>
<i>COI margin</i>	5.7%	5.8%	+17 bps

<sup>(1)</sup> EBITDA = COI + current depreciation and amortization expense - <sup>(2)</sup> Excluding petrol and calendar effect

# LATAM ELECTRONICS: EXCELLENT PERFORMANCE

Latam Electronics -  via varejo

2014

- **Viavarejo: leader in South America in the distribution of electronic products and furniture** in a buoyant market (ownership rate per household is still low)
- **Satisfactory growth in the activities of Viavarejo** over a high basis in 2013: +5.1% adjusted for store disposals due to closer ties between the Casas Bahia and Ponto Frio banners
- **Success of operational excellence plans** and achievement of sales and logistics synergies
- **New improvement in profitability:** EBITDA margin up +220 bp vs 2013
- Net income of €309m, strong growth of +34%, very high level of FCF (€301m) and cash position (€1.4bn)
- Opening of **88 stores** in 2014

In €m	2013 published	2014	Organic growth
<b>Net sales</b>	<b>7,576</b>	<b>7,245</b>	<b>+4.0%<sup>(2)</sup></b>
EBITDA <sup>(1)</sup>	600	737	+33.7%
<b>COI</b>	<b>546</b>	<b>677</b>	<b>+35.7%</b>
<i>COI Margin</i>	<i>7.2%</i>	<i>9.3%</i>	<i>+220 bps</i>

(1) EBITDA = current operating income + current depreciation and amortization expense

(2) Excluding petrol and calendar effect

# ASIA: SATISFACTORY OPERATING PERFORMANCE IN A CHALLENGING CONTEXT

Asia

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## Big C Thailand

- Improvement in profitability (high EBITDA margin, at 11.4%) in an unfavorable local context
- Leadership confirmed in terms of image and price and new successes of promotional operations
- Return to positive same-store-sales in 4th quarter
- Debt of €332m at the end of 2014, greatly reduced due to high generation of cash flow
- High rate of expansion in 2014, with the opening of 4 hypermarkets, 7 Big C Markets and 19,000 sq m of malls

## Big C Vietnam

- Organic growth<sup>(1)</sup> of sales in a context of macroeconomic slowdown
- Sustained development of store network with the opening of 5 new hypermarkets in cities with strong potential
- Creation of malls around hypermarkets: property portfolio of 27 sites as of the end of 2014
- Satisfactory growth in activity and EBITDA margin in spite of a high rate of openings

2014

In €m	2013 published	2014	Organic growth
<b>Net sales</b>	<b>3,561</b>	<b>3,513</b>	<b>+4.2%<sup>(2)</sup></b>
EBITDA <sup>(1)</sup>	368	361	+3.3%
<b>COI</b>	<b>264</b>	<b>255</b>	<b>+1.5%</b>
<i>COI Margin</i>	<i>7.4%</i>	<i>7.2%</i>	<i>-15 bps</i>

(1) EBITDA = current operating income + current depreciation and amortization expense

(2) Excluding petrol and calendar effect

# E-COMMERCE: PURSUIT OF VERY STRONG GROWTH IN ACTIVITY IN LINE WITH THE TREND OF PREVIOUS YEARS

E-commerce

-



2014

- **GMV<sup>(1)</sup> of €4.5 billion, up + 26.6 % in 2014 (+ 28.6% in Q4 2014)**
- **13.6 million active customers<sup>(2)</sup> in the world as of the end of 2014 (+ 23.1%)**
- **Growth founded on the Casino Group's networks of stores throughout the world:**
  - 17,500 collection points in total in France
  - Already 100 collection points in Brazil through the Click & Collect of Extra stores
- **An operating model of low costs and low prices combining profitable growth and significant generation of cash flow of €203 million (x3.6)**
- Cnova is now the 6th largest international listed player, operating 22 sites in 11 countries

In €m	2013 published	2014	Total growth
<b>GMV</b>	<b>3,567</b>	<b>4,516</b>	<b>+26.6%</b>
<b>Net sales</b>	<b>2,902</b>	<b>3,465</b>	<b>+19.4%</b>
<b>COI<sup>(3)</sup></b>	<b>31</b>	<b>7</b>	
- France & Brazil operations <sup>(4)</sup>	31	26	
- New operations <sup>(5)</sup>	0	(19)	
<b>Free cash flow<sup>(6)</sup></b>	<b>56</b>	<b>203</b>	<b>x3.6</b>

