RALLYE

ANNUAL REPORT 2014



This Registration Document was filed with the French Financial Markets Authority on April 16, 2015, in accordance with Article 212-13 of the general regulations of the Financial Markets Authority. It may be used in conjunction with a financial transaction only if accompanied by a transaction note approved by the Financial Markets Authority. This document includes all information relating to the Annual Financial Report. It was prepared by the issuer under the responsibility of the persons who signed it.

RALLYE

French Public Limited Company (SA) with share capital of €146,165,844
No. 054,500,574 in the Paris Company and Trade Register
Registered office: 83, rue du Faubourg Saint-Honoré -75008 Paris
Phone: +33 (0)1 44 71 13 73 – Fax: +33 (0)1 44 71 13 70
Web site: http://www.rallye.fr – E-mail: info@rallye.fr

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AFR This information forms an integral part of the Annual Financial Report as provided for in Article L. 451-1.2 of the French Monetary and Financial Code.

CORPORATE BODIES
and auditors



| **JEAN-CHARLES NAOURI** Chairman of the Board of Directors

BOARD OF DIRECTORS

JEAN-CHARLES NAOURI (1)
Chairman of the Board of Directors

PHILIPPE CHARRIER (1)
Independent Director

JEAN CHODRON DE COURCEL (1)
Independent Director

JACQUES DUMAS (1)
Director

CATHERINE FULCONIS (1)
Independent Director

JEAN-MARIE GRISARD
Representing Finatis (1)

SOPHIE GUIEYSSE (2)
Independent Director

DIDIER LEVEQUE,
Representing Foncière Euris (1)

ODILE MURACCIOLE
Representing Saris (1)

GABRIEL NAOURI
Representing Euris (1)

CHRISTIAN PAILLOT (1)
Independent Director

ANDRÉ CRESTEY
Non-voting observer (advisor to the Board)

EXECUTIVE MANAGEMENT

DIDIER CARLIER
Chief Executive Officer

FRANCK HATTAB
Deputy Managing Director

STATUTORY AUDITORS

ERNST & YOUNG ET AUTRES
Represented by Pierre Bourgeois

KPMG AUDIT DEPARTMENT OF KPMG SA
Represented by Catherine Chassaing

(1) Reappointments proposed to the Ordinary General Shareholders' Meeting of May 19, 2015.
(2) Proposed appointments to the General Shareholders' Meeting of May 19, 2015.

CHAIRMAN'S
Message

–

Casino Group has moved up in the last five years to attain the rank of the 11th largest food retailer in the world. Revenue has increased by 67% in five years, giving Casino the highest growth rate among leading retailers [1]. This growth was fueled by Casino's choice to prioritize the development of the most buoyant countries and formats. As such, the Casino Group is leveraged by a highly diversified portfolio of franchised outlets established in high-potential markets. The strongest growth drivers over the last five years have been the Brazilian subsidiaries, with 19.5% of average growth and e-commerce with 18.3%. Next are the Colombian and Thai subsidiaries with average revenue growth of 11.7% and 9.8% respectively over the period. In terms of formats, Casino continues to focus on mass retail franchised outlets (hypermarkets, discount and cash & carry stores), quality-oriented, convenience franchised outlets and e-commerce. These formats perfectly match changing consumer trends.

The Casino Group's results in 2014 confirm the soundness of this strategy. Revenues were up 4.7% on a same-store basis [2] compared to 2013, thanks to improved sales for a comparable number of stores in France, a steadily-expanding international presence and the outstanding performance of e-commerce. Current operating income was up 5.6% on a same-store basis. Normalized net income Group share was €556 million, down by 10% due to the impact of currency translation and the decision to cut prices in France.

Strengthened by a balanced, diversified profile in high-growth countries and formats, Casino is leveraged by a robust financial structure. Although the Group continued its development strategy in 2014 and made some significant investments, such as raising its stake in GPA and acquiring the Le Mutant discount stores in France and Super Inter in Colombia, its debt level remained under control. Thanks to significant free cash flow which covered the majority of net capital expenditure and dividend payouts, Casino managed to slow the pace of change in net financial debt at €5,822 million, or 1.8 times EBITDA.

In 2015, the Casino Group will face numerous challenges: strengthening its leadership on quality-oriented formats, accelerating the expansion of discount and proximity stores, maintaining the momentum of e-commerce and operational discipline. To do so, it relies on the strengths inherent in its new profile. Its international dimension opens up new opportunities to galvanize its teams, exchange best practices, manage evolving talents, and promote a caring management, while creating the right conditions for achieving excellence and improving customer service.

Rallye reported consolidated revenue of €49.2 billion, up +1.3% on 2013. Current operating income totaled €2,235 million in 2014, versus €2,323 million in 2013.

Rallye's holding scope reported net financial debt of €2,798 million, including €2,243 million of bond debt and €470 million of non-bond debt.

Rallye's investment portfolio was valued at €143 million at the end of 2014, following the disposal of some 15 lines, most of which had generated substantial returns on investment, in addition to two real estate assets.

Highlights in 2014 included the filing of a simplified public offering on September 30, 2014 by Rallye to buy Groupe GO Sport shares not yet included in its direct or indirect holdings. The offering, which was declared compliant on October 14, 2014 by the French financial markets authority, was completed at a price of €9.10 per share. It was followed by a squeeze-out implemented on November 5, 2014. Since that date, Rallye holds 100% of the capital and voting rights of Groupe GO Sport.

The consolidated revenues of Groupe GO Sport for 2014 amounted to €655.1 million, up by 2.9% on a same-store basis and constant currency basis, with a sequential acceleration during the year.

Rallye's liquidity position is highly robust, with almost €1.9 billion in undrawn confirmed credit lines available for immediate use. Bond debt maturity was extended to 4.5 years (versus 3.1 years as at December 31, 2013).

Rallye's financial expenses will drop mechanically in upcoming years, following refinancing well below historic cost. In 2015, Rallye expects its financial expenses to improve by at least €40 million.

Rallye confirmed its asset valuation strategy, for Casino in particular, together with its goal of reducing its financial expenses.

The Board of Directors will propose to the General Meeting of May 19, 2015, a dividend payout of €1.83 per share, stable compared to 2013, which will be paid on May 29, 2015.

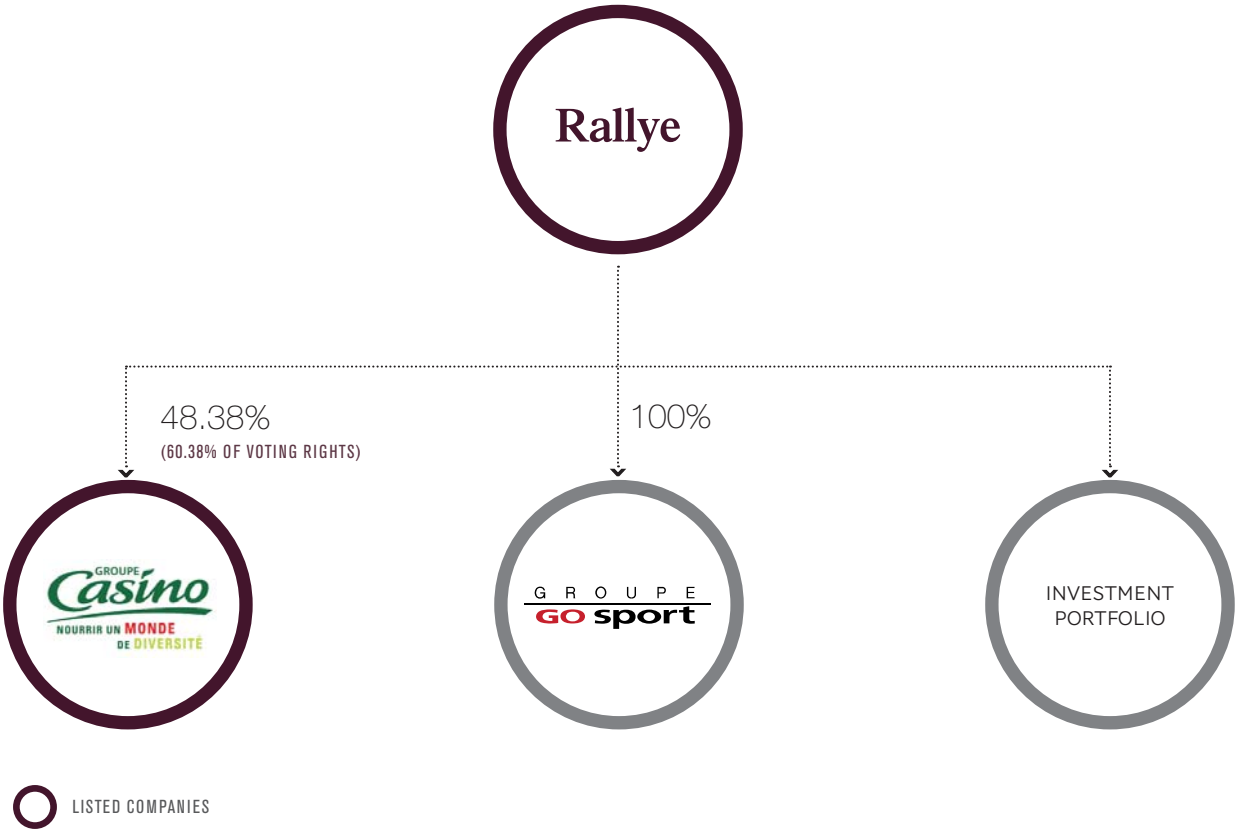
JEAN-CHARLES NAOURI

(1) Growth rate of +11.1% per annum for the Group between 2008 and 2013. Source: Cabinet Deloitte - "Global Powers of Retailing" study published in January 2015.

(2) Excluding fuel and calendar effects.

SIMPLIFIED GROUP ORGANIZATIONAL CHART

As at December 31, 2014



KEY INCOME STATEMENT ITEMS

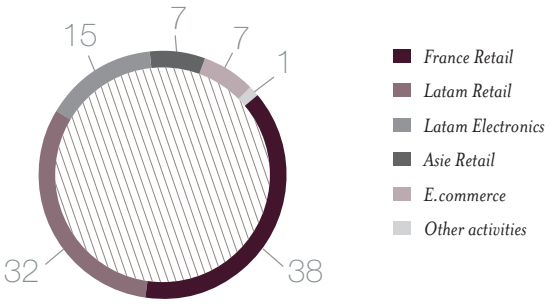
Continuing operations *(in € millions)*	2013 restated [3]	2014	2014 at current exchange rates
Net sales	**48,519**	**49,155**	
EBITDA [1]	**3,299**	**3,210**	
Current operating income (COI)	**2,323**	**2,235**	
Net profit, Group share	**175**	**(32)**	
Net underlying profit [2]**, Group share**	**75**	**52**	**71**

(1) EBITDA = current operating income + current depreciation and amortization expense.
(2) 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.
(3)The financial statements previously published have been restated following the retrospective application of IFRS 11 and IFRIC 21 as well as the amendments mainly concerning the fair value measurement of Monoprix's acquired assets and liabilities.

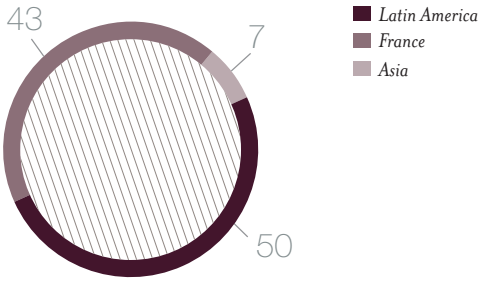
KEY FIGURES

As at December 31, 2014

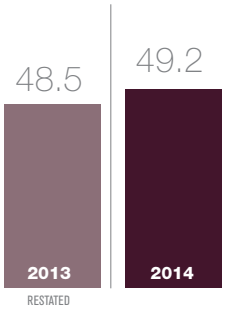
NET SALES BY LINE OF BUSINESS (IN %)



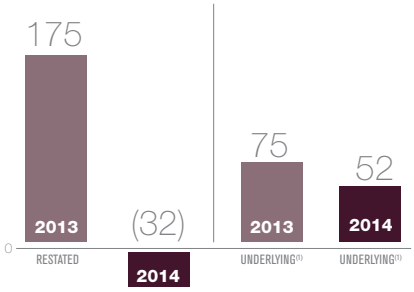
NET SALES BY GEOGRAPHIC AREA (IN %)



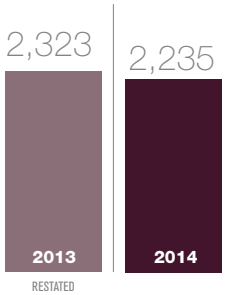
CONSOLIDATED REVENUE (IN € BILLIONS)



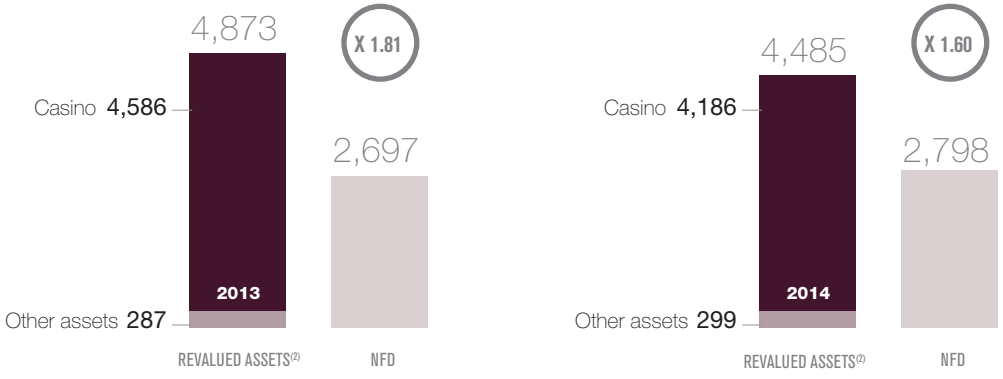
NET PROFIT, GROUP SHARE (IN € MILLIONS)



CURRENT OPERATING INCOME (IN € MILLIONS)



NET DEBT COVERAGE BY ASSETS (IN € MILLIONS)



(1) Underlying net income corresponds to net profit from continuing operations restated for the impact of other operating income and expense, non-recurring financial items and non-recurring tax income and expenses.
(2) Listed assets valued at the closing price at December 31, unlisted assets valued at fair value at December 31.

MANAGEMENT REPORT
Highlights

CASINO

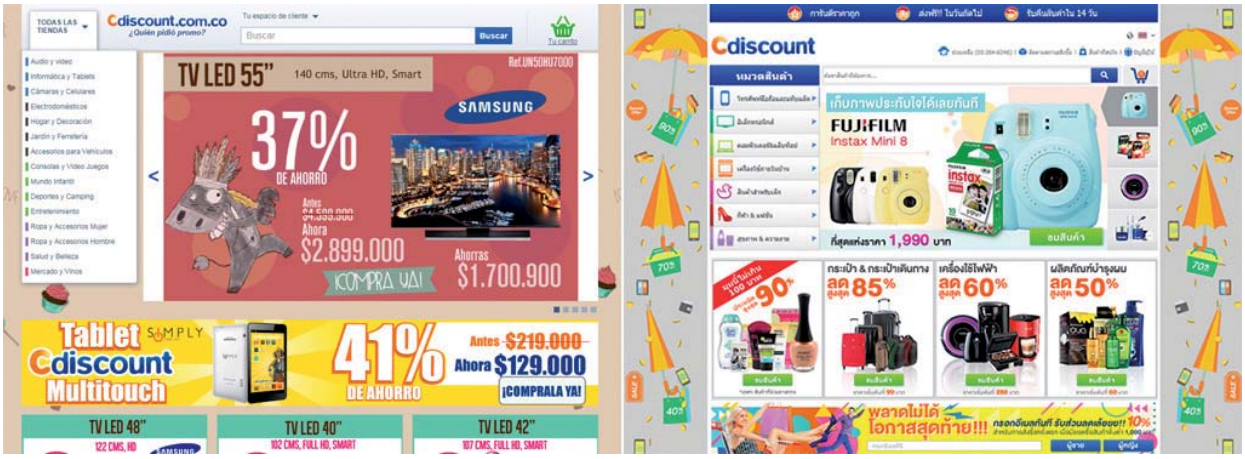
- On **January 15, 2014**, the Group announced the launch of three new sites under the Cdiscount banner in Thailand, Vietnam and Colombia. These businesses complement already existing websites within its international subsidiaries and will ultimately facilitate the establishment of a strong position in markets where e-commerce is beginning to grow.
- On **February 10, 2014**, Casino subsidiary Exito announced the signature of an acquisition and management contract for 50 stores of the Colombian banner Super Inter. Exito acquired 19 stores in 2014 and signed a lease-management contract for the remaining 31 stores, for which Exito holds a purchase option that can be exercised in 2015. Super Inter is an independent chain established in the Cali and Coffee regions. This operation consolidates Exito's status as a consumer retail leader in Colombia. It also creates a growth vector for Exito in the fast-growing discount format through a banner that complements Surtimax.
  The transaction was financed with Exito cash and had a positive impact on Exito's net income right from the first year. The transaction was approved by the Colombian competition authorities in September 2014 (subject to the sale of four stores to a competitor).
- On **February 28, 2014**, Casino successfully completed a bond tender offer launched on February 21, 2014, allowing the redemption of bonds maturing in April 2016 and February 2017 for €214 million and €336 million respectively. This redemption, combined with a 10-year €900 million bond issue placed on Friday February 21, extends the average bond debt maturity from 4.8 years at the end of December 2013 to 5.4 years as of the date of the transaction.
- On **February 28, 2014**, Casino also announced the signature of a confirmed five-year credit facility of €1.2 billion with a pool of 18 banks. This transaction strengthened the Group's liquidity and extended the average maturity of confirmed credit facilities from 2.6 years at the end of December 2013 to 4.3 years as at the date of the transaction.
- On **April 4, 2014**, Casino acquired 8,907,123 preferential shares from GPA after exercising a call option subscribed in July 2012. Following this transaction, Casino's equity stake in GPA's capital was raised to 41.4% from 38% previously, without altering the total economic exposure of 46.5% (which reflects other derivative instruments).
- On **May 6, 2014**, the Casino Group announced a project to create an e-commerce business division that includes Cdiscount websites in France, Colombia and Asia as well as Nova websites in Brazil (a company jointly owned by GPA and Via Varejo). This transaction created a specialized global player, with a combined business volume of USD4.1 billion in 2013.
- On **June 4, 2014**, the Casino and Bolloré Groups announced the signing of a strategic partnership with the objective of developing an e-commerce business in Africa. Cdiscount Afrique and Bolloré Africa Logistics will create a joint venture that will build on their respective strengths: the expertise of the e-commerce leader in France and the competences of the logistics leader in Africa.
  A first Cdiscount banner website will be launched in the Ivory Coast.



EXITO, Sincelejo, Colombia



PÃO DE AÇÚCAR, Sao Paulo, Brazil



CDISCOUNT: International development



GÉANT CASINO, Montpellier, France



LEADER PRICE, advertising campaign



MONOPRIX, Paris, France

- On **June 4, 2014**, the Boards of Directors of Casino, CBD, Via Varejo and Exito approved the principal terms of the creation of a global e-commerce division and the establishment of the new Cnova entity. A registration application for a possible listing on the US market has been filed.
- On **June 30, 2014**, the Casino Group signed a purchase commitment for the acquisition of 63 stores operated under the "Mutant Express, Point Coop, C. Express and Le Mutant" banners with Coopérateurs de Normandie-Picardie and Mutant Distribution in return for an exclusive commitment. The transaction was finalized in October 2014.
- On **July 30, 2014**, Casino successfully placed a bond issue of €900 million with a 12-year maturity. This was the first 12-year euro-denominated bond issue placed by an issuer with a BBB- credit rating. The new bond carries a 2,798% coupon. The transaction strengthens the Group's liquidity and extends Casino's average bond debt maturity from 5.5 to 6.3 years.
- On **September 3, 2014**, Cnova N.V. (Casino Group's e-commerce division) announced the availability of Cdiscount.com for Belgian online customers. Cdiscount.com can now process deliveries in Belgium and respond to rising demand in online shopping from numerous Belgian customers.
- On **September 24, 2014**, Cnova launched Cdiscount in Senegal: Cdiscount.sn, in line with the Group's expansion into Africa.
- On **October 8, 2014**, the Casino Group and Intermarché announced their plan for purchasing cooperation starting from 2015 negotiations. This peer-to-peer cooperation is limited to France and allows the two partners to optimize their purchases and accordingly improve the service offering to national brand suppliers. Intermarché and Casino Group will continue to manage and develop their commercial approaches and outlets separately to maintain total differentiation of their respective banners.
- On **October 23, 2014**, Cnova launched Cdiscount in Brazil. Cdiscount.com.br completes the offers already proposed by Cnova Brazil websites: extra.com.br, pontofrio.com, casasbahia.com.br.
- On **October 31, 2014**, Cnova announced the launch of its initial public offering (IPO) in the United States comprising 26,800,000 common shares. All the shares are offered by Cnova. Furthermore, Cnova gave financial intermediaries an over-allocation option which allows them to acquire up to 4,020,000 additional common shares. As at December 19, 2014, this option had been exercised for 2,357,327 shares which were settled on December 24, 2014.
- On **November 20, 2014**, Cnova announced that it had set its share price at $7.00 for the IPO comprising 26,800,000 common shares, resulting in total funds raised of $188 million. Cnova's common shares began trading on the same day on NASDAQ Global Select under the "CNV" ticker.
- On **December 1, 2014**, Cnova announced the opening of a Cdiscount website in Cameroon (Cdiscount.cm), in line with its globalization strategy.
- On **December 2, 2014**, Casino successfully placed a bond issue of €650 million with a maturity above 10 years. The new bond will carry a 2.33% coupon which is the lowest ever achieved by the Group. The transaction strengthens the Group's liquidity and extends Casino's average bond debt maturity from 5.9 to 6.3 years.
- On **December 23, 2014**, Casino announced the opening of a new Géant hypermarket in the newly-built Yas Mall, the largest shopping mall in Abu Dhabi and the second largest in the United Arab Emirates. Franchise's dynamic development is fueled by arrangements made with local partners.



FRANPRIX, Paris, France



CASINO SUPERMARCHÉ, Marseille, France



CASINO SHOP, Lyon, France



BIG C, Binh Duong, Vietnam

RALLYE

SUCCESSFUL SEVEN-YEAR €500 MILLION BOND ISSUE AND SUCCESSFUL TENDER OFFER FOR BONDS MATURING IN JANUARY 2015 AND NOVEMBER 2016

On **March 17, 2014**, Rallye announced the successful placement of a bond issue in the amount of €500 million with a seven-year maturity. This bond was heavily oversubscribed by a diversified base of investors. It posted a yield of 4%, well below the yield on bonds issued at year-end 2009 (8.5% for the bond maturing in January 2015 and 7.7% for the November 2016 bond), which will mechanically reduce Rallye's financial expenses in upcoming years.

Simultaneously with this bond issue, the Group launched a tender offer for bonds maturing in January 2015 and November 2016. On **March 25, 2014**, it allowed the redemption of €110.6 million of each of the two bonds. Following this transaction, the principal amount of both bonds was reduced to €389.4 million. This redemption, combined with the new issue, extends Rallye's average bond debt maturity from 3.1 years (at the end of December 2013) to 4.5 years.

RALLYE LAUNCHES A SIMPLIFIED PUBLIC OFFERING FOR GROUPE GO SPORT SHARES FOLLOWED BY A SQUEEZE-OUT

On **September 8, 2014**, Rallye notified Groupe GO Sport of its intention to submit a simplified public offering for Groupe GO Sport shares at a price of €9.10 per share, followed by a squeeze out, if the conditions are met. This price was examined and subsequently validated by the independent valuer appointed by Groupe GO Sport, Farthouat Finance, represented by Marie-Ange Farthouat. On **September 30, 2014**, Rallye filed a simplified public offering with the French Financial Markets Authority (AMF) to buy the Groupe GO Sport shares not yet included in its direct or indirect holdings. The AMF declared the offer compliant on **October 14, 2014**. The squeeze-out was effectively implemented on **November 5, 2014**, at a price of €9.10 per share.



COURIR, Paris-Rivoli, France



GO SPORT, Paris-La Défense, France

OTHER ASSETS

SIGNING OF A MEMORANDUM OF UNDERSTANDING BETWEEN GROUPE GO SPORT AND TWINNER FRANCE

On **August 14, 2014**, in order to develop its affiliated stores in France, Groupe GO Sport signed a memorandum of understanding (MOU) with Twinner France, a cooperative. The signing of this MOU gives each member of the Twinner network (153 stores at the end of 2013) the opportunity to materialize their membership by signing an affiliation agreement with Groupe GO Sport. The MOU allows Groupe GO Sport to take over the purchasing negociations of the Pros du Sport network, up to then handled by Twinner France. The two networks (Twinner and Pros du Sport) reported pre-tax revenue in France of €171 million in 2013.

RALLYE LAUNCHES A SIMPLIFIED PUBLIC OFFERING FOR GROUPE GO SPORT SHARES FOLLOWED BY A SQUEEZE-OUT

See Rallye highlights.

MANAGEMENT REPORT

Business review

–

Rallye Group is present in the food retail business and in non-food e-commerce through its majority stake in Casino Group:

- Casino, Rallye's main asset, which represents 99% of Rallye's consolidated revenue, is a global leader in the food retail sector. In France, its sales performances are based on a mix of banners and formats adapted to the economic environment, and to profound and lasting changes in society; internationally, its growth is focused on emerging markets with high growth potential, primarily in Latin America and Southeast Asia, where its subsidiaries benefit from strong local roots and leadership positions;
- furthermore, Rallye manages other assets:
  - a diversified investment portfolio composed of financial investments held directly or through specialized funds, as well as commercial real estate programs,
  - Groupe GO Sport, a wholly-owned subsidiary, specializes in the retailing of sporting goods and trendy sneakers through its GO Sport and Courir banners.

CASINO

In France, 2014 was characterized by the end of the price repositioning cycle for discount banners (Géant and Leader Price) and the satisfactory development of premium and convenience stores. Furthermore, all international subsidiaries as well as e-commerce posted robust performances throughout the year.

- In France, price cuts allowed Géant and Leader Price to reposition their banners among the cheapest on the market (independent panelists). The year was also marked by the solid operating performance of Casino stores and a good profitability level for Monoprix and Franprix.
- Internationally, the fiscal year was characterized by a sharp increase in profitability driven by the implementation of operational efficiency plans.
- Lastly, the e-commerce business posted very good results in 2014.

Casino now communicates on five segments:

- France Retail: Casino, Monoprix, Franprix-Leader Price and Vindémia banners;
- Latam Retail: GPA banners (food banners), Exito and Libertad;
- Latam Electronics: Viavarejo group banners (Casas Bahia and Ponto Frio);
- Asia: Big C Thaïlande and Big C Vietnam groups' banners;
- E-commerce: Cdiscount and Nova Pontocom.

FRANCE RETAIL

(In € millions)	2013 restated	2014	Organic change *(%)*
Net sales	18,308	**18,848**	-2.3%
Current operating income	544	**396**	-31.6%
Current operating margin	*3.0%*	***2.1%***	

Food retail revenue in France amounted to €18,848 million in 2014, up 2.9% from €18,308 million in 2013. In organic figures, excluding petrol and calendar, sales were down -2.3% with positive traffic and volumes since the fourth quarter.

By format, we note the following for the year:

- Sales dipped slightly for **Franprix-Leader Price** (-1.4%) from €4,288 million in 2013 to €4,227 in 2014.
  Total sales for **Leader Price** were up for the year driven by expansion and the acquisition of Le Mutant and Norma stores. Customer traffic and volumes have rallied since the beginning of the fourth quarter. The banner's market share remained stable in 2014. Furthermore, the Leader Price Express concept, combining convenience and discount, was launched in 2014.
  Franprix continued to roll out the banner's new concept. Sales volumes for own brand products increased in the year. The banner's market share remained stable in 2014.
- **Monoprix's** organic sales excluding petrol and calendar were down -0.7% despite the closing of some stores at 9 p.m., and the mandatory disposals of stores required by the French Competition Authority. Food sales recorded solid performance levels with steadily increasing volumes for the full year. The Group maintained a buoyant expansion rate with 67 stores opened in 2014 (excluding Naturalia).
- For **Géant**, organic revenue excluding petrol and calendar dropped by -1.4% in 2014. The banner is now co-leader in price on the hypermarkets segment (independent panelists) with food sales up since the fourth quarter. Traffic is positive and volumes rallied sharply with robust performances at the end of the year. Furthermore, the banner introduced numerous innovative commercial initiatives (round Prices, synergies with Cdiscount, palettisation, etc.).
- Revenue for **Casino Supermarkets** shrank by -2.9% on an organic basis excluding petrol and calendar, impacted by price investments. For the year, sales rallied gradually with stable traffic in the fourth quarter.
- **Convenience** stores reported a downturn in sales for the year. Like-for-like sales began rallying in the fourth quarter and the uptrend intensified in the first quarter of 2015. Expansion in franchise maintained its momentum and the banner observed the first success stories of the transformations of stores integrated into the new Petit Casino and Casino Shop concepts.

FINANCIAL STRUCTURE

Equity capital attributable to the Company's shareholders was €1,332 million as at December 31, 2014, compared to €1,444 million as of December 31, 2013. This decrease was due, in particular, to:

- the recognition of positive currency translation adjustments for €5 million;
- the distribution of dividends by Rallye in the amount of -€89 million;
- changes in percentages held without acquisition or loss of control of subsidiaries for €21 million;
- net loss, Group share of €33 million for 2014;
- transactions on treasury shares for -€16 million.

As at December 31, 2014, the ratio of coverage of financial expense by EBITDA (current operating income adjusted for current operating depreciation and amortization) was 3.96 versus 4.05 in 2013.

Rallye Group's net financial debt was €8,765 million as at December 31, 2014 compared to €8,286 million as at December 31, 2013, broken down among the following entities:

- Casino, whose net financial debt is €5,822 million compared with €5,502 million at the end of 2013;
- the Rallye holding company scope, with net financial debt of €2,798 million versus €2,697 million at the end of 2013;
- debt tied to other Rallye assets, which stood at €145 million (versus €87 million in 2013).

The ratio of net financial debt to consolidated equity (gearing) was 63% in 2014 compared with 60% in 2013 and can be analyzed as follows:

(In € millions)	2013 restated	2014
Net financial debt	8,286	8,765
Consolidated equity	13,919	13,932
Gearing	60%	63%

In addition, the financial structure of the Rallye holding perimeter, defined as Rallye plus its wholly-owned subsidiaries that act as holding companies and which own Casino shares, Groupe GO Sport shares and the investment portfolio, is best understood by looking at the coverage of the net financial debt of the Rallye holding company scope by the market value of the assets.

At December 31, 2014, the restated net assets of companies within the Rallye holding company scope [1] totaled €4,485 million. These comprised €4,186 million of Casino shares and €299 million of other assets (including the €143 million investment portfolio and €102 million of Groupe GO Sport shares). At December 31, 2014, the net financial debt of the Rallye holding scope was €2,798 million; thus, the revalued Rallye assets cover the net financial debt of the Rallye holding company scope 1.60 times. This ratio was 1.81 at December 31, 2013.

NOTE: TRANSITION FROM PUBLISHED NET INCOME TO UNDERLYING NET INCOME

Underlying net income corresponds to net profit from continuing operations, adjusted for the impact of other operating income and expenses as defined in the Accounting Principles in the notes to the consolidated financial statements and the impact of non-recurring financial items, as well as non-recurring tax income and expenses.

Non-recurring financial items include certain financial instruments recognized as income with a fair value that can be highly volatile. For example, the fair value variations of the financial instruments not classified as hedging instruments and of embedded derivatives on the price of the Casino share are therefore restated for the underlying net income.

Non-recurring income and expenses represent the tax effects directly related to the preceding restatements and the direct effects of non-recurring taxes. As a result, the tax liability related to underlying pre-tax income represents the normal average tax rate for the Group.

This aggregate measures the change in recurring income from operating activities.

(In € millions)	2013	Restated items	2013 underlying	2014	Restated items	2014 underlying
Current operating income	**2,323**		**2,323**	**2,235**		**2,235**
Other operating income and expenses	240	(240)		**(501)**	**501**	
Operating income	**2,563**	**(240)**	**2,323**	**1,734**	**501**	**2,235**
Net cost of financial debt	(829)		(829)	**(812)**		**(812)**
Other financial income and expenses [1]	(89)	77	(12)	**19**	**(11)**	**8**
Tax liability [2]	(394)	(96)	(490)	**(321)**	**(157)**	**(478)**
Share of income from associates and joint ventures	42		42	**76**		**76**
Net income from continuing operations	**1,294**	**(259)**	**1,035**	**697**	**333**	**1,030**
Of which minority interests [3]	1,119	(158)	960	**729**	**249**	**978**
Group share	**175**	**(101)**	**75**	**(32)**	**84**	**52**

(1) The following are restated for other financial income and expenses, mainly the money-market discounting effect of tax liabilities in Brazil (-€25 million in 2013 and -€25 million in 2014), fair value changes in Total Return Swaps related to the GPA and Big C shares, GPA forwards and calls (-€89 million in 2013 and -€63 million in 2014), other changes (€15 million in 2013 and -€38 million in 2014).
(2) The tax effects corresponding to the restated items above and the non-recurring tax income and liabilities are also restated for the tax liability.
(3) The amounts associated with the restated items above are restated for minority interests.

(1) Unlisted assets valued at fair value at December 31, 2014. Listed assets valued at the closing price at December 31, 2014, including Rallye: €29.10.

France Retail's current operating income stood at €396 million, down compared with 2013, penalized by the substantial price cuts implemented by Leader Price in particular. In Casino stores, operational efficiency plans were implemented to offset price investments. Monoprix and Franprix maintained a satisfactory profit level.

The current operating margin of the food retail business in France stood at 2.1% in 2014.

LATAM RETAIL

(In € millions)	2013 restated	2014	Organic change *(%)*
Net sales	15,477	**15,422**	+8.8%
Current operating income	872	**895**	+11.9%
Current operating margin	*5.6%*	***5.8%***	

Revenue for the Latam Retail segment shrank slightly by 0.4% to €15,422 million in 2014 from €15,477 million in 2013. In organic terms, excluding petrol and calendar, sales were up 8.8% thanks to Brazilian sales.

Latam Retail's current operating income climbed +11.9% in organic terms (+2.7% total) boosted by the robust performance in Brazil of the Assai and Pao de Acucar banners which improved their profitability. Latam Retail continued to expand steadily with the net opening of 108 new stores in 2014 (including 9 Assai and 92 convenience stores).

The Exito banner's margin was stable in Colombia and profitability continued to be high in Uruguay. The Exito Group overall reported steady growth momentum in 2014, especially in the discount formats through expansion of the affiliated networks. Lastly, Super Inter was consolidated from the fourth quarter and does not yet have a significant impact on earnings for the period.

LATAM ELECTRONICS

(In € millions)	2013 restated	2014	Organic change *(%)*
Net sales	7,576	**7,245**	+4.0%
Current operating income	546	**677**	+35.7%
Current operating margin	*7.2%*	***9.3%***	

Revenue for the Latam Electronics segment dropped 4.4% from €7,576 million in 2013 to €7,245 million in 2014. On an organic basis, excluding calendar, sales were up 4.0% with a fourth quarter improving significantly over the third quarter.

Latam Electronics current operating income was up significantly and offsets the negative exchange effect. Viavarejo posted an excellent performance in 2014 despite the economic downturn in Brazil in the second semester. The banner continued to benefit from the success of the operational excellence plans and achieved commercial and logistical synergies between its networks.

Viavarejo continued its steady expansion with the gross opening of 88 stores.

ASIA

(In € millions)	2013 restated	2014	Organic change *(%)*
Net sales	3,561	**3,513**	+4.2%
Current operating income	264	**255**	+1.5%
Current operating margin	*7.4%*	***7.2%***	

Revenue for the Asia segment dipped slightly by 1.3%, from €3,561 million in 2013 to €3,513 million in 2014. On an organic basis, excluding petrol and calendar, sales were up by 4.2%.

In Thailand, operational performance remained very satisfactory in a sluggish local context and like-for-like sales became positive again in the fourth quarter.

In Vietnam, Big C continued the organic growth of sales against a backdrop of macroeconomic slowdown.

Asia's current operating income increased +1.5% in organic terms in 2014. Big C Thailand's profitability remained high, especially in the food formats and thanks to the significant contribution of shopping malls in Thailand.

Lastly, expansion was dynamic in 2014 with the opening in Thailand of four hypermarkets, seven Big C Markets and 19,000 sq.m. of shopping malls. Furthermore, five hypermarkets were opened in Vietnam in high-potential towns and cities with the creation of shopping malls at the same time (27 shopping malls in Vietnam at the end of 2014).

E-COMMERCE (CNOVA)

(In € millions)	2013 restated	2014	Organic change *(%)*
Net sales	2,884	**3,465**	+25.4%
Current operating income	31	**7**	-64.9%
Current operating margin	*1.1%*	***0.2%***	

This segment includes Cdiscount's operations in France, those of its subsidiaries launched globally during the year as well as those of Cnova Brazil.

Revenue for e-commerce grew sharply to €3,465 million in 2014 compared with €2,884 million in 2013. In organic terms, sales jumped +25.4%, driven by the highly buoyant own sales of Cdiscount and Nova websites as well as the accelerated development of marketplaces in France and in Brazil.

Current operating income for e-commerce was almost stable compared with 2013 excluding the impact of the launch of new international websites during the year.

Cnova generated net cash of €203 million [(1)] in 2014, sharply up by x3.6 compared with 2013.

(1) Data published by Cnova, excluding revenue from the initial public offering.

CASINO'S KEY FIGURES

Casino's key figures for 2014 compared to 2013 are as follows:

(In € millions)	2013 restated [1]	2014	Change	Organic change [2]
Net sales	47,870	**48,493**	+1.3%	+4.7% [3]
EBITDA [4]	3,284	**3,191**	-2.8%	+3.5%
Current operating income	2,326	**2,231**	-4.1%	+4.9%
Current operating margin	4.9%	**4.6%**		
Income before corporate income tax	1,872	**1,059**	-43.4%	
Net income				
• continuing operations, Group share	856	**253**		
• discontinued operations, Group share	(2)	**(2)**		
Net income, Group share	855	**253**		
Underlying net income, Group share [5]	619	**556**	-10.3%	
Net financial debt	5,502	**5,822**		

(1) The comments are based on comparing 2014 to restated 2013 figures. The financial statements previously published have been restated following the retrospective application of IFRS 11 and IFRIC 21 as well as the amendments mainly concerning the fair value measurement of Monoprix's acquired assets and liabilities.
(2) On a like-for-like basis and at constant exchange rates, excluding the impact of property disposals (OPCI).
(3) Excluding petrol and calendar effects.
(4) EBITDA is defined as current operating income plus current depreciation and amortization expense.
(5) Underlying net income corresponds to net profit from continuing operations, adjusted for the impact of other operating income and expenses as defined in the Accounting Principles in the notes to the consolidated financial statements and the impact of non-recurring financial items, as well as non-recurring tax income and expenses.

Casino Group's consolidated net sales edged up 1.3%, boosted by the improved revenue trend in France confirmed in the fourth quarter and the robust performances of international subsidiaries. Scope changes made a positive contribution of +0.6% (excluding petrol). Changes in exchange rates had a negative impact of 5.0%, mainly due to the depreciation of the Brazilian real.

Excluding petrol and calendar, sales growth in organic terms totaled +4.7%.

Current operating income was up 4.9% in organic terms for 2014 (-4.1% in total).

The current operating margin was slightly down in reported data at 4.6% (-26 bp in total) but up in organic terms by +4 bp. In comparison with 2013 restated figures:

- the current operating margin of the France Retail segment shrank to 2.1%;
- the current operating margin of the Latam Retail segment improved to 5.8%;
- the current operating margin of the Latam Electronics segment rose sharply at 9.3%;
- the current operating margin of the Asia segment shrank at 7.2%;
- the current operating margin of the e-Commerce segment stood at 0.2%.

Net income Group share from continuing activities totaled €253 million in 2014 (versus €856 million in 2013), primarily due to movements on other operating income and expenses.