(1) GMV: Gross Merchandise Volume

(2) Active customers as of the end of December who made at least 1 purchase during the previous 12 months

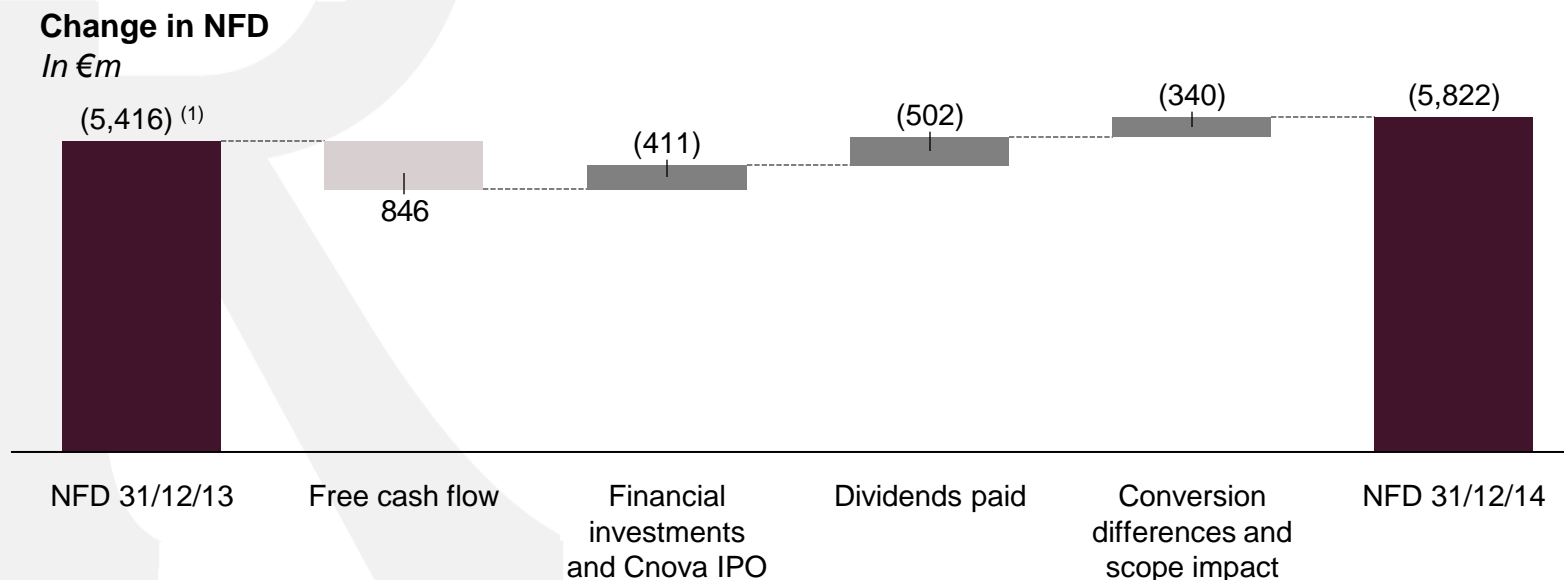
(3) The difference between trading profit above and published by Cnova are mainly linked to consolidation period and elimination of intercompanies accounts with international subsidiaries of Casino Group

(4) Including Cdiscount, Monshowroom and Nova

(5) Including Colombia, Thailand, Vietnam and others

(6) Published by Cnova, excluding IPO proceeds

# CHANGE IN CASINO NET FINANCIAL DEBT



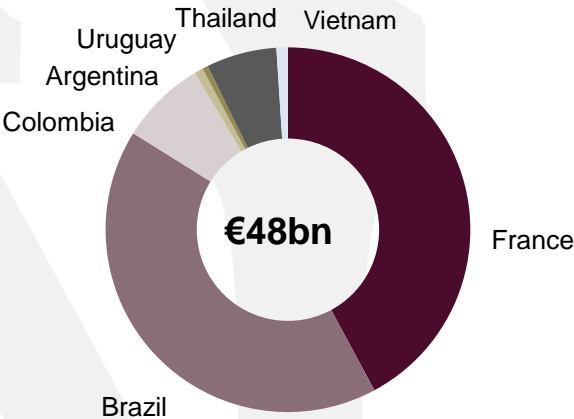
- **Moderate rise in net financial debt: +7.5%**
- **Free Cash Flow of €846m nearly covering net financial investments of €411m and dividends paid of €502m**
- Financial investments: mainly increased stake in GPA, acquisition of Le Mutant and Super Inter
- **Consistent improvement in average maturity of debt:** 6.2 years as of 12/31/2014 compared to 4.8 years as of 12/31/2013
- Casino is rated **BBB- stable** by Standard & Poor's and Fitch Ratings