Underlying net income Group share from continuing operations amounted to €556 million at the end of December 2014 versus €619 million at the end of December 2013, down by -10.3%.

As at December 31, 2014, Casino Group's net financial debt was €5,822 million, versus €5,502 million at December 31, 2013.

The price of Casino's shares as at December 31, 2014 was €76.46, with a market capitalization of €8.7 billion. Rallye owned 48.4% of Casino shares and 60.4% of its voting rights as at December 31, 2014.

OTHER ASSETS

INVESTMENT PORTFOLIO

Rallye's investment portfolio was valued at €143 million at December 31, 2014, compared with €212 million at December 31, 2013, a decline of €69 million. This change can mainly be explained by asset disposals and net cash-in [1] for a total of €74 million and by a portfolio revaluation of €5 million in 2014. In 2014, Rallye disposed of around 15 lines from its financial investment portfolio which had mostly generated high returns on invested capital, as well as two real estate assets.

At the end of 2014, the portfolio comprised financial investments on one hand, for a market value [2] of €116 million (vs. €166 million at the end of 2013) and real estate programs on the other hand, recorded at historic cost [3] for €27 million (vs. €46 million at the end of 2013).

In 2014, the financial investment portfolio contributed €30 million to Rallye's current operating income, compared to €36 million in 2013.

GROUPE GO SPORT

Highlights in 2014 included the filing of a simplified public offering on September 30, 2014 by Rallye to buy Groupe GO Sport shares not yet included in its direct or indirect holdings. The offering, which was declared compliant on October 14, 2014 by the AMF, was completed at a price of €9.10 per share. It was followed by a squeeze-out implemented on November 5, 2014. Since that date, Rallye holds 100% of the capital and voting rights of Groupe GO Sport.

The consolidated revenue of Groupe GO Sport for 2014 amounted to €655.1 million, up by +2.9% on a same-store basis and at constant exchange rates, with a sequential acceleration during the year. GO Sport France's commercial momentum picked up, with an acceleration in the fourth quarter. Courir posted excellent sales growth, confirming the popularity of the banner.

(1) Receipts net of cash calls.
(2) The market value of financial investments is the book value used in the consolidated financial statements (fair value – IAS 39) and is based on the most recent valuations available (General Fund Partners) adjusted where applicable to reflect the latest known information.
(3) Real estate developments are recorded at historic cost and not remeasured before the sale of investments (IAS 16).

MANAGEMENT REPORT

Financial overview

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CONSOLIDATED FINANCIAL STATEMENTS

MAIN CHANGES TO THE SCOPE OF CONSOLIDATION

- Equity method consolidation of Mercialys since June 21, 2013
- Full consolidation of Monoprix since April 5, 2013
- Acquisition of Le Mutant (46 stores including 40 under operation) in March 2014
- Consolidation of Super Inter since October 2014
- Equity method consolidation of Distridyn, Geimex and Disco in 2014 with retroactive effect to January 1, 2013

RESULTS

Rallye posted net consolidated revenue of €49.2 billion versus €48.5 billion in 2014, up +1.3%. Revenue is broken down in detail under the business overview for each operating subsidiary.

Revenue by activity in the last two years was as follows:

(In € millions)	2013 restated		2014	
	Amount	%	Amount	%
France Retail	18,371 (1)	37.9	**18,848**	**38.3**
Latam Retail	15,477	31.9	**15,422**	**31.4**
Latam Electronics	7,576	15.6	**7,245**	**14.7**
Asia Retail	3,561	7.3	**3,513**	**7.1**
E-commerce	2,884	5.9	**3,465**	**7.0**
Other activities (2)	649	1.3	**661**	**1.3**
TOTAL	**48,519**	**100.0**	**49,155**	**100.0**

(1) Including Mercialys.
(2) Corresponds to the holding activity, the investment portfolio and Groupe GO Sport.

Revenue by geographical region in the last two years was as follows:

(In € millions)	2013 restated		2014	
	Amount	%	Amount	%
France	20,376	42.0	**21,041**	**42.8**
Latin America	24,530	50.6	**24,539**	**50.0**
Asia	3,561	7.3	**3,523**	**7.2**
Other	52	0.0	**52**	**0.0**
TOTAL	**48,519**	**100.0**	**49,155**	**100.0**

Current operating income totaled €2,235 million in 2014, versus €2,323 million in 2013. Changes in current operating income are analyzed for each operational subsidiary in the business overview.

Other operating income and expenses amounted to -€501 million, compared to €240 million in 2013.

The cost of net financial debt was -€812 million, down by -2.1% over 2013. Other financial income and expenses amounted to €19 million, versus -€89 million in 2013.

Income before tax thus totaled €941 million compared to €1,645 million in 2013.

The share of income from affiliated companies was €76 million, compared to €42 million in 2013.

Net income Group share was -€33 million in 2014.

Underlying net income (1), Group share, amounted to €52 million in 2014, compared to €75 million in 2013. At constant exchange rates, underlying net income1, Group share amounted to €71 million in 2014.

(1) Underlying net income corresponds to net profit from continuing operations, adjusted for the impact of other operating income and expenses as defined in the Accounting Principles in the notes to the consolidated financial statements and the impact of non-recurring financial items, as well as non-recurring tax income and expenses (cf. notes).

RALLYE FINANCIAL STATEMENTS

RESULTS

Rallye reported an operating loss of €29.1 million compared to a loss of €29.7 million as at December 31, 2013.

Rallye employed 25 people as at December 31, 2014.

Rallye also recorded a financial loss of €15.1 million, compared to financial income of €81.7 million as at December 31, 2013.

This can be analyzed as follows:

> INCOME

- Dividends from Casino: €83.4 million.
- Reversals of provisions and impairment, primarily representing:
  - the reversal of the provision for foreign exchange losses of €11.9 million;
  - the reversal of the provision on fixed income financial instruments for €18.3 million.

> EXPENSES

- Allocations to financial provisions for:
  - impairment of equity investments and other securities for an amount of €72.3 million;
  - the amortization of the redemption premiums on bonds for €3 million.

The extraordinary loss amounted to €2.4 million.

Net losses for the year amounted to €49.3 million, compared to net income of €47.7 million as at December 31, 2013.

FINANCIAL STRUCTURE

Shareholders' equity totaled €1,749.5 million as at December 31, 2014 compared with €1,887.1 million as at December 31, 2013. This drop can be explained in particular by the loss of €49.3 million for the fiscal year as well as the 2013 dividend payout of €89.2 million.

TERMS OF PAYMENT FOR SUPPLIERS

The terms applied by the Group to the payment of suppliers are compliant with Article L. 441 of the French Commercial Code.

Unless otherwise stated in the terms of sale or in the event of disputes, the sums owed to suppliers are paid within thirty days of receipt of the invoice. The sums owed to suppliers by Rallye are immaterial and are therefore not covered by a payment schedule.

DIVIDEND

Rallye's balance sheet for the fiscal year ended December 31, 2014 shows a loss of €49,260,762.56.

The Board of Directors proposed the allocation of the fiscal year's loss of €49,260,762.56 to "Retained earnings", which will then be brought from €136,129,093.30 to €86,868,331.34.

The Board of Directors noticed the existence of distributable sums representing an overall amount of €147,253,350.48 of which €86,868,331.34 as the balance for "Retained earnings" and €60,385,019.14 for amounts under "Other Reserves", comprised of the former tax reserve for long-term capital gains, that can be fully assigned to distributable profit.

The Board of Directors proposes to distribute to shareholders a total divided of €89,233,453.50 by clearing the "Retained earnings" item for the sum of €86,868,331.34 and by taking €2,365,122.16 from "Other Reserves".

(In €)	
Loss for the year	(49,260,762.56)
Retained earnings	136,129,093.90
Net income available for distribution	**86,868,331.34**
Other reserves	2,365,122.16
Distributable profit and reserves	**89,233,453.50**
Dividend paid to shareholders [1]	(89,233,453.50)
RETAINED EARNINGS	**0**

(1) The amount of the dividend to be paid to shareholders is calculated on the basis of the number of shares making up the capital at December 31, 2014 and will be adjusted according to the number of shares issued, if any, between January 1, 2015 and the dividend payment date following the exercise of stock options and the award of bonus shares.

Thus, the proposed dividend payment is €1.83 per share.

For individuals who are tax residents in France, this dividend is eligible for the reduction of 40% provided for in Article 158-3-2 of the General Tax Code.

This dividend would be paid on May 29, 2015 and, since the shares of Rallye stock held by the Company on the dividend payment date will not receive the dividend, the corresponding sums would be transferred to the "Retained earnings" account.

A table comparing net income for the past year and the four preceding years appears on page 186 of this report.

DIVIDEND DISTRIBUTION POLICY

The amount of the maximum dividend distribution for the last five years is as follows:

	31/12/2010	31/12/2011	31/12/2012	31/12/2013	31/12/2014 (1)
Net dividend *(in €/share)*	1.83	1.83	1.83	1.83	**1.83**
Number of shares	44,300,003	46,466,160	48,691,578	48,740,974	**48,761,450**
Maximum distribution *(In €)*	80,068,118	84,357,280	87,904,209	89,195,982	**89,233,454**

(1) In accordance with the resolutions recommended to the Shareholders' Meeting of May 19, 2015.

Rallye's dividend distribution policy is based on its financial positions and its projected financial needs.

No guarantees can be made as to the amount of dividends that will be paid out in respect of a given year.

The dividend per share has been stable at €1.83 over the last five years, representing a return for the shareholders on the basis of the market price on December 31 of 5.7%, 8.6%, 7.2%, 6% and 6.3% for the years 2010 to 2014 respectively.

Dividends not claimed within five years from the payment date are time-barred and revert to the Public Treasury under Articles L. 1126-1 and 1126-2 of the General Code on the Property of Public Entities.

INCENTIVES AND PROFIT-SHARING CONTRACT

Most of the Rallye subsidiaries benefit from incentives and profit-sharing contracts pursuant to the regulations in force. The Rallye parent company does not have such a contract because of the small number of its employees.

STOCK MARKET INFORMATION

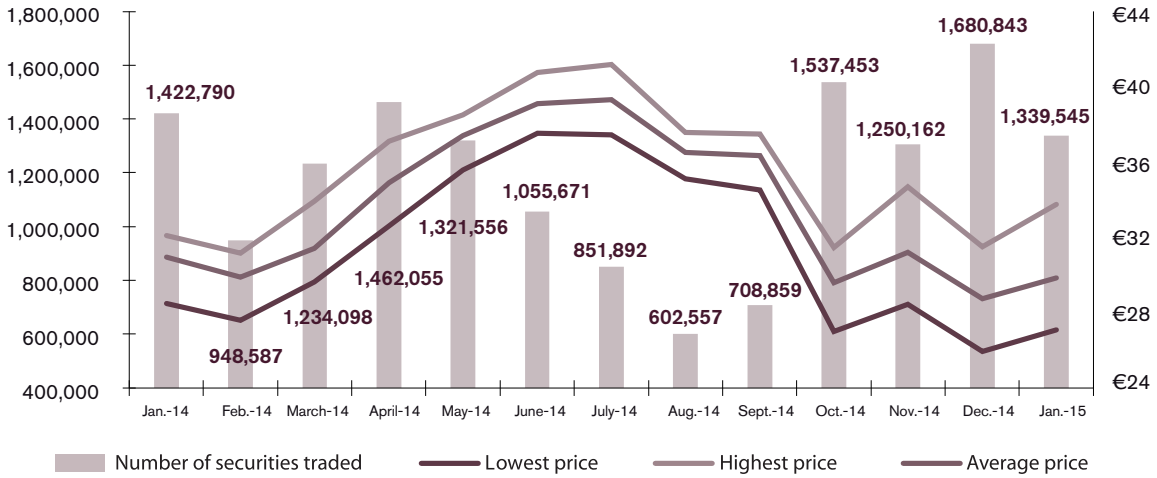
The Rallye share is listed for trading on the NYSE-Euronext Paris market, compartment A.

Code: ISIN: FR0000060618

High (July 4, 2014)	€41.18
Low (December 16, 2014)	€25.94
Share price at December 31, 2014	€29.10
Trading volume in 2014 (number of shares)	14,129,766
Trading volume in 2014 (value)	€469 million

As at December 31, 2014, Rallye had a stock market capitalization of €1,418 million.

RALLYE SHARE - STOCK PRICE 2014 AND START OF 2015



MANAGEMENT REPORT

Recent trends and outlook

(Unaudited data)

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CASINO

Casino Group will continue rolling out its five strategic priorities:

- after their price repositioning, development of discount banners in France and accelerated deployment internationally;
- strengthened leadership on premium formats;
- boosted expansion in convenience formats;
- continued strong growth and cash-flow generation for Cnova;
- continued improvement of operational efficiency, optimization of purchases and costs.

In 2015, Casino sets the following objectives:

- France [1]:
  - an organic growth of annual sales,
  - annual current operating income higher than the previous year;
- International [1]:
  - sustained organic growth of the business,
  - higher growth in current operating income than in sales;
- overall, organic growth of the current net income;
- improvement of the Net Financial Debt/EBITDA ratio close to 0.2x.

RALLYE

Rallye benefits from a very strong liquidity situation, with close to €1.9 billion of confirmed, undrawn and immediately available credit lines. Bond debt maturity was extended to 4.5 years (versus 3.1 years at December 31, 2013) and Rallye continued to refinance at a significantly reduced cost.

Rallye's financial expenses will drop mechanically in upcoming years, following refinancing operations well below historic cost. As a result of refinancing arrangements in 2014, Rallye's financial expenses should improve by at least €40 million in 2015.

Rallye confirmed its strategy to maximize its assets value, especially Casino, as well as its objective to reduce its financial cost of debt.

To the Company's knowledge, as at January 31, 2015 [2], there were no elements that could represent a significant change in the Group's financial or commercial position since December 31, 2014.

(1) Excluding e-commerce.
(2) The closest cut-off date to the Rallye Board of Directors' meeting that approved the 2014 financial statements.

MANAGEMENT REPORT

Capital and shareholding structure

–

SHARE CAPITAL

Rallye's share capital as at December 31, 2014 totaled €146,165,844, divided into 48,721,948 shares with a par value of €3 each. As at December 31, 2013, it was €146,222,922, divided into 48,740,974 shares with a par value of €3 each.

The change reflects the exercise of options that resulted in the creation of a total of 87,857 shares and the cancellation of 106,883 treasury shares.

SHAREHOLDING STRUCTURE

As of December 31, 2014, Foncière Euris held 55.41% of the capital and 71.10% of the voting rights.

Rallye held, as at December 31, 2014, 554,631 shares representing 1.14% of the capital, of which 418,250 shares under the liquidity agreement with the French Association of Financial and Investment Firms (AMAFI, Association Française des Marchés Financiers).

To the Company's knowledge, no other shareholder held more than 5% of the capital or voting rights as at December 31, 2014.

The following instances were declared in which thresholds were crossed in 2014:

Informant	Date threshold crossed	Manner in which threshold crossed	Number of shares declared	% of capital	% of voting rights
Financière de L'Echiquier	01/24/2014	below	911,750	1.87	1.21
Bank of America Merrill Lynch	04/03/2014	above	737,796	1.51	0.99
Bank of America Merrill Lynch	05/21/2014	below	-	-	-
Financière de L'Echiquier	05/12/2014	below	735,170	1.51	0.98
Financière de L'Echiquier	06/06/2014	below	400,000	0.96	0.62

TREASURY SHARES - AUTHORITY FOR THE COMPANY TO BUY BACK SHARES

As at December 31, 2014, the Company held 136,170 shares acquired over previous fiscal years to cover stock option plans and bonus share allotments made to employees and the employees of its affiliated companies, which represent 0.28% of the Company's share capital, for a total acquisition cost of €4.8 million and a par value of €408,510.

As at December 31, 2014, these shares were all allocated to cover the bonus shares and stock option plans.

Moreover, Rallye implemented a liquidity agreement with Rothschild & Cie Banque to encourage trading on the stock in the market. At December 31, 2014, the account showed a balance of 418,250 shares.

In 2014, 1,190,350 shares were bought and 772,100 were sold under the purchase program at an average price of €34.24 and €34.68 respectively.

The Shareholders' Meeting on May 19, 2015 will be asked to renew the authority granted to the Board of Directors to purchase the Company's shares pursuant to Article L. 225-209 of the French Commercial Code, in order to:

- cover stock options plans granted to employees and to the employees of its affiliated companies pursuant to Articles L. 225-177 *et seq.* of the French Commercial Code, as well as any company savings plan or any shareholding plan;
- award bonus shares to its employees and the employees of its affiliated companies pursuant to Articles L. 225-197-1 *et seq.* of the French Commercial Code;
- ensure active trading of the Company's shares under the liquidity agreement signed with an investment services firm, in accordance with the Code of Conduct issued by the AMAFI and approved by the AMF;
- hold shares for delivery to holders of Company securities who exercise their right to receive shares through redemption, conversion, exchange, presentation of a warrant or any other instrument entitling them to receive existing shares;
- hold shares in reserve to use at a later date as a means of exchange or payment in mergers or acquisitions in accordance with the market practices authorized by the AMF;
- cancel shares, up to a maximum of 10% of share capital over a period of 24 months, as part of a capital reduction plan.

The maximum purchase price is set at €75 per share.

The Board of Directors, however, may adjust the aforesaid maximum purchase price if there is a change in the par value of the share, a capital increase through the capitalization of reserves and a bonus share allotment, a stock split or reverse split, an amortization or reduction of capital, a distribution of reserves or other assets, or any other operation on equity, in order to reflect the impact of such transactions on the value of the share.

The aforementioned shares may be acquired, sold, transferred or exchanged by any means and at any time, on the stock market or off-market, between trading parties or over the counter, including as blocks of shares or through the use of derivatives such as call options. The maximum share of capital that may be transferred in the form of blocks of shares may be as high as the entire amount of the repurchase program.

The shares may also be loaned, in accordance with the provisions of Articles L. 211-22 *et seq.* of the French Monetary and Financial Code.

Under the terms of the authorization, the Company may hold no more than 10% of its share capital as at December 31, 2014, i.e. 4,872,194 shares corresponding to a theoretical maximum investment of €365,414,550 calculated on the basis of the maximum purchase price of €75 stipulated in the twenty-second resolution to be submitted for a vote at the Shareholders' Meeting of May 19, 2015. It is specified that when the Company's shares are purchased under a liquidity agreement, the number of those shares included in the calculation of the 10% threshold could equal the number of such shares purchased, minus the number of shares sold under the liquidity agreement during the period of the authorization.

This authority to purchase shares is given for a period that will expire at the General Shareholders' Meeting convened to approve the 2015 financial statements and management report, and no later than November 19, 2016.

The Company will not be able to continue to conduct its buyback program in the event of public tender offers for purchases or exchange of the shares or securities issued by the Company or initiated by the Company.

AUTHORIZED AND UNISSUED CAPITAL

To allow the Company to raise money on the financial market, if necessary, to pursue its development and strengthen its financial position, the Shareholders' Meeting of May 14, 2013 delegated certain authorities to the Board of Directors. All the authorities and delegations given to the Board of Directors which could result in the issuance of equity securities are as follows:

Type of issue	ESM	Duration of the authority	Expiration of the authority	Nominal amounts authorized (1)
Delegation of authority to increase the share capital through the capitalization of reserves, profits, premiums or other sums which may be capitalized	05/14/2013	26 months	07/14/2015	€66 million
Delegation of authority to issue shares or securities giving the right to the allotment of new or existing shares, or of existing shares of any company in which the Company directly or indirectly holds more than 50% of the capital, or to debt securities with maintenance of the preemptive subscription right in the event of an issue of new shares (2)	05/14/2013	26 months	07/14/2015	€66 million (3) €1 billion (4) (5)
Delegation of authority to issue shares or securities giving the right to the allotment of new or existing shares, or of existing shares of any company in which the Company directly or indirectly holds more than 50% of the capital, or to debt securities with cancelation of the preemptive subscription right in the event of an issue of new shares (2)	05/14/2013	26 months	07/14/2015	€30 million (3) €1 billion (4) (5)
Delegation of authority to issue shares or securities giving the right to the allotment of new or existing shares or existing shares of any company in which the Company directly or indirectly holds more than 50% of the capital, or to debt securities with cancelation of the preemptive subscription right, via an offer made to the persons defined in Article L. 411-2,II of the French Monetary and Financial Code	05/14/2013	26 months	07/14/2015	10% of the capital/year
Delegation of authority to issue securities giving rights to capital in the event of a public tender offer initiated by Rallye for the securities of another traded companies, with cancelation of the preemptive subscription right	05/14/2013	26 months	07/14/2015	€30 million (3) €1 billion (4) (5)
Delegation of powers to issue shares or securities giving rights to capital in order to remunerate in-kind contributions made to the Company consisting of capital stock or equity securities	05/14/2013	26 months	07/14/2015	10% of the capital
Allotment of stock options for new or existing shares to employees of the Company and employees and officers of the companies or groups defined in Article L. 225-180 of the French Commercial Code	05/14/2013	26 months	07/14/2015	3% of the total number of shares at the time of the allotment
Bonus allotments of new or existing shares to employees of the Company, or to certain categories of employees or of economic interest groups related to the Company under the conditions stipulated in Article L. 225-197-2 of the Commercial Code	05/14/2013	26 months	07/14/2015	2% of the total number of the Company's shares at the time of the allotment
Capital increase for employees participating in a company savings plan (PEE) of the Company or of its affiliated companies	05/14/2013	26 months	14/07/2015	3% of the total number of the Company's shares at the time of the issue

(1) Amounts authorized equal to residual amounts in the absence of utilization.
(2) The Board of Directors may increase the number of securities to be issued up to a maximum of 15% of the initial issues, at the same price as said issues.
(3) For issues of securities giving rights to capital.
(4) For borrowing.
(5) For debt securities.

None of the authorizations granted have been used, with the exception of those for the allotment of bonus shares. At its meeting on July 29, 2014, the Board of Directors awarded 57,500 bonus shares (cf. section "Securities giving rights to capital" below).

The Board of Directors is also authorized to reduce share capital by cancelling treasury shares held, up to a limit of 10% of the share capital on the date of the cancellation, for each 24-month period.

Pursuant to this authority, granted for a period of 36 months, from May 23, 2012 to May 23, 2015, 262,364 shares were cancelled.

All the authorizations coming to maturity, it is suggested to the General Shareholders' meeting of May 19th, 2015 renewing the set of authorizations.

SECURITIES GIVING RIGHTS TO CAPITAL

As part of the Group's employee promotion and merit policy, Rallye grants stock options and/or bonus shares to its employees.

Pursuant to Articles L. 225-180 and L. 225-197-2 of the French Commercial Code, as authorized by the General Meeting of Shareholders, shares are also awarded to employees at the parent companies, Euris and Foncière Euris. These companies belong to the same group and in particular, participate in consultation assignments on strategic and development issues, and provide legal and administrative assistance to Rallye.

STOCK OPTIONS

The Extraordinary Shareholders' Meetings of May 19, 2010 and May 14, 2013 authorized the Board of Directors to award stock options to Rallye employees and the employees of affiliated companies.

As at December 31, 2014, there were 87,795 options outstanding conferring the right to subscribe to 87,795 shares under the following stock option plan:

Grant date	Date after which options may be exercised	Expiration date	Initial number of beneficiaries	Subscription price [1]	Number of options granted		Number of options exercised as at December 31, 2014	Number of options [2] not exercised at December 31, 2014
					To corporate officers	To top ten employee beneficiaries		
09/06/2010	03/05/2013	03/05/2016	12	26.44	42,263	37,439	**22,954**	**87,795**

(1) Options are granted based on the undiscounted market price.
(2) This is the number of options initially awarded minus options cancelled and exercised (13,736 options were cancelled and 22,954 options were exercised in 2014).

BONUS SHARES

The Extraordinary Shareholders' Meetings of May 4, 2011 and May 14, 2013 authorized the Board of Directors to allot bonus shares to Rallye employees and employees of affiliated companies.

As at December 31, 2014, there were 303,333 unvested bonus shares relating to the following plans:

Grant date	Vesting date of bonus shares granted	Date from which the acquired shares can be sold	Initial number of beneficiaries	Number of shares granted		Total number of shares granted at Dec. 31, 2014 [2]
				To corporate officers	To top ten employee beneficiaries	
05/23/2012	05/23/2015 [1]	05/23/2017	58	40,381	55,000	**175,883**
12/17/2013	12/17/2016 [1]	12/17/2018	29	12,630	24,192	**69,963**
07/29/2014	07/29/2017 [1]	07/29/2019	31	9,788	18,362	**57,487**

(1) Vesting of 100% of the bonus shares granted is subject to the condition that the employee's employment in the Group on the shares vesting date, and to two performance criteria: 50% depends on coverage of financial expenses by EBITDA and 50% depends on the level of cost of debt.
(2) This corresponds to the original number of shares granted, less rights cancelled due to the departure of beneficiaries (6,250 rights were cancelled in fiscal year 2014).

POTENTIAL CAPITAL AS OF JANUARY 31, 2015

The potential capital as of January 31, 2015 can be analyzed as follows:

Number of shares at January 31, 2015:	48,721,948
Exercise of stock options	87,795
Bonus shares to be issued	166,952
Number of potential shares	48,976,695

The maximum dilutive effect amounted to 0.5% for a shareholder who holds 1% of the capital at January 31, 2015.

CHANGE IN CAPITAL OVER THE LAST FIVE YEARS

Date	Change in capital	Changes			New capital (€)	Total number of shares
		Number of shares	Capital (€)	Share premium (€)		
12/31/2010					**132,900,009.00**	**44,300,003**
2011	Payment of the 2010 dividend balance in shares	1,321,416	3,964,248.00	35,162,879.76		
	Payment of the 2011 interim dividend in shares	793,939	2,381,817.00	14,108,296.03		
	Exercise of options	50,802	152,406.00	571,014.48		
12/31/2011					**139,398,480.00**	**46,466,160**
2012	Payment of the 2011 dividend balance in shares	774,497	2,323,491.00	14,304,959.59		
	Payment of the 2012 interim dividend in shares	1,501,723	4,505,169.00	27,286,306.91		
	Cancellation of shares	(74,505)	(223,515.00)	(854,378.39)		
	Exercise of options	23,703	71,109.00	266,421.72		
12/31/2012					**146,074,734.00**	**48,691,578**
2013	Cancellation of shares	(50,976)	(152,928.00)	(480,782.13)		
	Exercise of options	100,372	301,116.00	1,128,181.28		
12/31/2013					**146,222,922.00**	**48,740,974**
2014	Cancellation of shares	(106,883)	(320,649.00)	(1,107,963.25)		
	Exercise of options	87,857	263,571.00	1,391,631.48		
12/31/2014					**146,165,844.00**	**48,721,948**
01/31/2015					**146,165,844.00**	**48,721,948**

DISTRIBUTION OF CAPITAL AND VOTING RIGHTS

AMOUNT OF CAPITAL

- Share capital as at December 31, 2014 and at January 31, 2015: €146,165,844.
- Number of shares at December 31, 2014 and at January 31, 2015: 48,721,948.

The shares have a par value of €3, are paid in full and belong to the same category.

Shareholders may choose to register their shares or carry them in bearer form, subject to applicable legal or regulatory provisions.

The Company keeps track of its shareholders, in compliance with applicable legislation.

The shares are freely negotiable, except as otherwise stipulated by law or regulations.

Double voting rights are granted to shares that have been held as registered shares by the same person for over two years. As of January 31, 2015, a double voting right had been granted to 27,780,310 shares, and the total number of voting rights was 75,932,877 for 48,721,948 shares.

GROUP ORGANIZATIONAL CHART AS OF JANUARY 31, 2015

Rallye is controlled, directly and indirectly by Euris. The organizational chart below shows, on January 31, 2015, the Company's position within the Group:



(1) Euris is controlled by Jean-Charles NAOURI.
(2) 92.40% of voting rights.
(3) 94.37% of voting rights.
(4) 71.11% of voting rights.
(5) 100% of voting rights.
(6) Shares held directly or indirectly, excluding treasury stock, by Rallye, its subsidiaries and parent companies representing 60.39% of voting rights.

The Rallye Group's current structure results from restructuring operations undertaken in 1992 and 1993, which included:

- the contribution of all the hypermarket, supermarket and cafeteria business lines to the Casino Group;
- the consolidation via merger of the parent companies Rallye SA and Cofical and of SMPO and Record Carburants, following these operations, the acquiring company, Genty-Cathiard, changed its name to Rallye;
- a transfer of property assets by Foncière Euris.

This structure was completed by the public exchange offer for Casino shares, initiated in September 1997 and by the merger-absorption of GO Sport by Courir, now known as Groupe GO Sport, on December 27, 2000.

CHANGE IN THE DISTRIBUTION OF CAPITAL AND VOTING RIGHTS OVER THE LAST THREE YEARS

The distribution of capital and voting rights has changed over the last three years as follows:

Shareholders	Position at 12/31/2014			Position at 12/31/2013			Position at 12/31/2012		
	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights
Foncière Euris	26,996,291	55.41%	71.10%	26,996,291	55.39%	70.41%	27,296,291	56.06%	71.11%
Treasury stock	554,631	1.14%	-	380,170	0.78%	-	567,431	1.17%	-
Control	12,000	0.02%	-	-	-	-	-	-	-
Other shareholders	21,159,026	43.43%	28.90%	21,364,513	43.83%	29.59%	20,827,856	42.77%	28.89%
TOTAL	**48,721,948**	**100.00%**	**100.00%**	**48,740,974**	**100.00%**	**100.00%**	**48,691,578**	**100.00%**	**100.00%**

The distribution of capital and voting rights at January 31, 2015 is as follows:

Shareholders	Shares	% capital	Voting rights	% voting rights
Foncière Euris	26,996,291	55.41%	53,992,582	71.11%
Other companies of Euris Group	1,275	0.00%	2,217	-
Other members of the Board of Directors	147,638	0.30%	222,982	0.29%
Sub-total	**27,145,204**	**55.72%**	**54,217,781**	**71.40%**
Treasury stock [1]	557,381	1.14%	-	-
Control	12,000	0.02%	-	-
Other shareholders [2]	21,007,363	43.12%	21,715,096	28.60%
- registered shares:	*1,004,776*	*2.06%*	*1,712,509*	*2.26%*
- bearer shares:	*20,002,587*	*41.05%*	*20,002,587*	*26.34%*
TOTAL	**48,721,948**	**100.00%**	**75,932,877**	**100.00%**

(1) Allocated to cover bonus share and stock option plans.
(2) To the Company's knowledge, none of the "Other shareholders" holds directly or indirectly or in concert more than 5% of the share capital or voting rights.

PLEDGED SECURITIES

In the context of the credit facilities it has established, Foncière Euris pledged Rallye shares on the basis of the amount of the facilities or current draws, as applicable. Shares pledged as collateral by beneficiary at December 31, 2014, were as follows:

	Start date of the pledge [1]	Due date of the pledge [1]	Condition for discharging pledge	Number of issuer's shares pledged	% of issuer's capital pledged
Bank of China	August 2014	August 2019	[2]	433,334	0.89%
BNP	February 2013	February 2018	[2]	975,000	2.00%
CACIB	June 2011	January 2019	[2]	4,495,018	9.23%
CM - CIC Group	April 2014	Dec. 2018	[2]	1,773,534	3.64%
HSBC	February 2013	February 2018	[2]	1,475,523	3.03%
Natixis	October 2011	July 2017	[2]	3,690,183	7.57%
RBS	June 2014	February 2019	[2]	995,100	2.04%
Société Générale	July 2014	Dec. 2019	[2]	3,591,551	7.37%
TOTAL				**17,429,243**	**35.77%**

(1) The start dates and maturities are the extremes stated on the currently valid credit facilities.
(2) Repayment or maturity of the facility.

SHAREHOLDERS' AGREEMENT AND SHARES HELD IN CONCERT

To the Company's knowledge, there is no shareholders' agreement nor persons or group of persons exercising, or who could exercise control over the Company other than Foncière Euris.

MAJOR CONTRACTS

During the course of the last three years and at the date of this Registration Document, the Group has not entered into any major contracts, other than those that are part of its normal course of business, which might create a significant obligation or commitment for the Group as a whole.

Off-balance sheet commitments are explained in Notes 3.4.2, 6.10, 7.3, 7.6 and 8.5 of the notes to the consolidated financial statements.

RELATED-PARTY TRANSACTIONS

Rallye has entered into a consulting and advisory agreement with Euris for strategic support.

Under the agreement, Euris draws on its structures and resources to provide Rallye with continuous support in determining strategy and managing and developing its business. It also provides technical assistance on legal and administrative matters.

No loans or guarantees have been set up or granted by the Company to Members of the Board of Directors, who are individuals.

Corporate officers or members of their family own none of the assets required for operations.

Information on related-party transactions is provided in Note 14 to the consolidated financial statements.

Pursuant to the provisions of Article 223-22 of the AMF's General Regulations governing transactions in Rallye shares conducted by corporate officers or related persons, shareholders are notified of the following:

Informant	Financial instrument	Date	Type of transaction	Average weighted price	Amount
Saris [1]	Shares	09/27/2014	Acquisition	€37.00	€12,321.00
Didier CARLIER [2]	Shares	04/23/2014	Exercise of stock options	€14.24	€34,176.00
Jacques DUMAS [1]	Shares	09/11/2014	Exercise of stock options	€26.44	€116,917.68
	Shares	09/11/2014	Sale	€36.76	€162,552.72
	Shares	09/12/2014	Exercise of stock options	€26.44	€20,781.84
	Shares	09/12/2014	Sale	€37.00	€29,082.00
Franck HATTAB [3]	Shares	03/27/2014	Exercise of stock options	€14.24	€56,960.00
	Shares	03/27/2014	Sale	€32.65	€130,600.00
	Shares	04/14/2014	Exercise of stock options	€14.24	€48,017.28
Didier LEVEQUE [4]	Shares	04/16/2014	Exercise of stock options	€14.24	€121,638.08
	Shares	09/09/2014	Sale	€37.25	€111,750.00
	Shares	09/09/2014	Sale	€37.2098	€37,060.96
Odile MURACCIOLE [5]	Shares	05/07/2014	Exercise of stock options	€14.24	€47,988.80
	Shares	05/07/2014	Sale	€36.95	€124,521.50
	Shares	09/10/2014	Exercise of stock options	€14.24	€47,988.80
	Shares	09/10/2014	Exercise of stock options	€26.44	€365,427.24
	Shares	09/10/2014	Sale	€36.8057	€508,691.58

(1) Director.
(2) Chief Executive Officer.
(3) Deputy Managing Director.
(4) Permanent representative of Foncière Euris, Director.
(5) Permanent representative of Saris, Director.

Declarations of the above share transactions have been posted online on the AMF's website.

To the Company's knowledge, no other corporate officer traded company shares in 2014.

STOCK OPTIONS AND BONUS SHARES

The stock option plans and bonus share plans currently valid for Rallye employees and employees of affiliated companies are as follows:

Meeting Date	ESM of 05/19/2010	ESM of 05/04/2011	ESM of 05/14/2013	ESM of 05/14/2013	Total
Date of Board meeting	09/06/2010	05/23/2012	12/17/2013	07/29/2014	
Type of plan (Stock option/Bonus shares)	Stock option	Bonus shares	Bonus shares	Bonus shares	
Initial number of beneficiaries	12	58	29	31	
Total number of options/shares initially awarded	**124,485**	**185,883**	**69,963**	**57,487**	**437,818**
Total number of options/shares awarded to corporate officers	*42,263*	*40,381*	*12,630*	*9,788*	*105,062*
Total number of options/shares awarded to top ten employees	*37,439*	*55,000*	*24,192*	*18,362*	*134,993*
Start date for option exercise period	03/06/2013	na	na	na	
Expiration date of options/shares	03/05/2016	05/23/15	12/17/2016	07/29/2017	
Exercise price, in euros	26.44	na	na	na	
Number of options exercised at January 31, 2015	**22,954**	-	-	-	**22,954**
since January 1, 2014	*22,954*	-	-	-	*22,954*
Options/shares cancelled at January 31, 2015 (1)	**13,736**	**10,000**	**-**	**-**	**23,736**
since January 1, 2014	*12,000*	*6,250*			*18,250*
Options/shares remaining at January 31, 2015	**87,795**	**175,883**	**69,963**	**57,487**	**391,128**
Residual number of shares that may be vested or subscribed at January 31, 2014	**87,795**	**175,883**	**69,963**	**57,487**	**391,128**

(1) Following departure of beneficiaries.

STOCK OPTIONS AND BONUS SHARES AWARDED DURING THE YEAR BY THE ISSUER AND BY ANY COMPANY OF THE GROUP TO TEN OF THE ISSUER'S EMPLOYEES WITH THE LARGEST NUMBER OF OPTIONS

Granting company	Grant date	Expiration date	Type	Numbers of options granted	Numbers of corresponding shares	Exercise price *(In €)*
Rallye	07/29/2014	07/29/2017	Bonus shares	18,362	18,362	n.a.

OPTIONS HELD ON THE ISSUER OR ON ANY COMPANY OF THE GROUP EXERCISED DURING THE YEAR BY THE TEN EMPLOYEES WITH THE HIGHEST NUMBER OF OPTIONS EXERCISED

Granting company	Grant date	Expiration date	Numbers of options granted	Numbers of corresponding shares	Exercise price *(In €)*
Rallye	04/27/2009	10/26/2014	11,784	11,784	14.24

INVESTMENT POLICY

Rallye's investment portfolio is discussed on page 14 of the management report.

Annual investment by operating subsidiaries for the past two years was as follows:

(In € millions)	2014	2013
Casino	1,563	1,622
Other	17	9
TOTAL	**1,580**	**1,631**

Investments by operating companies are detailed in the "Business Review" section of the Management Report. For more information about Casino Group's strategy, please refer to its Registration Document.

MANAGEMENT REPORT

Risk factors and insurance

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Risk management is an integral part of the operational and strategic management of the Group. Like every company, it is necessarily exposed to risks which, if they occur, could have a negative impact on its activities, financial position and assets. This section presents the major risks to which the Group considers itself exposed: those specific to Rallye's holding activity, risks specific to its majority stake in Casino Group in addition to legal risks, and which are presented in detail in the Casino Registration Document.

Given these risks, Rallye has implemented an Internal Control process to prevent and control them. The Internal Control and risk management procedures are described in the Chairman's report as stipulated by Article L. 225-37 of the French Commercial Code (cf. pages 69 of this Registration Document).

However, a complete absence of risk cannot be guaranteed. Moreover, other risks of which the Group is presently unaware of, or does not consider to be significant on the date of this report, could have a negative impact.

Risks to which the Group believes it is exposed:

- risks related to Rallye's holding activity;
- risks specific to its majority stake in Casino Group;
- Legal risks.

RISKS RELATED TO RALLYE'S HOLDING ACTIVITY

MARKET RISK

Market risks are independently managed by Casino Group and by Rallye as the parent company.

Within each of these entities, cash, currency and interest rate risks are managed centrally, under the responsibility of the finance department, which has the necessary tools and expertise and reports to senior management.

These risks, as well as the tools used to manage them, are described in further detail in Note 11.6 "Financial risk management policies and objectives" to the consolidated financial statements closed on December 31, 2014.

In addition, certain credit documents include clauses giving lenders the option to demand immediate repayment of the outstanding amounts due and, where appropriate, the cancellation of the credit commitments made to the Company, in the event of a change of control over Rallye.

> LIQUIDITY RISKS

At any time, the Rallye Group must have the financial resources necessary for its current operations. Liquidity risk is managed through constant monitoring and optimization of financing duration and conditions, the permanence of available credit lines, and the diversification of resources, both at the level of the holding company and the operating subsidiaries.

— *Casino*

Casino Group's approach to managing liquidity risk is to ensure by a permanent strategy of anticipation that it will always have sufficient liquidity to honor its liabilities when due, under normal market conditions or in a degraded environment.

The majority of the Group's debt is held by Casino Guichard-Perrachon. Resources are managed by the Corporate Finance department. The Group's main subsidiaries (GPA, Big C Thailand, Monoprix, Exito) also have their own financial resources.