(1) Net debt published in 2013

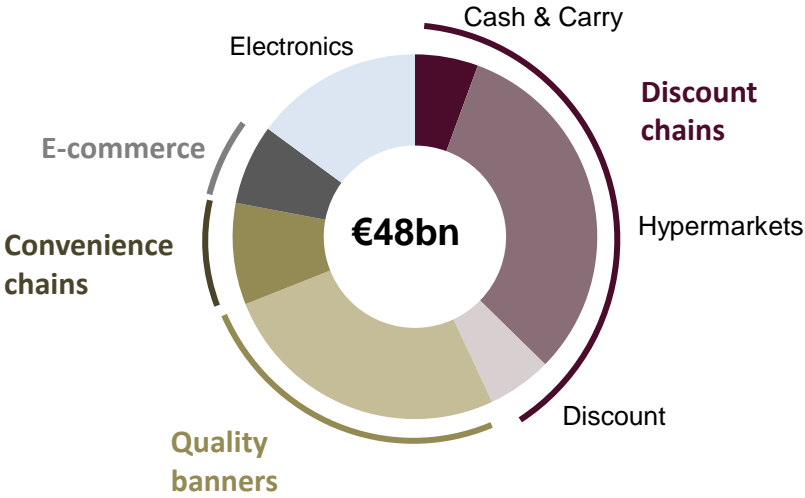
# A DIVERSIFIED PROFILE OF HIGH GROWTH COUNTRIES AND STORE TYPES

- **Casino's revenue rose by +67% over the past 5 years, exceeding €48 billion in 2014 to rank 11th among worldwide food retailers**
- **This strong growth, topping the largest distribution companies according to the most recent Deloitte study<sup>(1)</sup>, was built by prioritizing development in the most buoyant countries and formats**
- **Casino's mix of store types and locations provide geographic diversification with leading positions in Latin America and Southeast Asia**

Casino revenue breakdown by country



Casino revenue breakdown by store type



- **This strategy, which prioritizes discount, premium formats, convenience and E-commerce, is well suited to current consumption trends**

(1) Global Powers of Retailing 2015, published January 2015 – Growth rate of +11.1% for Casino between 2008 and 2013



# CONTINUED ROLLOUT OF THE CASINO GROUP'S 5 STRATEGIC PRIORITIES (1/2)

**After their pricing repositioning, develop discount banners in France and accelerate international roll-out**

## **In France, success of the overhaul of Géant and Leader Price's business model:**

- Géant currently co-leader in terms of prices for hypermarkets<sup>(1)</sup>
- Leader Price now the lowest priced banner in the market<sup>(1)</sup> and in recovery since Q4 2014
- Rollout of new concepts such as Leader Price Express, a discount convenience store

## **Internationally, continued and sustained Cash & Carry expansion:**

- Ongoing improvement in Assaí market share, currently No. 2 in the segment in Brazil
- In Columbia, rapid rollout of Surtimax using a single membership model in addition to expansion
- Adaptation of Cash & Carry model in Asia: Big C compact

**Leading position in three of the Casino Group's key countries with 900 stores at the end of 2014**, via Monoprix / Naturalia in France, Pão de Açúcar in Brazil and Carulla in Colombia

## **Accelerate expansion to strengthen this unique position:**

- In France, expansion into the profitable Monoprix formats (City Marché, Monop', Naturalia, ...)
- In Colombia and Brazil, an ambitious plan to open some 40 stores a year under existing banners

**Strengthen leadership position in premium formats**

## **In France, overhaul concepts and re-launch franchise: Franprix, Vival, Spar, ...**

- A unique network owing to its density of over 6,000 stores
- Positive results from business re-launch plans and store renovations
- Launching of new formats in 2015