The Group's bank loans and bonds contain the standard commitment and default clauses found in such contracts: maintaining the loan at the same level ("pari passu"), limiting the securities allocated to other lenders (negative pledge) and cross-default.

For the case where the Company's majority shareholder changes, the Casino, Guichard-Perrachon line of credit contracts include an obligatory early redemption clause.

Furthermore, bonds issued by Casino Guichard-Perrachon carry an early redemption clause at the discretion of investors in the event that Casino Guichard-Perrachon's senior long-term debt rating is downgraded to "non-investment grade," but only if this downgrade is the result of a change in the Company's majority shareholder.

As at December 31, 2014, the Casino Group's liquidity appeared to be highly satisfactory: cash, cash equivalents and confirmed and undrawn credit lines were sufficient to cover any financial liability repayments due in the short term and seasonal changes in Working Capital Requirement.

Casino's liquidity risk management policy primarily seeks to:

- secure refinancing through a monthly projection of cash surpluses and needs obtained by comparing commitments received and forecasts of outstanding receivables;
- gradually bringing the bank into compliance with the new Basel III liquidity ratios by extending the duration of transactions to guarantee the solid backing of flows between assets and liabilities.

More details on Casino's liquidity position are available in the 2014 Casino Group Annual Report, in Note 11.6.4 to the consolidated financial statements.

— *Rallye*

Rallye's holding consolidated scope had net financial debt of €2,798 million at December 31, 2014, composed primarily of €2,243 million in bond debt and €470 million in non-bond debt, subject to recurring financing needs.

Rallye regularly refinances it maturities and searches for new liquidity sources for the Group. In this context, Rallye has nearly €1.9 billion in undrawn, confirmed and immediately available credit lines contracted with twenty different banks in order to reduce the counterparty risk. Rallye also has an EMTN program capped at €4 billion, with €1,100 million used as at December 31, 2014. Lastly, since October 2013, the holding has a commercial paper program for a maximum amount of €750 million, with €390.4 million used at year end 2014, which offers an additional source of short-term liquidity for Rallye.

The liquidity risk is also covered by the financial assets owned by the Rallye holding scope, including the Casino shares and the investment portfolio, the market value of which covers all of the net financial debt. More details on the Group's financial structure are provided on page 16 of this Registration Document.

Rallye is also subject to covenants for its bank debt. There are two types of such covenants: the first is the ratio of consolidated EBITDA to the cost of the consolidated net financial debt, which must exceed 2.75; and the second is for the corporate shareholders' equity of Rallye SA, which must exceed €1.2 billion. As at December 31, 2014 both covenants were met at 3.96 and €1.75 billion respectively.

Liquidity risk is carefully managed within the entire Rallye Group, both at the level of the holding company and the main subsidiary, which gives the Group a very solid liquidity position that allows it to calmly cover its financial maturities. More information on the Group's liquidity management can be found in Note 11.6 to the consolidated financial statements.

> INTEREST RATE RISK

— *Casino*

Detailed information on this risk can be found in Note 11.6 to the Casino Group's consolidated financial statements. As part of its management of its exposure to the risk of fluctuating interest rates, Casino Group uses various derivative instruments, including interest rate swaps in particular. Although they are not systematically recognized as hedge instruments, all interest rate instruments are subscribed under the interest rate risk management policy, with the Group's strategy based on a dynamic management of debt. This entails monitoring, and adjusting if necessary, its hedge ratio in line with interest rate trend forecasts, with the goal of managing its exposure to interest rate fluctuation risks and optimizing its financing cost.

Sensitivity to interest rate risk is analyzed in Note 11.6 to the Casino Group's consolidated financial statements.

— *Rallye*

Because of the nature of its financial liabilities, the Rallye Group is exposed to interest rate risk. The Group's policy is to protect itself against rate fluctuations and optimize its financing costs by establishing a mix of fixed rate and variable rate debts. In this context, the Group has contracted a number of swaps, under the terms of which Rallye has made a commitment to exchange at specific dates the difference between the fixed rate and variable rate, on the basis of a given notional.

Based on anticipated changes in the debt (new debt or repayment) and expected changes in interest rates, the Group sets targets for the distribution of fixed rates/variable rates. At the end of December 2014, the distribution of the debt between fixed rate and variable rate was 65% for fixed rate debt and 35% for variable rate debt.

> FOREIGN EXCHANGE RISK

Rallye is indirectly exposed to foreign exchange risk through its majority stake in Casino Group.

Through the geographic diversification of its businesses, the Casino Group is exposed to currency translation risk, i.e., the fact that its balance sheet and income statement, and consequently its financial structure ratios, are sensitive to changes in exchange rate parities while consolidating the financial statement of its non-eurozone foreign subsidiaries. The Casino Group is also exposed to trading risk for non-euro transactions. Casino Group's operating foreign exchange risk policy seeks to hedge highly probable budget exposures, linked primarily to monetary flows resulting from purchases in a currency other than its functional currency, such as goods purchased in US dollars hedged by forward purchases and foreign exchange currency swaps. Sensitivity analysis of net exposure to foreign exchange risk after hedging is presented in Note 11.6.2 to the consolidated financial statements.

RISKS RELATED TO THE VALUATION OF INVESTMENTS

Rallye holds a portfolio of financial and real estate investments that are currently being sold. The assets in the portfolio are valued using a defined process that reduces the risks of this valuation. Real estate programs are not revalued before they are sold pursuant to IAS 16. They are therefore recognized at historic cost.

The private equity portfolio is marked to market: its valuation is based on the latest valuations received from General Partners in the context of a strict review of the portfolio's assets.

Rallye monitors both the geographic and sector diversification of the portfolio in order to optimize its sale depending on changes in the macroeconomic climate. The diversification of financial investments is not limited to geography and sector, but also includes the type of investment, partner and scale, generating a strong spreading of risks which is further enhanced by the large number of investments and their small size.

More details on the composition of the investment portfolio can be found on page 14 of this Registration Document.

RISKS SPECIFIC TO ITS MAJORITY STAKE IN CASINO GROUP

As a majority shareholder of Casino Group, Rallye is indirectly exposed to the specific risks incurred by the latter.

The main risks likely to impact the monetization of the investments in question, are described below.

RISKS LINKED TO COMPETITION AND TO THE BUSINESS ENVIRONMENT

As the controlling holding company of an operational company with predominant operations mainly in the food retail sector, Rallye is unrivaled and has no peer. Casino's positions are presented in detail in its 2014 Registration Document.

Casino Group is present on the highly competitive markets of in-store shopping and e-commerce. Competition is particularly ferocious in France, which is a mature market. Internationally, the Group, a leader in most of its markets, competes with international and local operators trying to strengthen their positions. As a result, the Casino Group may have to lower its prices to defend its market share, which could have a negative impact on the Group's earnings. Monitoring and responding to the competitive environment and its changes are performed at the level of each country and banner, primarily by managing price grids and promotional and loyalty programs as well as the identification and execution of growth or arbitrage transactions.

Furthermore, unfavorable economic conditions may affect the operations and financial performance of the Casino Group. Indeed, an economic downturn on one or several markets or all of its markets could have a negative impact on the financial position, earnings or capacity to implement strategic decisions.

RISKS RELATED TO PRODUCT QUALITY, COMPLIANCE AND SAFETY

Guaranteeing the safety of products and compliance with health and safety standards in Casino Group stores is a major challenge that could seriously impact the reputation and financial performance of the Group and, potentially, incur its liability.

A comprehensive system guarantees the sale of safe, healthy and quality products from the drawing up of specifications through to store operations. The Group Quality department coordinates regular exchanges with the Quality departments of the different entities which are individually responsible for guaranteeing the quality standards of own-brand products and ensuring consumer safety for all products sold.

STORE NETWORK RISK

The Casino Group stores operate through affiliated networks and/or franchises in France and internationally. Accordingly, the Group is particularly exposed, first to an image risk in case the practices of franchise holders are not compliant with regulations, standards or values of the Group and secondly, to a risk of payment default. Each of the networks establishes steady relations with its franchisees/affiliates, with regular dialogue and support for sales advisors.

RISK LINKED TO BRANDS AND CHAINS

The Casino Group owns almost all of its brands and is not particularly dependent on patents or licenses, with the exception of the "Spar" brand, for which it holds an operating license in France that was renewed for ten years in 2009. In addition, the Group implements a preventive protection policy for all the brands it operates or distributes, and believes that the risks of a violation of regulations in respect of the brands should not materially affect the Group's business and/or results.

RISKS RELATED TO SUPPLIERS

Casino Group has no specific dependence on industrial and commercial supply contracts. The Group operates with a list of over 30,000 suppliers and may have to source from suppliers located in countries likely to present risks in terms of non-compliance with manufacturing labor laws and non-compliance with the values stated in the Universal Declaration of Human Rights and the ILO Declaration on fundamental principles and rights at work. As a signatory of the United Nations Global Compact since 2009, the Group reaffirms its values and takes actions to promote compliance with human rights throughout its international subsidiaries and its suppliers.

RISK LINKED TO LOGISTICS

Casino Group's various activities, both in-store shopping and e-commerce, are backed by logistical structures tailored to ensure smooth supplies to all outlets, including integrated and franchised stores, or smooth delivery to e-commerce customers. Changes in the Group's logistical structures or the malfunction of one or several of them can lead to temporary or prolonged disruption of its business operations and negatively impact its image and financial earnings. The logistical organization is defined locally (at country level) rather than internationally and may differ depending on the activity.

IT SYSTEMS AND DATA PROTECTION RISKS

The day-to-day management of Casino Group's activities which include in particular purchases, supplies, distribution, online sales, invoicing operations, reporting and consolidation as well as exchanges and access to internal information relies on the smooth operation of all technical infrastructures and IT applications. Casino Group considers the protection and continuity of the operational capacity of its IT systems as highly important. This is guaranteed through the direct or indirect use of a variety of information systems (servers, networks, applications, websites, databases) critical to the implementation and smooth operation of its activities.

OTHER OPERATING RISKS

> RISKS LINKED TO FRAUD, CORRUPTION AND THEFT

Fraud, corruption and theft are risks that may impact the Group's earnings and image. The internal control process implemented by the Casino Group's various entities aim at limiting the occurrence of these risks. Casino Group wishes to exercise its activities in compliance with ethics and has accordingly implemented a framework, tools and control bodies tailored to its activities and corporate culture. The anti-corruption policies and ethical whistleblowing systems deployed by the Group are presented in the section on "Corporate Social Responsibility" of Casino's Registration Document.

> GEOGRAPHICAL RISK

A portion of the activities of the Casino Group is exposed to the risks and uncertainties resulting from commercial operations conducted in countries that could experience, or have recently experienced a period of economic or political instability especially in Latin America and Asia. The occurrence of such risks may influence business operations with, potentially, an impact on the Group's financial position and on the valuation of its underlying assets, especially goodwill. The Group develops action plans and implements measures designed to reduce the effects of these risks and ensure business continuity.

> RISKS LINKED TO NATURAL DISASTERS

Casino Group may be exposed to natural disasters in countries where it is established with direct or indirect impacts on its activities, assets and its employees and potential consequences on the Group's financial position. The Casino Group develops action plans and implements measures designed to reduce the effects of these risks and ensure business continuity.

> INDUSTRIAL AND ENVIRONMENTAL RISK

The Casino Group's commitment to sustainable development has been in place since 2002 with the creation of a dedicated unit. Given the internationalization of its operations, the Group joined the United Nations Global Compact in 2009. In order to develop its Corporate Social Responsibility (CSR) progress initiative with its French and international subsidiaries, a Group CSR department was created in 2010 with the specific objectives of accelerating the implementation of CSR commitments in its subsidiaries. The analysis and management of environmental risks are described in the section on "Social and Environmental Data" in Casino's Registration Document.

LEGAL RISK

REGULATORY RISKS

Given the nature of its activities and international presence, the Casino Group is required to comply with various regulations especially in terms of labor law, competition law, consumer law, urban planning law, stock market law, health law and environmental law. Changes to these laws, especially through more stringent legal provisions may have an impact on the Group's activities and earnings. For example, in France and internationally, the Casino Group must comply with all laws and regulations governing the operation of establishments open to the public, especially with respect to hygiene and safety and classified establishments (service stations). The same applies to product compliance and safety.

In addition, new stores and store expansions may be subject to administrative permit procedures. Moreover, in the different countries where Casino Group operates, the expansion of its operations through acquisitions may be subject to control by the Competitive Authorities in the relevant countries which may lead to the sale of certain outlets. Some of the Group's activities are subject to special regulations for which the legal structures and processes required at the appropriate levels have been implemented to ensure compliance with said regulations.

TAX AND CUSTOMS RISKS

Through its geographic spread, Casino Group is subject to the regulations in force in the various countries in which it operates and which apply to the business sectors of its various entities. The Group's Tax department and the tax departments of its different entities are in charge of identifying, curbing, tracking and controlling tax risk.

LITIGATION

At the filing date of this Registration Document, there was no governmental, legal or arbitration proceeding, including any proceedings of which the Company is aware, either unresolved or pending, that is likely to have, or has in the past 12 months had, a significant effect on the financial position or profitability of the Company and/or Group.

As part of its normal operations, the Casino Group is involved in various legal and administrative proceedings and may be the subject of various government inspections. Provisions are recorded for these disputes and arbitrations if there is a legal, contractual or constructive obligation to a third party as of the closing date, if it is probable that an outflow of resources without compensation will be required to settle the obligation, and if a sufficiently reliable estimate can be made of the amount of the obligation.

Information on disputes is provided in Note 13 to the consolidated financial statements.

- As regards the Geimex company, the owner of the Leader Price brand in the international segment, and 50% held by the Casino Group and 50% by the Baud family, the disputes between the two shareholders particularly concern the sale of Leader Price Polska by Casino in 2006, and the activities in Switzerland of the Baud family for which commercial and criminal court actions are still in progress.
- As regards Via Varejo (formerly Globex Utilidades SA), it should be noted that, in June 2009, GPA, through one of its subsidiaries, acquired the controlling block of Globex Utilidades SA, the leader in the distribution of electronic products and household appliances under the "Ponto Frio" brand. The previous majority shareholder (Morzan Empreendimentos) judged that GPA, jointly with its controlling shareholders, including GPA's majority shareholders, included Wilkes, but also Casino, Guichard-Perrachon and three of its other sub-holding companies, had breached the provisions of the agreement relating to the payment conditions for the share payable in GPA shares. Morzan Empreendimentos thus initiated an arbitration proceeding before the International Chamber of Commerce via a petition dated May 30, 2012. This petition for damages is seeking around 160 million reals (around €62 million).

The arbitration tribunal is currently examining the case. In any event, both GPA and its controlling shareholders consider that the request is unfounded. Furthermore, with the exception of GPA and Wilkes, which are parties to the share disposal agreement, none of the other parties named as defendants are bound by the provisions of the said agreement. This was confirmed by the arbitration tribunal on July 9, 2013. The case was heard on the merits on June 9 and 12, 2014 and a brief submitted to the arbitration tribunal on September 30, 2014. The verdict is expected at the beginning of the second quarter of 2015.

INSURANCE

COVERAGE OF RISKS LIKELY TO BE INCURRED BY THE COMPANY

The Rallye Group manages its insurance and risks as part of a wider policy framework designed to protect the Group's balance sheet while monitoring certain objectives, including the following:

- to protect the assets and liabilities incurred by the Group,
- to defend shareholders' interests,
- to take account of regulations applying to establishments open to the public in France (known as the ERP rules).

Analysis of random insurable risk, as well as subscription and management of insurance policies, and monitoring of losses are handled independently by Casino and its parent company, Rallye.

INSURANCE SUBSCRIBED

The main insurance policies maintained by the Rallye Group are as follows:

- property damage and resulting operating losses,
- civil liability.

For risks other than those mentioned above, the Group has taken out insurance cover whenever required by law. It has also done so whenever the nature of the risks in question makes insurance coverage useful and necessary and insofar as the insurance market adequately provides the desired coverage.

LEVEL OF COVERAGE

The Group strengthened its insurance policy in 2014 with the goal of maintaining or improving the protection of its assets, customers and employees, while keeping costs under control. To do so, Casino Group relies on internationally-reputed insurance brokers and buys insurance from first-rate solvent companies, recognized for their coverage of major risks.

> PROPERTY DAMAGE AND OPERATING LOSSES

The purpose of this insurance is to protect the Group's assets.

Casino's policy covers the risks traditionally covered, such as fire, water damage, explosion, natural disasters, collapse, electrical damage, operating losses, rental risks. The cap for the property damage cover is €250 million per loss and per year, with guarantee sub-limits for certain named perils, depending on the geographical region. This program was renewed normally on its maturity date of July 1, 2014 as all the previously insured risks were replaced.

On the date of writing of this document, no major and/or material loss had occurred in 2014 which was likely to alter the current guarantee terms or the overall amounts of the ongoing insurance premiums and/or self insurance.

> CIVIL LIABILITY INSURANCE

This program covers the financial consequences (bodily, material and immaterial) as a result of the Group's civil liability due to a fault, error, omission or negligence in the performance of a service and/or operation of its activities.

The civil liability insurance program is capped at €75 million per loss and per year.

> OTHER INSURANCE (MANDATORY OR OPTIONAL)

Given the nature of its business operations, the Group has mandatory insurance policies, such as civil liability insurance, so-called fleet insurance for its motorized vehicles; construction insurance: structural damage/ non-developer builder /construction all-risks, etc.; environmental impact civil liability insurance; property trustee and/or property management professional civil liability policy; a travel agent policy; professional civil liability insurance; policies covering damages and losses to carried goods and civil liability covering all logistics operations of shipped goods and civil liability policies for corporate executives.

> CRISIS PREVENTION AND MANAGEMENT

Regarding property damage risks, Casino Group's operational, technical and support departments handle prevention and management and also receive support from the engineering departments of insurers (regular inspections of insured capital-intensive sites including in particular, hypermarkets, shopping malls and warehouses; joint monitoring of inspection and prevention reports for sites; monitoring of protection per site depending on needs and priorities; monitoring of property damage risk mapping including natural events and risks of strikes, riots, civil uprising and more generally political risks both in France and abroad).

Concerning risk linked to the civil liability of products, Casino Group maintains and continues the quality and preventive initiative launched several years ago, upstream of sales outlets for both retail brands and other brands.

Similarly, in the event of a crisis and/or major loss, Rallye and Casino have the appropriate technical and human resources as well as advisors which, depending on the circumstances, would allow it to respond rapidly to protect human lives, safeguard properties and maintain the continuity of its operations and services.

Rallye has reviewed its risks and believes that there are no significant risks other than those described in this document.

MANAGEMENT REPORT

Social, Environmental and Societal Responsibility

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Corporate social responsibility (CSR) is defined as the responsibility of companies with respect to their impact on society. The Group embraces this responsibility by ensuring compliance with applicable laws and collective bargaining agreements. Rallye seeks to fully address all CSR issues by working closely with stakeholders in a process designed to incorporate social, environmental, ethical, human rights and consumer concerns into business activities and fundamental strategy.

This document presents the organization of CSR within Rallye as well as the most relevant CSR indicators at the Group level. All other CSR indicators are provided in detail in the CSR report of the Casino Group.

ORGANIZATION OF CSR (CORPORATE SOCIAL RESPONSIBILITY) WITHIN RALLYE

CSR PROCEDURE

Rallye specializes in the food and sporting goods retailing sector through its majority stakes in the Casino Group and Groupe GO Sport. Rallye continues to sell off assets in its diversified investment portfolio. The breakdown of this portfolio is available in the management report of this Registration Document in the chapter entitled "Business Review".

As part of the overall analysis of risks relating to the Company's business, Rallye applies good governance practices designed to ensure the longevity of the business and which are described in the Chairman's report on corporate governance and internal control procedures on page 75 of this Registration Document.

As part of the day-to-day management of the Group, Rallye is involved in normal business relationships with all its subsidiaries. The prevention of conflicts of interest is described in the Management Report on page 66 of this Registration Document.

At December 31, 2014, no provision had been recognized in Rallye's financial statements for environmental reasons.

In each company in which Rallye is a shareholder; Casino (listed company in the sector based on food retail) and Groupe GO Sport (sporting goods retail); Corporate Social Responsibility issues are managed directly by the management teams. Nevertheless, in its role as shareholder, Rallye makes sure that each of its subsidiaries focuses on the most relevant issues with respect to their own activities and that the CSR commitments made by its subsidiaries and presented in their respective reports are compliant with regulations.