## **Internationally, a new priority: convenience stores development**

- A network of 704 stores at the end of 2014 and a strong ambition in international development (approximately 100 stores a year) with store models suited to the local market

**Boost expansion in convenience formats**

(1) Independent panels

# CONTINUED ROLLOUT OF THE CASINO GROUP'S 5 STRATEGIC PRIORITIES (2/2)

**Cnova: Maintain strong growth and cash flow generation**

- Continue **solid GMV and sales growth**
- Maintain **price positioning** for sites and broaden their assortment
- Sharply accelerate development of **marketplaces** and **mobile sales**
- Continue to launch **new international and specialized sites**
- Continue to **improve synergies with the Casino Group**: procurement, logistics and pickup points

## **Improving purchasing terms**

- In France, agreement signed with Intermarché to create a shared buying group
- Internationally, the Casino Group's size is a major asset in business negotiations with international suppliers
- In non-food, improved purchasing synergies between Cnova, Viavarejo and Casino

## **Cost control and synergies:**

- Proactive and highly disciplined approach to controlling costs at all banners in all of the Casino Group's geographic regions
- Lowering operational and structural costs: a systematic approach based on productivity benchmarks and shared processes
- Investment optimization: reducing per square meter building costs and expansion using models that require less capital
- Gradual creation of synergies among banners, among which:
  - Budget for IT and advertising agencies
  - Sourcing and own brands (Casino, Finlandek, etc.)
  - Multichannel: click & collect (France, Brazil, etc.)

**Operational efficiency: improving purchasing terms, cost control and synergies**

## In 2015, the Casino Group has set the following objectives:

- ✓ In France<sup>(1)</sup>:
  - an organic growth of annual sales
  - annual current operating income higher than the previous year
  
- ✓ Internationally<sup>(1)</sup> :
  - sustained organic growth of the business
  - higher growth in current operating income than in sales
  
- ✓ Overall, organic growth of current operating income
  
- ✓ An improvement of the Net financial debt/EBITDA ratio close to 0.2x

(1) Excluding E-commerce

# AGENDA

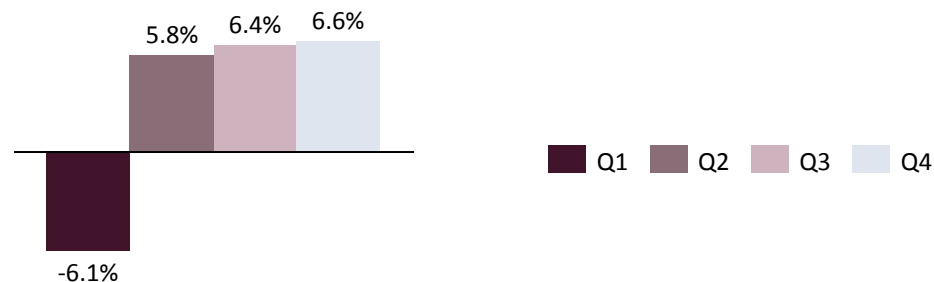
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- RALLYE: 2014 Annual Results
- Subsidiaries: 2014 Results
  - Casino Group
  - Other assets
- Conclusion and perspectives
- Appendices



# GROUPE GO SPORT ACTIVITY IN 2014

Evolution of Groupe GO Sport same-store sales in 2014



Return to growth of Groupe GO Sport sales (+2,9% on a same-store basis) with sequential improvement throughout the year

- **Boost in GO Sport France's sales dynamic:** same-store sales up on a yearly basis, with an acceleration in Q4 (+5.6% versus +2.0% in Q3)
- **Excellent sales growth for Courir** (+10.8% in 2014 on a same-store basis), validating the banner's success, with sales up for the fifth consecutive year
- **Development of cross-canal:**
  - GO Sport France: accelerated development of the **French franchise network** (10 stores at year-end 2014), and of the e-commerce website, with the launch of a dedicated **marketplace**
  - Courir: successful launch of the **French franchise network** (9 stores in 2014) and of the banner's **e-commerce** website
  - Continued expansion for **international franchisees**, with store openings in new countries. At year-end 2014, the network of international franchisees is made up of 32 stores in more than 10 countries,
  - Signing of an agreement with **Twinner** which allowed for the integration of more than a hundred of affiliate stores, essentially in mountain regions