Due to its size and business, Rallye's exchanges with its stakeholders mainly involve communication with the financial community. Rallye leaves its subsidiaries with the responsibility of organizing dialogue with their own stakeholders.

CSR REPORTING METHODOLOGY

Rallye's CSR officer liaises directly with the CSR officers of its Casino and Groupe GO Sport subsidiaries. The CSR officer is in charge of coordinating the overall CSR initiative, collecting social, environmental and societal data and consolidating all CSR indicators.

SCOPE

Every year, the Casino Group publishes a corporate social responsibility report which presents the major CSR indicators, measures and objectives of the Group's subsidiaries. The report is available on: www.groupe-casino.fr.

In France, Monoprix publishes its CSR performance in a report available on www.monoprix.fr. Cdiscount and Vindémia also publish information in their Management Report.

Internationally, GPA, Grupo Exito, and Libertad, members of the Global Compact, also publish an annual CSR report which is available on their websites: www.gpari.com.br, www.grupoexito.com.co, and www.libertadsa.com.ar.

Except in specifically mentioned exceptions, the social, societal and environmental data presented below relates to all businesses under the operational control of the Casino Group or its majority-owned subsidiaries in France and abroad. The data does not include affiliates, franchises and lessee managers. All data is fully consolidated (100% consolidated).

Prepared in accordance with financial reporting, data is reported on the following scopes of consolidation:

- the "France" scope of consolidation includes activities under the Casino, Monoprix, Cdiscount, Franprix, Leader Price banners and support functions (logistics, purchasing, human resources, etc.);
- the "Latin America" scope of consolidation includes GPA (including Multivarejo, Viavarejo, Assai, CNova Brasil), Libertad SA, Grupo Exito, and Disco Devoto;
- the "Asia/Indian Ocean" scope of consolidation includes Big C Thailand, Big C Vietnam, and Vindémia;
- the "Group" scope includes consolidated data.

The Casino Group mainly operates in France and in emerging markets. Each subsidiary deploys local policies and initiatives in compliance with the Group's CSR policy.

These countries present however significant economic, social and cultural differences. These specific traits explain the significant differences observed in certain indicators between the different geographic regions of business. Furthermore, the definition of certain social indicators may vary depending on local regulations or practices. More details are provided in the methodological note on

the preparation of non-financial data: www.groupe-casino.fr/fr/Nos-engagements.html.

For Groupe GO Sport, the information provided below covers all of its consolidated subsidiaries: Groupe GO Sport, GO Sport France, Courir France and GO Sport Poland (excluding training).

RALLYE'S BUSINESS AND ITS IMPACT ON THE ENVIRONMENT

Rallye only has three office buildings which have no particular impact on the environment. The impact of the Group's business is mainly indirect as it exists at the subsidiary level. For this reason, implementing a specific environmental policy within its own scope is not particularly relevant.

For example, Rallye is committed to selective waste sorting. All employees at its head office have been made aware of this policy. Paper used by the teams, printer cartridges and used batteries, plastics, cardboard and metals (mainly cans) are collected for recycling. To print its Registration Document, Rallye selects service providers who offer a selection of PEFC / FSC certified recycled paper. Lastly, numerous meetings are held via teleconference in order to reduce the need for travel.

RALLYE'S HUMAN RESOURCES POLICY

In order to attract and retain talent, Rallye strives to recruit employees for whom the Company implements the best possible work environment.

At December 31, 2014, Rallye had a workforce of 25 employees who were all based in France. The percentage of women occupying managerial positions remains stable at nearly 52%. Under 30s accounted for 8% of the workforce, while 52% were between 30 and 50 and 40% were over 50.

Part-time workers accounted on average for 4% of the workforce and the rate of absenteeism due to illness was 4.8% in 2014.

Apart from the investment team and the management team, the majority of the workforce held support roles within the Finance department and the Legal department.

The Company also uses external service providers to run its premises (security, maintenance, reception, etc.). It strives to build strong, high-quality ties with these service providers to ensure long-lasting and secure relationships.

Improving the employability of its employees is a priority for the Company. It offers training to ensure that all employees have the required level of know-how at all times to successfully carry out their duties. During 2014, six employees received training, with the average number of training hours per employee at 7.7 hours (some training courses span 2014 and 2015).

It also seeks to optimize work conditions and relations by holding regular meetings with employees and encouraging dialogue. Lastly, Rallye ensures that all recruitment, career development (training and promotion) and compensation decisions are made on a non-discriminatory basis, according to the employee's capabilities and without any other criteria than their skills.

COMPENSATION POLICY

At Rallye, all employees undergo an annual review with the aim of encouraging individual and collective performance. This review system allows the regular adjustment of the different fixed and variable components of pay to reflect each employee's position, skills, performances and potential. It also allows clear and transparent communication on the rules used to determine compensation.

Persuaded of the importance of employee shareholding as key to a successful long-term partnership with its employees, Rallye has always promoted its development through company savings plans or through the allocation of bonus shares or stock options.

PROMOTING HEALTH AND SAFETY IN THE WORKPLACE

Rallye complies with health and safety legislation and regulations (keeping premises clean and properly heated and lit, maintenance of equipment, fire prevention, etc.). No workplace accidents occurred in 2014.

Considering the nature of Rallye's business, no specific exchanges took place with employees in terms of health and safety.

ORGANIZATION OF CSR (CORPORATE SOCIAL RESPONSIBILITY) WITHIN RALLYE'S SUBSIDIARIES

Rallye is the majority shareholder of Casino and Groupe GO Sport. The financial statements of these companies are accordingly fully consolidated in the Group's consolidated financial statements. The highlights of their Corporate Social Responsibility are presented in the chapters below. Further details on this information can be found in their own CSR reports.

Within its main subsidiaries, CSR issues are managed by dedicated teams at Casino and by the HR department at Groupe GO Sport.

CASINO

The Casino Group's commitment to sustainable development has been in place since 2002 with the creation of a dedicated unit. Taking into account the increasingly international dimension of its activities, the Group joined the United Nationals Global Compact in 2009 and gave a new momentum to its pre-existing procedure. In order to roll out and manage its CSR (Corporate Social Responsibility) progression with all its subsidiaries both in France and abroad, the Group set up, in 2010, a Corporate CSR Department with the specific goal of accelerating the implementation of its CSR commitments in its subsidiaries. Casino Group's CSR initiative is rolled out in countries and stores through actions implemented locally by the CSR departments of each of the subsidiaries.

The Casino Group is listed in the following socially responsible investment (SRI) indices: FTSE4GOOD, Vigeo Eurozone 120, Ethibel and Dow Jones Sustainability Index World, ECPI Indices / EMU Ethical Equity (ECPI Group). Grupo Exito is listed on the "Dow Jones Sustainability for emerging countries" index. These indices comprise companies with the best ratings in social, environmental and governance criteria.

Casino Group has responded to the Carbon Disclosure Project (CDP) since 2013 and its score increased this year from 75 C to 87 B.

Casino Group receives regular awards in recognition of its initiatives. In 2014, Casino Group received the responsible retailing award Grand Prix ESSEC for the second consecutive year, in addition to several other Awards for measures taken to promote diversity in France, such as the LSA press Award. Subsidiaries abroad also receive awards for their CSR strategy: Disco in Uruguay received the 2014 National Energy Efficiency prize awarded by the Uruguay ministry of industry and energy, Big C Thailand received for the third consecutive year, a special prize in recognition of its pro-workers with disabilities initiative. The "Monitor Empresarial de Reputación Corporativa" (MERCO) awarded Grupo Exito, based on a questionnaire verified by KPMG (ISAE 3000), the Human Capital award in the retail sector.

GROUPE GO SPORT

Groupe GO Sport chose to place CSR issues under the responsibility of its Human Resources department. The CSR strategy is mainly overseen by the Group's HR department and implemented by the Groupe GO Sport communication department.

Groupe GO Sport is committed to its CSR procedure and promotes its sustainable development measures by communicating information of an ethical or civic nature, and by asking its suppliers to comply with all the ethical rules established by the various bodies concerned.

SOCIAL RESPONSIBILITY

One of the key elements of the Company's economic and social performance is the development of men and women.

WORKFORCE AND ORGANIZATION OF WORK TIME

— *Casino*

The number of working hours of the Group's employees is defined in accordance with the strict legal framework of each entity and with the local regulations of the country in which the Group operates. Most Casino Group employees (92%) are employed on permanent contracts. The Group uses fixed-term contracts mainly to replace absent employees and to cope with seasonal peaks in activity. Most of the Group's employees (87%) are on full-time contracts.

— *Groupe GO Sport*

At Groupe GO Sport, the workforce trend between 2013 and 2014 reflects the increase in the sales force to improve in-store customer assistance at GO Sport France, the opening of a new point of sale in Poland and a sharp increase in the revenue and the opening of four Courir outlets. The stores mainly hire athletic young people interested in selling sports goods.

As required by the provisions of the "Aubry Act", Groupe GO Sport SA and its French subsidiaries have implemented the shortened working hours agreement since June 1, 2000. This working time organization is still in force in the GO Sport network stores in France. The July 2000 agreement on shorter working time and its amendments sought to reconcile the individual constraints of employees and the commercial challenges linked to the store's needs, according to fluctuations in employee workload.

GO Sport France signed a collective company agreement on February 10, 2010 on Sunday work pursuant to the provisions of Articles L. 3132-25-1 of the Labor Code. This agreement is consistent with the legislation on Sunday work.

PROMOTING SOCIAL DIALOGUE

— *Casino*

The Casino Group's human resources policies are built on regular dialogue between management and labor in France and internationally.

To take the pulse of its social climate and address employee concerns, Casino Group, through its Human Resources departments, conducts employee surveys based on specific topics and/or using internal or external metrics. It also deploys mechanisms that allow employees to express their opinions and submit suggestions.

— *Groupe GO Sport*

Groupe GO Sport has pledged to observe and ensure its suppliers observe the eight fundamental conventions of the International Labor Organization.

SUPPORT FOR THE COMPANY'S DEVELOPMENTS

In compliance with legal provisions, the human resources departments support the Company's organizational changes. These changes may be submitted to employee representative bodies for their opinion and if necessary, lead to individualized assistance for employees.

ANTI-DISCRIMINATION MEASURES

— *Casino*

The Casino Group has been involved in the fight against all forms of discrimination since 1993. The Group considers diversity to be an economic performance factor and has thus defined a proactive policy aimed at recruiting people from diverse backgrounds and promoting professional equality at all levels and in all business processes to promote peaceful co-existence. This policy is based on several main actions: fighting against stereotypes which are at the root of discriminations, building together policies with representative union organizations, addressing together discrimination criteria and evaluating implemented actions. The Group's main areas of action include: social background, gender, disability, age (young and old), sexual orientation, religious diversity, and trade union commitment, and since 2014, physical appearance.

— *Groupe GO Sport*

In its hiring policy, Groupe GO Sport strives to promote diversity. The introduction of a hiring charter which mainly stresses the fact that Groupe GO Sport is against all forms of discrimination was distributed in 2014 to all concerned parties. Groupe GO Sport works actively to promote diversity; a hiring charter was distributed in 2014 to the different Groupe GO Sport head-hunting firms to promote fairness and equal opportunity between all candidates during the hiring process.

MAIN INITIATIVES TO PROMOTE THE INDUCTION OF PEOPLE WITH DISABILITIES

— *Casino*

Each of the Casino Group's entities is involved in the introduction of a policy to promote employment for people with disabilities. In 2014, Casino Group rolled out an information and awareness raising campaign for subsidiaries in France and internationally. This campaign entitled "Handino", deployed in four languages, recalls through examples and testimonies circulated in a film and a booklet, initiatives implemented to facilitate the professional insertion of people with disabilities. As a founding member, the Casino Group continued to participate in the deployment of the ILO network of companies committed to helping people with disabilities: "Ilo Global Business and Disability Network".

— *Groupe GO Sport*

Groupe GO Sport undertakes to facilitate the professional insertion of people with disabilities, in partnership with Cap Emploi and Groupe GO Sport's partner insertion associations.

MAIN INITIATIVES OF THE GROUP TO HELP YOUNG PEOPLE, ESPECIALLY THOSE FROM UNDERPRIVILEGED BACKGROUNDS AND OLDER PEOPLE

— *Casino*

The Casino Group has rolled out initiatives to help young people, especially those with no significant qualifications or from underprivileged backgrounds to facilitate their professional insertion.

The Casino Group subsidiairies signed agreements called « contract of generation » or set up the action plans which objective is to improve the long-lesting insertion of young people and to maintain in the employement older people.

— *Groupe GO Sport*

Group Go Sport undertakes to to facilitate the professional insertion of young people through work/study programs and internships.

PROMOTING GENDER EQUALITY AT WORK

— *Casino*

The Casino Group is determined to strengthen the diversity of teams at all levels of the organization through an active policy on all topics related to professional equality: job diversity, management of female careers, fairness of human resource processes (wages, access to training, recruitment and promotions, etc.) and parenting. The Casino Group ranked 37th in the SBF 120 second list of businesses with the highest number of female employees presented by the ministry for Women's Rights in 2014.

— *Groupe GO Sport*

A unanimous agreement was signed at Groupe GO Sport on December 20, 2011 with the representative union organizations on gender equality at work in order to develop measures to encourage the hiring of women especially in store supervisory positions as well as access to training for women to boost their career development within the Group.

ENCOURAGING PROFESSIONAL AND SOCIAL DEVELOPMENT

— *Casino*

Since its inception, the Casino Group has always been committed to the professional and social development of its employees who contribute to its operational performance. To strengthen a managerial culture that respects the Group's values contributing to this goal, the Group has defined a framework for evaluating Managerial Attitudes and Behaviors. Code-named L.I.D.E.R.S (Leadership, Innovation, Decision, Engagement, customer Responsibility, Synergies), the framework was rolled out in France and in some of the countries where the Group is present, and is part of the annual skills assessment of managers. Furthermore, training is one of the key factors in developing and maintaining the employability of its employees. In line with Group objectives, the Human Resources departments of each subsidiary define the training plans.

— *Groupe GO Sport*

Groupe GO Sport also places a premium on supporting its employees when they start a new job and helping them adjust to the workstation through the implementation of appropriate training tools specifically aimed at achieving operating excellence.

COMPENSATION POLICY

— *Casino*

The Casino Group's compensation policy takes into account the skills, the level of responsibility and the experience acquired by employees and proposes a fair and competitive pay level in line with the usual practices observed for similar jobs in the sector, and adapted to the local characteristics of the country in which the Group operates.

— *Groupe GO Sport*

At Groupe GO Sport, collective changes to compensation are negotiated each year with representative union organizations within the Groupe GO Sport Economic and Social Unit (ESU) as part of Mandatory Annual Negotiations (NAO). In addition, changes in wages reflect the wage conventions defined by the professional sector in which the Group is a stakeholder. Furthermore, individual remunerations evolve with changes in functions, in the context of positioning with respect to internal and external environments, but also to show appreciation for high-potential employees. This is part of a wider Group-level human resource management policy.

PROMOTING HEALTH AND SAFETY IN THE WORKPLACE

— *Casino*

The Casino Group is committed to improving the safety and physical and mental health of its employees. The Human Resources department is responsible for implementing action plans in each of the subsidiaries.

Concerned about the health of its workers outside the workplace, the Group's entities implement measures to encourage employees to adopt a healthy life style, such as exercising regularly, access to advice from nutrition specialists and assistance to quit smoking.

— *Groupe GO Sport*

Groupe GO Sport seeks to constantly improve health and safety conditions for its employees. This involves above all, the regular update by each site in France of its Single Risks Assessment Document (DUER) and the implementation of individual protection equipment with the assistance of the Human Resources department. In addition, the Company has chosen to tackle the issues of hygiene and safety with staff delegates (DP) and the Committee for Hygiene, Safety and Working Conditions at head office but also by encouraging the introduction in 2014 of a nation-wide Committee for HSWC.

WORKPLACE FIGURES

The main social indicators of Rallye subsidiaries are presented below. Detailed information can be viewed in the corporate social responsibility report of Casino.

2014 workplace indicators	Units	Casino Group	Groupe GO Sport
Number of employees as of December 31,2014	No.	335,436	4,624
Percentage of total workforce represented by women	%	52	51
Number of long-term contract recruitments	No.	93,139	937
Number of workers declared as disabled as of Dec. 31, 2014	No.	7,486	102

2014 workplace indicators – Casino Group	Units	Casino Group
Number of layoffs	No.	15 (1)
Average number of hours training per employee per year	hours	16
Absenteeism rate	%	2.69 (2)

(1) France scope.
(2) For disease (included work related diseases) and work related accidents.

2014 workplace indicators – Groupe GO Sport	Units	Groupe GO Sport
Average number of hours training per employee per year	hours	27
Number of workplace accidents	No.	153

At Casino, the breakdown of the workforce by age group is 41% for those under 30, 49% for 30 to 50 years old and 10% for the over 50s. With Groupe GO Sport, it stands at 59% for the under 30s, 40% for 30 to 54 years old and 1% for those over 54.

ENVIRONMENTAL RESPONSIBILITY

The Group's environmental impact is mainly at the level of the Casino and Groupe GO Sport subsidiaries. The environmental policies of Rallye's subsidiaries aim to minimize the environmental impact of products and the use of natural resources, to improve eco-responsibility and adopt a more ecological approach.

— *Casino*

In 2003, the Casino Group defined its environmental commitments, which it reasserted by joining the UN Global Compact, and by the CSR progress initiative which sets four environmental priorities. In order to prevent and control the environmental risks of the Group's activities, the Environment department, which reports to the CSR department, steers environmental priorities, coordinates the sharing of good practice and the monitoring of action plans. It rolls out a continuous improvement approach for the environmental performance of the Group's activities, by relying, in France, on environmental benchmarks, "Green Excellence" workshops and a collaborative platform that allows members of these workshops to pool and publish the best practices of their activity so as to promote environmental protection. International subsidiaries locally implement the best organization for keeping environmental challenges under control and for achieving the objectives defined by the Group.

To raise employee awareness of environmental challenges and share environmentally-friendly best practices, the Casino Group's different internal communication tools such as the intranet or the quarterly review "Regards" are used regularly to circulate information on topics such as waste management, conservation of natural resources, energy savings, biodiversity and food waste.

— *Groupe GO Sport*

Through its business as a textile, shoes and sports equipment retailer, Groupe GO Sport is committed to the quality of articles sold in its stores, for both international brands and own brands. The Group offers its customers reliable, quality products made in compliance with environmental standards. In 2013, Groupe GO Sport joined the CSR Commission of the Fédération des Entreprises du Sport (French federation of sporting goods companies) and is striving for the introduction of a lasting and virtuous environmental policy within the next three years.

REDUCTION OF GREENHOUSE GAS EMISSIONS (GHG) TO FIGHT GLOBAL WARMING

— *Casino*

As part of the internationalization of its business, the Casino Group defined standard practices for its subsidiaries in terms of greenhouse gas accountability in 2012, the reference year used by the Environment department to monitor greenhouse gas (GHG) reduction plans. Each year, the Group's subsidiaries conduct their GHG inventory on scopes 1 and 2 to monitor the effectiveness of their reduction plans, based on this methodological framework. Casino encourages its subsidiaries to focus primarily on reducing their direct emissions. Priority is given to reducing GHG emissions due to leakage from refrigerant fluids with a high climate warming power such as HFCs. Measures implemented by subsidiaries consist in strengthening the confinement of existing installation circuits and introducing refrigerating pilots that work with fluids with a low climate warming power (hydrocarbons, CO_2, NH3). In order to reduce Greenhouse Gas Emissions (GHG) linked to the transportation of goods, the Group places a priority on implementing action plans to reduce the distances traveled by trucks and optimize their loading through partnerships that allow the pooling of transport capacities in each direction from its sites.

— *Groupe GO Sport*

Since Groupe GO Sport does not directly handle the manufacture of products, it is not directly concerned by issues relating to adapting to the consequences of climate change.

SUSTAINABLE USE OF RESOURCES

— *Casino*

Adapting to climate change

To reduce its vulnerability to climate change, the adaptation policy for the Casino Group and for all its subsidiaries entails recognizing the risks of more frequent extreme climate events, primarily cyclonic risks for its activities in La Reunion island and flooding in Thailand. The Group follows regulations in force by building the equipment required to manage and handle rainwater spillovers and strives to implement innovative techniques (planted roofs for instance). Companies exposed to this type of risk maintain and develop business continuity plans in case of an extreme climate event in collaboration with suppliers and the public authorities.

Energy

Improving the energy efficiency of stores is a key priority deployed in all entities which will help Casino to reduce its operating costs. The two principal sources of energy consumption of mainly electrical origin are store lighting and food refrigeration. Reducing energy consumption is part of a continuous improvement process based on monitoring consumptions, energy audits of sites, and an energy renovation program (Energy Performance Contracts), implemented by GreenYellow, the Casino Group subsidiary in charge of implementing energy saving solutions. The Group's entities are invited to define the reduction objectives and action plans to identify the most eco-efficient solutions.

To support the development of renewable energy, in 2007 Green Yellow launched a solar installation development program on the roofs and parking shelters of hypermarket car parks, especially in the Indian Ocean with Vindemia. In 2014, a total of 58 power plants were connected with a total solar panel area of around 489,470 sqm. for installed capacity of 97 MWc and which generates 112,127 MWA a year.

Water

The Casino Group's operating businesses are located in areas with low to medium hydric stress and mostly use water from municipal networks, primarily for sanitary purposes. The Group is aware of the importance of water management and encourages initiatives to reuse rainwater and limit consumption in drinking water networks.

Biodiversity

The Casino Group has repeated its commitment to promote biodiversity in its Group Ethics Charter through commitment no. 8: "Helping to protect biodiversity". Casino Développement drew up and implemented a guide to best practice on land management and the protection of biodiversity. The teams tasked with managing this work have been specially trained.

The Group implemented in particular, a process to track the sheep and cattle sectors of its Brazilian suppliers to make sure of their provenance and not be a party to the deforestation linked to cattle rearing. It also conducted various initiatives to encourage the protection of forests and reforestation and implements selective measures to reduce the impact on biodiversity of own-brand products and those of its food suppliers.

— *Groupe GO Sport*

Groupe GO Sport has no indicators relating to the tonnage of the principal marketed raw by category, nor the tonnage of the main raw materials used in manufacturing articles sold, nor the quantities of approved textile raw materials.

Since Groupe GO Sport, does not directly manufacture its products, it is not directly concerned by the issues of biodiversity conservation but is nevertheless attentive when signing a new contract with its suppliers, to ensure compliance with the environmental measures stipulated in its general purchasing terms.

REDUCTION, WASTE RECOVERY AND ANTI-POLLUTION MEASURES

> WASTE FROM OPERATIONS

— *Casino*

Recycling and reducing waste from operations is one of the priorities of the Casino Group's environmental policy. The main types of waste generated by the operation of facilities within Casino Group are cardboard, plastics, paper and fermentable products. Subsidiaries seek to reduce their waste and raise their recycling rate by participating in the development and securing of local recycling streams. More than 230,000 tons of waste (cardboard, plastics, organic) were recovered from a perimeter representing 99% of the Casino Group's 2014. They continued to provide training in sorting techniques, mainly in stores and warehouses, for plastics and fermentable products.

— *Groupe GO Sport*

Groupe GO Sport outsources all its own-brand product manufacturing activities. The Group is therefore not involved in the implementation of measures to prevent, reduce or repair emissions into the air and ground which impact the environment. As a responsible operator, Groupe GO Sport nevertheless ensures that its suppliers follow an exhaustive list of criteria, provided in its general terms of sale, such as compliance with the environmental constraints of the country to which the product's manufacture is outsourced.

> WASTE COLLECTION

— *Casino*

To encourage the recycling of used products, the Casino Group implements initiatives to raise awareness among consumers of sorting waste and has installed collection points in its stores.

— *Groupe GO Sport*

Groupe GO Sport is a member of organizations in charge of preventing environmental risk. This policy covers the financial means devoted to preventing environmental risks and pollution and encourages all efforts to recycle waste, packaging and end-of-life products.

ENVIRONMENTAL FIGURES

The main environmental indicators of Rallye subsidiaries are presented below. Detailed information can be viewed in the corporate social responsibility report of Casino.

The environmental data provided by Casino does not include activities in Mayotte, Maurice and Madagascar (0.3% of the group's sales in 2014).

2014 environmental indicators	Units	Casino Group	Groupe GO Sport [2]
Reduction of greenhouse gas emissions (GHG)			
GHG Scope 1 = direct emissions related to combustion (gas and fuel) and to refrigerant fluid refills	CO_2 Eq. ton	1,430,000	913
GHG Scope 2 = indirect emissions related to energy consumed (electricity, steam, heat, cold)	CO_2 Eq. ton	870,000	3,790
Sustainable use of resources - Energy consumption			
Electricity	MWh	4,603,475	40,011
Gas	MWh	193,543	4,591
Water	m^3	15,204,613 [1]	20,278

(1) Consumption for a group of entities representing 91% of Group sales in 2014.
(2) France scope.

SOCIETAL RESPONSIBILITY

Beyond strictly environmental measures, the Group's policy has a societal dimension which is expressed through major themes aimed at encouraging responsible consumption.

COMMITTED LOCAL PLAYER: LOCAL ROOTS OF ACTIVITIES

— *Casino*

As a highly-involved local stakeholder in the local life of the territories (city-center, suburbs and rural areas), the Casino Group contributes to local economic development, regional solidarity and efforts to fight poverty and marginalization. It encourages its stores, through the CSR progress initiative, to strengthen solidarity partnerships with leading public charities especially with food bank networks, to develop local solidarity measures in stores and support the actions of its Foundations.

The Casino Group supports local production industries by mostly sourcing from small producers or from SMIs/SMEs in the countries in which it operates. It helps local suppliers improve the professional level of their production circuits and logistics, their manufacturing standards and even their administrative management to allow them to enhance their economic development beyond their commercial relationship with the Group.

— *Groupe GO Sport*

Groupe GO Sport is committed to promoting employment and regional development in the areas where its stores are located. Consequently, at the opening of a store, Groupe GO Sport contributes to the creation of new jobs in the local region concerned.

RELATIONS WITH SUPPLIERS: TRUSTED PARTNER

> STRENGTHEN THE ETHICAL SOCIAL APPROACH

— *Casino*

Since 2002, the Casino Group has implemented a social ethical approach with its own brand suppliers aimed at controlling and helping to improve the social conditions in which the own-brand products sold by the Group are manufactured. This approach is coordinated by the Casino Group's CSR Department.

To better evaluate the recognition of human rights in its activities, the Casino Group decided to join the EDH (Business for human rights) association with the aim of identifying the specific risks linked to its activities and exchange with other international Groups. The Casino Group supported and helped to prepare a training module on the theme of human rights in the Company and the development of a book on measuring the risks linked to human rights ("*Guide d'évaluation des risques liés aux droits de l'homme*"). In 2014, it supported the development of an e-learning module which will be distributed to managers.

— *Groupe GO Sport*

Groupe GO Sport asked all its own brand suppliers to sign its General Terms of Purchase which contain, in particular, its environmental responsibility requirements.

> ENCOURAGING THE CSR INITIATIVES OF SMES

Since its inception and by nature, the Casino Group has a close relationship with its suppliers (SMEs/SMIs, farmers, cooperatives). The Group's Quality department in collaboration with the Purchasing and Marketing departments have launched several CSR initiatives to assist suppliers in order to strengthen the recognition of CSR and in particular environmental impacts by local SMEs.

RESPONSIBILITY FOR PRODUCTS/CUSTOMER RELATIONS

— *Casino*

The Casino Group's aim, which is reflected in its corporate slogan "Nourishing a World of Diversity" is to offer high-quality products to the greatest number of people possible while enabling its customers to consume in a more responsible manner. Diet, which is at the heart of health and social issues, is a major concern for the Casino Group, which is developing a products policy that reconciles safety, nutritional balance, health, pleasure and respect for the environment.

TAKING ACTION FOR CONSUMERS' HEALTH

> SAFE AND GOOD QUALITY PRODUCTS

— *Casino*

Regardless of the type of own brand product range, the quality and safety of products are an absolute priority for the Casino Group. A comprehensive system guarantees the sale of safe, healthy and quality products from the drawing up of specifications through to store operations. The Group Quality Department coordinates regular exchanges with the Quality departments of the different entities which are individually responsible for guaranteeing the quality standards of own-brand products and ensuring consumer safety for all products sold. These exchanges, which mainly concern best practices and procedures (product quality and safety policy, tracking procedure, supplier audits, crisis management, products withdrawal and recalls, etc.), have allowed the introduction of a Group Quality Charter communicated to all entities in 2012.

> IMPROVING THE NUTRITIONAL BALANCE OF PRODUCTS

— *Casino*

The Casino Group pioneered the distributor brand concept by launching in 1901 Casino branded products. The Group has developed since 2005 numerous measures to improve the nutritional balance of Casino products, one of the Group's leading own brands. The Group's subsidiaries rely on the know-how of the Casino brand to develop their own brands.

The Group created a Health Committee in 2010. This Committee meets four times a year with the goal of analyzing data and scientific trends on the topic of health, consumer trends and expectations in this field. In France, it also assists the Group in implementing measures on own-brand products such as, for example, the development of a poultry range free of antibiotic treatment. Lastly, the Committee issues recommendations on various matters, such as on controversial ingredients (aspartame, endocrinal disruptors, palm oil, bisphenol, pesticides, etc.)

The Group's healthy diet initiative launched in 2005 was confirmed in 2008 with the signing of a charter on voluntary commitments to nutritional progress with the French Ministry of Health in connection with the National healthy diet plan (PNNS).

> INFORMING CONSUMERS ABOUT THE NUTRITIONAL PROFILE OF A PRODUCT

— *Casino*

The Casino Group supports the implementation of nutritional labels on own-brand products to better inform consumers. The Casino Group introduced a nutritional label which indicates the amount of calories, the quantity of proteins, carbohydrates, sugar, lipids, saturated fatty acids, fiber and sodium content in Casino products. In anticipation of new regulatory requirements applicable at the end of 2014, the Group's purchasing, marketing and quality teams worked together over a period of two years to rewrite label contents to ensure that the food products of French banners (Casino, Leader Price and Monoprix), in addition to the information previously given, clearly state in particular, the presence of allergens in the list of ingredients and the origin of the meat in ready-to-eat packaged meals.

> ENCOURAGING MORE ENVIRONMENTALLY-FRIENDLY CONSUMPTION HABITS

— *Casino*

To encourage its customers to make more environmentally-friendly consumer choices, the Casino Group has developed several initiatives to reduce the environmental impact of the products that it sells. These include optimizing and reducing the packaging used; developing product ranges in compliance with more environmentally-friendly reporting standards such as Organic Farming products; indicating the environmental footprint on the packaging of food products; communication campaigns encouraging consumers to return their used products to the store for recycling and more.

To raise the awareness of its customers and suppliers, the Casino Group rolls out information and awareness-raising campaigns in its stores primarily focused on responsible consumption, the recycling of used products (light bulbs, batteries, small electric appliances) and food wasting.

To encourage more responsible consumption and reduce household waste, the Casino Group is involved in an approach aimed at reducing the distribution of single-use plastic bags in stores.

In connection with the National Compact against Food Waste, introduced by the French Ministry of Agriculture and Food, which has been signed by the Group, Casino and Monoprix stores have unveiled awareness-raising measures aimed at their customers.

— *Groupe GO Sport*

All the products delivered by Groupe GO Sport are tested in labs to guarantee the absence of controversial substances. These tests are valid for each plant or production site and products sourced from sub-contractors who are subject to prior authorization from Groupe GO Sport. These checks were strengthened in 2014 with tests performed by external laboratories to check the veracity of information.

Groupe GO Sport requires its own brand product suppliers to pledge not to use banned or dangerous substances (prohibited colorings, pesticides, nickel, chromium, etc.) and to observe regulatory requirements concerning Electrical and Electronic Equipment (EEE).

At the request of Groupe GO Sport, each supplier is required to disclose information on the consequences of its company's activity on the environment.

OBSERVANCE AND CIRCULATION OF SUBSIDIARY VALUES WITHIN THEIR SPHERE OF INFLUENCE

> PREVENTING CORRUPTION

The Group supports the fight against corruption and is committed to enforcing current legislation. To do so, it has adopted procedures, raised awareness among its employees, and implemented control procedures.

As part of the day-to-day management of the Group, Rallye is involved in normal business relationships with all its subsidiaries. The absence of conflicts of interest is described in the Management Report on page 66 of this Registration Document.

— *Casino*

Casino Group signed the UN Global Compact in 2009 and drafted a Group Ethics Charter in 2011 with nine commitments. The Charter has been translated into four languages and was distributed to all the Group's Human Resources department and can be viewed on the Group's intranet. It repeats the Group's commitments to "shun all forms of corruption and business offences" (commitment 2) "implement loyal practices in its commercial relations and ensure fair treatment" (commitment 7). By signing the Global Compact in 2009, and through its Ethics Charter, the Casino Group wished to reaffirm its commitment in the fight against corruption and its consideration for human rights within its sphere of influence.

The Group's anti-corruption program falls under the responsibility of the Senior Management of each of its entities. The Group's Internal Control department, as part of its awareness-raising measures with all of the Group's Business Units, is ready to assist senior management in defining their action plans to fight corruption.

— *Groupe GO Sport*

In order to avoid any risk of corruption, Groupe GO Sport ensures strict adherence to the rules defined, enabling the smooth implementation of the processes essential to its business. To this end, internal and external audits are regularly conducted concerning in particular the division of labor in the different functions, the double checking of financial inflows and outflows, systematic reconciliations of the Group's accounts with those of its partners (banks, customers,

suppliers), stock management through regular inventories. Each half-year, the Internal Audit department submits to the Audit Committee, a report on its activities (numbers of checks made, stores concerned, anomalies observed) and proposes action plans on the points raised.

> RESPECTING HUMAN RIGHTS AND THE FUNDAMENTAL PRINCIPLES OF THE ILO

— *Casino*

The "CSR Spirit" program is a key element of the Casino Group's CSR policy and was designed to be perfectly consistent with the commitments of the Group's Ethics Charter communicated to all entities in 2011 which recalls its commitment to the values set out in the Universal Declaration of Human Rights and the Declaration of the International Labor Organization (ILO) regarding fundamental principles and rights at work. Through the nine commitments of the Ethics Charter, Casino Group undertakes in particular to comply with national and international laws, principles, standards and regulations; to implement loyal practices in its commercial relations; to foster the development of quality social relations built on respect for employee representative bodies and constructive social dialogue; to promote equal opportunity in access to employment, training and career growth; to consider the diversity of expectations, needs and lifestyles of the stakeholders with which the Group liaises.

Through this Ethics Charter and by signing the UN Global compact, the Group sought to reaffirm its desire to respect and promote human rights throughout all of its international subsidiaries and with its suppliers, and to help eliminate all forms of forced or compulsory labor, as well as the abolition of child labor within its sphere of influence.

— *Groupe GO Sport*

The recommendations of the International Labor Organization summarized in standard SA 8000 are the basis on which Groupe GO Sport interacts with its suppliers in its CSR procedure. These rules are specified in the General Terms of Purchase that each supplier is required to sign, with the commitment that its own subcontractors will respect it as well.

REPORT OF INDEPENDENT THIRD-PARTY AGENCIES

on the corporate social responsibility information published in the management report

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Year ended December 31, 2014

To the Shareholders,

In our role as independent third party accredited by COFRAC [1] under number 3-1050 and member of the network of one of Rallye's statutory auditors, we hereby present to you our report on the consolidated corporate social responsibility information of Rallye, presented in the management report, hereafter the "CSR Information", prepared for the fiscal year ended on December 31, 2014, as required by Article L. 225-102-1 of the French Commercial Code.

RESPONSIBILITY OF THE COMPANY

The Board of Directors is responsible for preparing a management report comprising the CSR Information required by Article R. 225-105-1 of the French Commercial Code, in accordance with the reporting standards used by the Company and its subsidiaries Casino Group and Groupe GO Sport (hereafter the "Reporting Standards") which is summarized in the chapter "Scope" of this management report and in that of its two subsidiaries.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory texts, the French Code of Ethics for auditors, and in the provisions set out in Article L. 822-11 of the French Commercial Code. We have also implemented a quality control system which includes written policies and procedures aimed at ensuring compliance with the professional rules of conduct, professional standards, and the relevant legal and regulatory texts.

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

It is our responsibility, on the basis of our work:

- to certify that the required CSR Information is presented in the management report and is subject, in the case of omission, to an explanation in accordance with paragraph three of Article R. 225-105 of the French Commercial Code (Certificate of CSR Information);
- to express a conclusion of limited assurance that the presentation of the CSR Information, as a whole, is true and fair in all material respects and compliant with the Reporting Standards used (Reasoned opinion on the fairness of the CSR Information).

Our task was carried out by a team of three people between February 2015 and March 2015 for a total period of approximately four weeks.

We performed the tasks below in compliance with the professional standards applicable in France, with the May 13, 2013 ruling determining the conditions under which independent third parties carry out their engagements and with the international standard ISAE 3000 [2].

I. CERTIFICATE OF INCORPORATION OF CSR INFORMATION

We reviewed, based on interviews with the heads of the relevant departments, the presentation of sustainable development guidelines, according to the social and environmental consequences linked to the Company's activities and its social commitments and if any, the resulting initiatives or programs;

We compared the CSR Information presented in the management report with the list specified in Article R. 225-105-1 of the French Commercial Code;

In the case of the omission of certain consolidated information, we checked that explanations had been provided as required by paragraph 3 of Article R. 225-105 of the French Commercial Code;

We checked that the CSR Information covered the consolidated scope, i.e., the Company and its subsidiaries within the meaning of Article L. 233-1 of the French Commercial Code and the companies which it controls within the meaning of Article L. 233-3 of the French Commercial Code.

Based on this work, we certify that the required CSR Information has been incorporated into the management report.

(1) Scope available on www.cofrac.fr.
(2) ISAE 3000 – *Assurance engagements other than audits or reviews of historical information*

2. REASONED OPINION ON THE FAIRNESS OF THE CSR INFORMATION

NATURE AND SCOPE OF THE WORK

We conducted two interviews with the persons responsible for preparing the CSR Information, the persons responsible for the information collection process and where applicable, the persons responsible for internal control and risk management procedures, in order to:

- assess the appropriate nature of the Reporting Standards in terms of their relevance, completeness, reliability, neutrality and clarity, by taking into consideration the sector's best practices, if any;
- verify the implementation of a collection, compilation, processing and control procedure aimed at the completeness and consistency of the CSR Information and reviewing the internal control and risk management control procedures relating to the preparation of the CSR Information.

We established the nature and extent of our tests and controls according to the nature and importance of the CSR Information with respect to the Company's characteristics, the social and environmental challenges related to its activities, its sustainable development guidelines and sector best practices.

For the CSR information that we considered the most important [3]:

- at the consolidating entity level, we reviewed the documentary sources and conducted interviews to confirm the qualitative information (organization, policies, actions, etc.), we implemented analytical procedures on the quantitative information and verified, based on spot checks, the calculations as well as the consolidation of data and we verified their consistency and correspondence with the other information provided in the management report;
- at the level of a representative sample of entities which we selected [4] according to their activity, their contribution to consolidated indicators, their geographical presence, and risk analysis, we conducted interviews to verify the correct application of procedures and implemented detailed tests on the basis of sampling, in order to check the calculations made and compare the data from the supporting documents. The sample thus selected represents on average 31% of the employees and 38% of environmental quantitative information.

For the other consolidated CSR Information, we assessed its consistency based on our knowledge of the Company.

Finally, where applicable, we assessed the relevance of the explanations with respect to the total or partial absence of certain information.

We consider that in the light of the sampling methods and sample sizes that we chose based on our professional judgment, we can express a conclusion of limited assurance, since a higher level of assurance would have required more extensive verifications. Due to the use of sampling techniques, as well as to limits inherent in the operation of any information and internal control system, the risk of non-detection of a material misstatement in the CSR Information cannot be entirely ruled out.

CONCLUSION

Based on our work, we did not find any material misstatements likely to call into question the fact that the CSR Information taken as a whole is a true and fair presentation, in accordance with the Reporting Standards.