Group EBITDA and COI up slightly in 2014

Delisting following an offering initiated by Rallye with a price of 9.10 euros per share

# AGENDA

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- RALLYE: 2014 Annual Results
- Subsidiaries: 2014 Results
- **Conclusion and perspectives**
- Appendices

# CONCLUSION AND PERSPECTIVES


## Casino

**In 2015, the Casino Group will continue the rollout of its 5 strategic priorities:**

- After their pricing repositioning, develop discount banners in France and accelerate international roll-out
- Strengthen leadership position in premium formats
- Boost expansion in convenience formats
- Cnova: maintain strong growth and cash flow generation
- Continue to improve operational efficiency: optimize costs and purchasing

## Rallye

- Continued refinancing at a significantly lower cost compared to the historical average, which will lead to a mechanical decrease in Rallye's cost of debt in years to come
- Very strong liquidity situation with €1.9bn of confirmed, undrawn and immediately available credit lines
- Lengthened maturity of bond and non-bond debt



Rallye confirms its strategy to maximize its assets' value, especially Casino, as well as its objective to lower its financial cost of debt.



# AGENDA

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- RALLYE: 2014 Annual Results
  - Subsidiaries: 2014 Results
  - Conclusion and perspectives
- Appendices

# RALLYE – CONSOLIDATED INCOME STATEMENT AS AT DECEMBER 31, 2014

<b>Continuing operations (in € millions)</b>	<b>12/31/2013<sup>(1)</sup></b>	<b>12/31/2014</b>
Net sales	48,519	49,155
EBITDA*	3,299	3,210
<b>Current Operating Income (COI)</b>	<b>2,323</b>	<b>2,235</b>
Other operating income and expenses	240	(501)
Cost of net financial debt	(829)	(812)
Other financial income and expenses	(89)	19
Profit before tax	1,645	941
Income tax expense	(394)	(321)
Income from associated companies	42	76
<b>Net income from continuing operations</b>	<b>1,294</b>	<b>697</b>
<b>Group share</b>	<b>175</b>	<b>(32)</b>
<i>Minority interests</i>	1,119	729
Net income from discontinued operations	(2)	(2)
<i>Group share</i>	(1)	(1)
<i>Minority interests</i>	(1)	(1)
<b>Net income</b>	<b>1,292</b>	<b>696</b>
<b>Group share</b>	<b>174</b>	<b>(33)</b>
<i>Minority interests</i>	1,118	728

<sup>(1)</sup> The previously reported financial statements were adjusted further to the retrospective application of IFRS 11 and IFRIC 21, as well as changes relating primarily to determining the fair value of Monoprix' acquired assets and liabilities.

<sup>(2)</sup> EBITDA = current operating income + current depreciation and amortization expense

# RECONCILIATION OF REPORTED PROFIT TO UNDERLYING PROFIT

In € millions	2013	Restated	Underlying 2013	2014	Restated	Underlying 2014
<b>Current operating income</b>	<b>2,323</b>		<b>2,323</b>	<b>2,235</b>		<b>2,235</b>
Other operating income and expenses	240	(240)	0	(501)	501	0
<b>Operating income</b>	<b>2,563</b>	<b>(240)</b>	<b>2,323</b>	<b>1,734</b>	<b>501</b>	<b>2,235</b>
Cost of net financial debt	(829)		(829)	(812)		(812)
Other financial income and expenses	(89)	77	(12)	19	(11)	8
Income tax expense	(394)	(96)	(490)	(321)	(157)	(478)
Income from associated companies	42		42	76		76
<b>Net income from continuing operations</b>	<b>1,294</b>	<b>(259)</b>	<b>1,035</b>	<b>697</b>	<b>333</b>	<b>1,030</b>
Minority interests	1,119	(158)	960	729	249	978
<b>Group share</b>	<b>175</b>	<b>(101)</b>	<b>75</b>	<b>(32)</b>	<b>84</b>	<b>52</b>

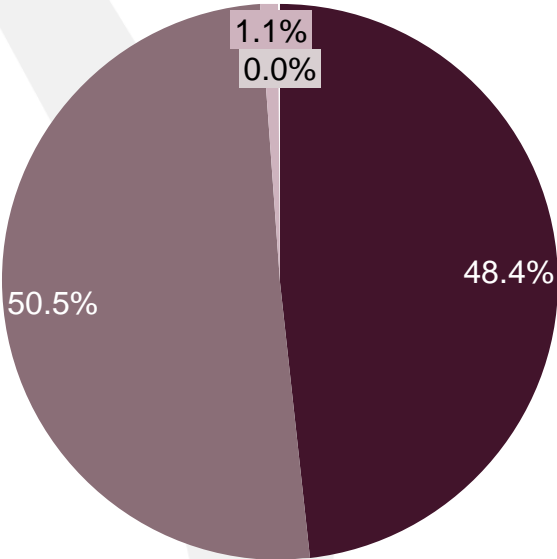
# RALLYE – CONSOLIDATED BALANCE SHEET AS DECEMBER 31, 2014

In € millions	12/31/2013 <sup>(1)</sup>	12/31/2014
Goodwill	11,744	12,023
Intangible assets	14,141	14,683
Investments in associates	1,048	913
Other non-current assets	2,193	2,815
Inventories	4,778	5,471
Trade and other receivables	3,096	3,418
Other financial assets	425	154
Cash and cash equivalents	5,686	7,680
Assets held for sale	98	68
<b>TOTAL ASSETS</b>	<b>43,209</b>	<b>47,224</b>
Shareholder's equity	13,919	13,932
Long-term provisions	971	1,019
Financial liabilities	11,064	11,611
Other non-current liabilities	2,138	2,245
Short-term provisions	217	172
Trade payables	7,080	8,412
Other financial liabilities	3,434	5,441
Other liabilities	4,387	4,393
<b>TOTAL LIABILITIES</b>	<b>43,209</b>	<b>47,224</b>

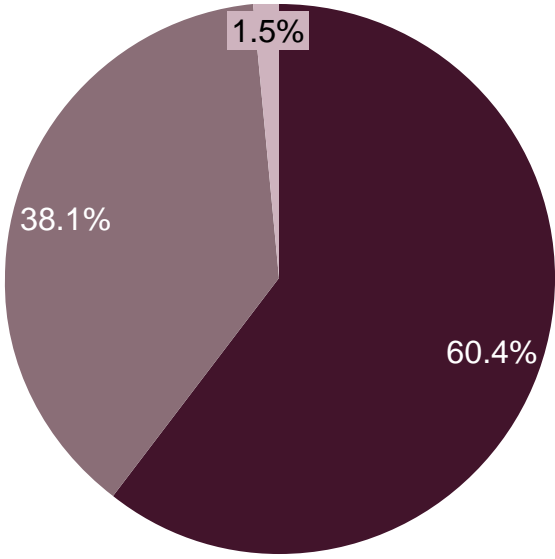
<sup>(1)</sup> The previously reported financial statements were adjusted further to the retrospective application of IFRS 11 and IFRIC 21, as well as changes relating primarily to determining the fair value of Monoprix' acquired assets and liabilities.

# CASINO SHAREHOLDING STRUCTURE AS AT DECEMBER 31, 2014

In % of shares



In % of voting rights



- Rallye Group
- Other shareholders
- Casino employees
- Treasury stocks

Breakdown of Casino's shareholding structure as at 12/31/2014	
Number of shares	113,175,162
Number of voting rights	159,814,596

Rallye's share	%
54,748,768	48.4%
96,494,932	60.4%

# RALLYE SHAREHOLDING STRUCTURE AS AT DECEMBER 31, 2014

## Rallye's shareholding structure as at 12/31/2014

	Shares	In %	Voting rights	In %
<b>Foncière Euris</b>	26,996,291	55.4%	53,992,582	71.1%
<b>Other Euris Group companies</b>	13,994	-	15,655	-
<b>Treasury stocks</b>	554,631	1.1%	-	-
<b>Other shareholders</b>	21,157,032	43.4%	21,941,164	28.9%
<b>Total</b>	<b>48,721,948</b>	<b>100.00%</b>	<b>75,949,401</b>	<b>100.00%</b>

## Rallye's fully diluted number of shares as at 12/31/2014

<b>Ordinary shares before dilution</b>	48,721,948
<b>Options and bonus shares</b>	254,747
<b>Fully diluted number of shares</b>	<b>48,976,695</b>