Paris-La Défense, March 18, 2015

The Independent Third Party

ERNST & YOUNG et Associés

Eric Mugnier	Bruno Perrin
Sustainable Development Partner	Partner

(3) Environmental and Societal Information: the general policy for the environment (the organization, training actions and employee information), pollution and waste management (recovered tonnage, prevention measures, waste recycling and disposal), the sustainable use of resources and climate change (energy use, measures taken to improve energy efficiency, GHG emissions), water consumption and procurement based on local constraints, measures taken to improve the efficient use of raw materials, territorial, economic and social impact, relations with stake-holders (conditions for dialogue, partnership initiatives or corporate sponsorship, measures taken to promote consumer health and safety).
Social information: employment (total workforce and breakdown), absences, health and safety conditions at work, workplace accidents (especially frequency and seriousness), training policies, the total number of training hours.

(4) Casino Group and Groupe GO Sport.

CORPORATE GOVERNANCE

Board of Directors

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STRUCTURE AND OPERATION OF THE BOARD OF DIRECTORS

On February 16, 2015, the date on which the accounts for the year 2014 were approved, the Board of Directors consisted of ten Directors:

- Jean-Charles NAOURI, Chairman of the Board of Directors;
- Philippe CHARRIER (1);
- Jean CHODRON de COURCEL (1);
- Jacques DUMAS;
- Catherine FULCONIS (1);
- Jean-Marie GRISARD, representing Finatis;
- Didier LEVEQUE, representing Foncière Euris;
- Odile MURACCIOLE, representing Saris;
- Gabriel NAOURI, representing Euris;
- Christian PAILLOT (1);

- André CRESTEY, non-voting observer.

Executive management duties are performed by:

- Didier CARLIER, Chief Executive Officer;
- Franck HATTAB, Deputy Managing Director.

The term of office of all Directors expires at the General Shareholders' Meeting of May 19, 2015.

Thus, as part of the duties assigned to it, the Appointments and Compensations Committee proceeded to the annual review of the members of the Board of Directors in light of corporate governance criteria, and with particular regard to the representation of independent members and women on the Board of Directors.

Accordingly, it examined the situation of each of the Directors with respect to any relationship they may potentially have with the Group's companies likely to compromise their freedom of judgment or to lead to conflicts of interest and made an assessment on the basis of criteria proposed to this end by the AFEP and MEDEF codes of corporate governance; it concluded that four Directors qualify as independent Directors.

The Board of Directors, on the recommendation of the Appointments and Compensation Committee decided to propose to the General Shareholders' Meeting, the appointment of Sophie GUIEYSSE as independent Director and the reappointment of all the Directors.

Accordingly, at the end of the General Shareholders' Meeting of May 19, 2015, the Board would have 11 members including, with respect to the recommendations of the AFEP and MEDEF corporate governance code, five independent Directors: Catherine FULCONIS, Sophie GUIEYSSE, Philippe CHARRIER, Jean CHODRON de COURCEL and Christian PAILLOT.

The remaining members of Rallye's Board of Directors are either officers or executives of the Company or its parent companies.

The representation of independent Directors would accordingly increase to more than 45% and that of women to more than 27%.

The Board of Directors decided to propose to the General Shareholders' Meeting, the reappointment of André CRESTEY as non-voting observer.

The rules and modes of operation of the Board of Directors are as established by law, company by-laws and the Board's internal rules of procedure. They are described in detail below, in the Chairman's Report.

Directors are appointed for one year.

The Board of Directors is not affected by Articles L. 225-23, L. 225-27 and the new Article L. 225-27-1 of the French commercial code and accordingly does not include directors representing employees or salaried Directors.

(1) Independent Directors.

OFFICES AND POSITIONS HELD BY THE MEMBERS OF THE BOARD OF DIRECTORS

Information about the operation of the Board of Directors is given in the Chairman's Report on the organization of the Board and the internal control procedures, on pages 69 to 78 of this Registration Document.

I. DIRECTORS WHOSE REAPPOINTMENT IS BEING PROPOSED AT THE GENERAL SHAREHOLDERS' MEETING

> JEAN-CHARLES NAOURI

Date of birth: March 8, 1949, age 66.

Professional address: 83, rue du Faubourg Saint-Honoré - 75008 Paris

— Biography

A graduate of École Normale Supérieure (Sciences), Harvard University, and École Nationale d'Administration, Jean-Charles NAOURI, Inspecteur des Finances, began his career with the Department of the Treasury. He was appointed Principal Private Secretary to the Minister of Social Affairs and National Solidarity in 1982, and later to the Minister of the Economy, Finance, and the Budget in 1984. In 1987, he founded Euris, which became the controlling shareholder of Rallye in 1991 then of Casino in 1998. Jean-Charles NAOURI has been Chairman and Chief Executive Officer of Casino since March 2005.

— Principal executive positions

Chairman and Chief Executive Officer of Casino Guichard-Perrachon (a listed company);

Chairman of Euris.

— Offices and positions held at the Company

Office/Position	First appointment date	End of office
Director	October 25, 1993	GSM of May 19, 2015
Chairman of the Board of Directors	April 2, 1998	GSM of May 19, 2015

— Other offices and positions held in 2014 and continuing as of February 16, 2015

Within the Rallye/Euris Group	Outside the Rallye/Euris Group
• Chairman of the Board of Directors of Cnova N.V. (listed company – Netherlands); • Chairman of the Board of Directors of Wilkes Participaçoes (Brazil) and Companhia Brasileira de Distribuição (CBD) (listed company - Brazil); • Chairman/Chief Executive Officer of Casino Finance; • Vice-President of the Casino Corporate Foundation; • President of the Euris Foundation.	• Director of Fimalac (listed company); • Member of the Consultative Committee of Banque de France; • President of the association "*Promotion des talents*"; • Honorary President and Director of Institut de l'École Normale Supérieure.

— Other offices and positions held in the past five years (not including the offices and positions listed above)

Within the Rallye/Euris Group	Outside the Rallye/Euris Group
• Chairman and CEO, then Chairman of the Board of Directors, then Chairman of the Supervisory Board and member of the Supervisory Board of Monoprix; • Chief Executive Officer of Rallye (listed company); • Chairman of the Board of Directors of Finatis (listed company); • Manager of Penthièvre Seine and Penthièvre Neuilly; • Chairman of the Board of Directors of the Casino Corporate Foundation; • Vice-President of the Euris Foundation.	• Director of Natixis (listed company)

Number of Rallye shares held: 369.

> PHILIPPE CHARRIER

Date of birth: August 2, 1954, age 60.

Professional address: 60-62 rue d'Hauteville – 75010 Paris

— *Biography*

Philippe CHARRIER graduated from the Ecole des Hautes Etudes Commerciales and holds a diploma in accounting (DECS). He joined the Financial department of the Procter & Gamble Group in 1978, where he spent the majority of his career as Financial Director for France, Marketing Director for France, CEO for Morocco, and went on to serve as Chairman and Chief Executive Officer for France until 2006. From 2006 to 2010, he was Vice-Chairman and Chief Executive Officer of Oenobiol. In January 2011, he was appointed Chairman of Labco, and became CEO of the same entity in January 2012.

— *Principal executive position*

Chief Executive Officer of Labco.

— *Offices and positions held at the Company*

Office/Position	First appointment date	End of office
Director	June 3, 2009	GSM of May 19, 2015

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Outside the Rallye Group

- Director of Labco;
- Director of Istituto Baluardo SPA, Baluardo Servizi Sanitari SRL, Labco diagnostics Ltd;
- Chairman of the Board of Directors of iPP Ltd;
- Chairman of the Board of Directors of Dental Emco;
- Chairman of the Board of Directors of Alphident;
- Director of Lafarge (listed company);
- Founding member of the business club "Entreprise et handicap";
- Vice Chairman UNAFAM;
- Founder and Chairman of Clubhouse France.

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

- Chairman of the Supervisory Board of the Spotless Group;
- Vice-president, Chief Executive Officer of Laboratoires Oenobiol;
- Chairman of Entreprise et Progrès;
- Director of Fondation Nestlé pour la Nutrition.

Number of Rallye shares held: 1,252.

> JEAN CHODRON DE COURCEL

Date of birth: May 14, 1955, age 60.

— *Biography*

Jean CHODRON de COURCEL is a graduate of HEC School of Management and an alumnus of ENA, the French National School of Public Administration. After having held various positions within the government administration and on ministerial staffs, Jean CHODRON de COURCEL joined the Executive Management of Schneider group in 1990, where he served as Chief Financial Officer from 1991 to 1995, then in 1997, he joined the executive management team of the Credit Agricole Indosuez group. From 1995 to 1997, he was Deputy Private Secretary to Prime Minister Alain Juppé. He was Deputy Managing Director of the Penauille Polyservices SA group. From 2008 to 2012, he held the positions of senior advisor, then that of Vice Chairman-Europe with Canaccord Genuity Hawkpoint. He has been the Manager of Semper Consulting since 2013.

— *Principal executive position*

Manager of Semper Consulting.

— *Offices and positions held at the Company*

Office/Position	First appointment date	End of office
Director	June 9, 2004	GSM of May 19, 2015

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Outside the Rallye Group

- Manager of Semper Consulting.

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

Outside the Rallye Group

- Senior advisor of Canaccord Genuitey Hawkpoint;
- Vice Chairman-Europe of Canaccord Genuity Hawkpoint.

Number of Rallye shares held: 376.

> JACQUES DUMAS

Date of birth: May 15, 1952, age 63.

Professional address: 83, rue du Faubourg Saint-Honoré - 75008 Paris

— *Biography*

Jacques DUMAS, who has a Master's Degree in Law, and is an alumnus of the Institut d'Études Politiques de Lyon, began his career as a legal expert, and then became Administrative Director at the Compagnie Française de l'Afrique Occidentale - CFAO (from 1978 to 1986). In 1987, he was appointed Deputy Company Secretary of the Rallye group, then Director of Legal Affairs at the Euris group (1994). He is currently Deputy Managing Director at Euris, and Advisor to the Chairman of Casino, Guichard-Perrachon.

— *Principal executive positions*

Deputy Managing Director of Euris;

Advisor to the Chairman of Casino, Guichard-Perrachon (listed company).

— *Offices and positions held at the Company*

Office/Position	First appointment date	End of office
Director	July 19, 1990	GSM of May 19, 2015

— *Offices held in 2014 and continuing as of February 16, 2015*

Within the Rallye/Euris Group	Outside the Rallye/Euris Group
• Chairman of GreenYellow; • Member of the Supervisory Board of Monoprix; • Permanent representative of Euris, Director of Finatis (listed company).	• Manager of SCI Cognac-Parmentier and Longchamp-Thiers; • Director of Mercialys (listed company).

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

Within the Rallye/Euris Group

- Chairman and member of the Supervisory Board of Leader Price Holding;
- Chairman and member of the Supervisory Board of Franprix Holding;
- Chairman and member of the Supervisory Board of Monoprix;
- Permanent representative of Casino, Guichard-Perrachon on the Board of Directors of Monoprix;
- Permanent representative of Casino, Guichard-Perrachon on the Supervisory Board of Monoprix;
- Permanent representative of Distribution Casino France on the Board of Directors of Distribution Franprix;
- Permanent representative of Matignon Diderot on the Board of Directors of Finatis (listed company);
- Permanent representative of Messidor SNC on the Board of Directors of Cdiscount;
- Permanent representative of Retail Leader Price Investissement (R.L.P.I.) on the Board of Directors of Clignancourt Discount;
- Permanent representative of Germinal SNC, President of Théïadis;
- Director of the Casino Corporate Foundation.

Number of Rallye shares held: 14,538.

> CATHERINE FULCONIS

Date of birth: September 1, 1961, age 53.

Professional address: 12-16, rue Auger – 93500 Pantin

— *Biography*

Catherine FULCONIS is a graduate of HEC School of Management. She started her career within the l'Oréal Group in 1985, in the Luxury Products division. She held various positions in the international department over the years: Director of Marketing for Lancôme Care and Makeup from 1994 to 1998, Managing Director Parfums Lanvin and Paloma Picasso from 1998 to 2000, Managing Director Europe for Kiehl's and Shu Uemura from 2000 to 2003, Managing Director for the Strategic Development of the Luxury Products division from 2003 to 2005, Managing Director of Helena Rubinstein from 2005 to 2006.

Catherine FULCONIS joined Hermès in 2006, as Managing Director and Chair of the Executive Board of Hermès Parfums. She was then Chair and Chief Executive of Hermès Parfums from 2010 to 2014. Since March 2, 2015, she acts as Chief Executive Officer of Hermès Maroquinerie-Sellerie and Chairman of the Executive Board of Hermès Parfums.

— *Principal executive position*

Chief Executive Officer of Hermès Maroquinerie-Sellerie.

— *Offices and positions held at the Company*

Office/Position	First appointment date	End of office
Director	May 13, 2014	GSM of May 19, 2015

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Outside the Rallye Group

- Director of the CEW association (Cosmetic Executive Women).

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

Outside the Rallye Group

- Chair of the Executive Board of Hermès Parfums.

Number of Rallye shares held: 150.

> CHRISTIAN PAILLOT

Date of birth: September 9, 1947, age 67.

— *Biography*

Christian PAILLOT has spent most of his career in manufacturing and distributing photographic, video, and hi-fi equipment. He built and developed the businesses in France of Akai, Konica and Samsung. Between 2010 and 2012 he was Vice President of the French Horseback Riding Federation, and until 2014, Member of the International Equestrian Federation and Vice President of the European Equestrian Federation. He is currently Chairman of PAILLOT Equine Consulting Inc and Martina LLC and Celina LLC.

— *Principal executive position*

Chairman of Paillot Equine Consulting Inc and Martina LLC and Celina LLC.

— *Offices and positions held at the Company*

Office/Position	First appointment date	End of office
Director	April 15, 2004	GSM of May 19, 2015

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Outside the Rallye Group

- Chairman of Paillot Equine Consulting Inc and Martina LLC and Celina LLC;
- Manager of SCI Parim.

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

Outside the Rallye Group

- Manager of Ecurie du Haras de Plaisance;
- Vice-Chairman of the French Federation for Equestrian Sports;
- Member of the Fédération Equestre Internationale;
- Vice-president of the European Equestrian Foundation.

Number of Rallye shares held: 1,055.

> FINATIS

French stock corporation (SA) with share capital of €84,852,900

Registered office: 83, rue du Faubourg Saint-Honoré - 75008 Paris

No. 712,039,163 in the Paris Companies and Trade Register

— *Offices and positions held at the Company*

Office/Position	First appointment date	End of office
Director	June 2, 1998	GSM of May 19, 2015

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Within the Rallye/Euris Group

- Director of Carpinienne de Participations, Foncière Euris and Casino, Guichard-Perrachon (listed companies).

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

None

Number of Rallye shares held: 295.

> PERMANENT REPRESENTATIVE: JEAN-MARIE GRISARD, APPOINTED ON JUNE 2, 1998

Date of birth: May 1, 1943, age 72.

Professional address: 83, rue du Faubourg Saint-Honoré - 75008 Paris

— *Biography*

A graduate of HEC School of Management, Jean-Marie GRISARD began his career with the mining group Penarroya-Le-Nickel-Imétal, where he held various positions in Paris and London. In 1982, he was appointed Financial Director of Francarep, which became Paris-Orléans. In 1988, he joined Euris as Company Secretary until 2008.

— *Principal executive position*

Advisor to the Chairman of Casino Guichard-Perrachon (listed company).

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Within the Rallye/Euris Group	Outside the Rallye/Euris Group
• Director of Carpinienne de Participations (listed company); • Director of the Euris Foundation.	• Manager of Fregatinvest; • Member of the Executive Committee and Deputy Treasurer of the association "Promotion des Talents".

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

Within the Rallye/Euris Group

- Permanent representative of Matignon Diderot on the Board of Directors of Casino, Guichard-Perrachon (listed company);
- Director of Finatis (listed company), Park Street Investments International Ltd. Euris North America Corporation - (ENAC), Euris Real Estate Corporation - (EREC), Euristates Inc and Euris Limited;
- Treasurer of the Euris Foundation.

Number of Rallye shares held: 4,231.

> FONCIÈRE EURIS

French stock corporation (SA) with share capital of €149,578,110.
Registered office: 83, rue du Faubourg Saint-Honoré - 75008 Paris
No. 702,023,508 in the Paris Companies and Trade Register

— *Offices and positions held at the Company*

Office/Position	First appointment date	End of office
Director	October 25, 1993	GSM of May 19, 2015

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Within the Rallye/Euris Group

- Chairman of Matignon Abbeville, Marigny Foncière and Mat-bel 2;
- Director of Casino, Guichard-Perrachon (listed company).

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

Within the Rallye/Euris Group

- Chairman of Marigny Expansion, Marigny Elysées, Matignon Bail, Matigon Corbeil Centre and Matignon Belfort;
- Co-manager of SNC Alta Marigny Carré de Soie;
- Manager of SCI Sofaret and SCI Les Herbiers.

Number of Rallye shares held: 26,996,291.

> PERMANENT REPRESENTATIVE: DIDIER LEVEQUE APPOINTED ON JUNE 4, 2008

Date of birth: December 20, 1961, age 53.

Professional address: 83, rue du Faubourg Saint-Honoré - 75008 Paris

— *Biography*

Didier LEVEQUE is a graduate of HEC School of Management. From 1985 to 1989, he served as Research Analyst at the Financial department of the Roussel-UCLAF Group. He joined Euris in 1989 as Deputy Company Secretary. He was appointed Company Secretary in 2008.

— *Principal executive positions*

- Company Secretary of Euris;
- Chairman and Chief Executive Officer of Finatis (listed company).

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Within the Rallye/Euris Group	Outside the Rallye/Euris Group
• Chairman and CEO of Carpinienne de Participations (listed company) and Euris North America Corporation (ENAC), Euristates Inc., Euris Real Estate Corporation (EREC), and Parande Brooklyn Corp. (United States); • Chairman of Par-Bel 2 and Matignon Diderot; • Director of Euris Limited (UK) and Cnova (Netherlands-listed company); • Member of the Supervisory Board of Centrum Baltica, Centrum Development, Centrum Krakow, Centrum Poznan, Centrum Warta and Centrum Weiterstadt (Luxembourg); • Permanent representative of Finatis, Director of Foncière Euris (listed company); • Permanent representative of Foncière Euris on the Board of Directors of Casino, Guichard-Perrachon (listed company); • Representative of Matignon Diderot, manager of SCI Penthièvre Neuilly; • Co-manager of Silberhorn (Luxembourg); • Director and Treasurer of the Euris Foundation.	• Manager of EMC Avenir 2 SARL.

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

Within the Rallye/Euris Group

- Chairman of Matimmob 1;
- Director of Park Street Investments International Ltd;
- Member of the Supervisory Board of Centrum Leto;
- Permanent representative of Matignon Diderot, Director of Finatis and Rallye (listed companies);
- Permanent representative of Omnium de Commerce et de Participations, Director of Casino, Guichard-Perrachon (listed company);
- Permanent representative of Matignon Corbeil Centre, Director of Rallye (listed company).

Number of Rallye shares held: 68,912.

> EURIS

French simplified stock corporation (SAS) with share capital of €164,806

Registered office: 83, rue du Faubourg Saint-Honoré - 75008 Paris

No. 348,847,062 in the Paris Companies and Trade Register

— *Offices and positions held at the Company*

Office/Position	First appointment date	End of office
Director	June 8, 2005	GSM of May 19, 2015

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Within the Rallye/Euris Group

- Director of Finatis, Foncière Euris and Casino, Guichard-Perrachon (listed companies).

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

None.

Number of Rallye shares held: 355.

> PERMANENT REPRESENTATIVE: GABRIEL NAOURI, APPOINTED ON MARCH 10, 2011

Date of birth: July 6, 1981, age 33.

Professional address: 148, rue de l'Université – 75007 Paris

— *Biography*

Gabriel NAOURI holds a Master's in Applied Mathematics from the University of Paris Dauphine. In 2004, he joined the M&A division of Rothschild & Cie in New York where he was involved in the sale of Swissport, world leader in airport services, then in 2006, he held a position at L'Oréal USA (New York) as marketing manager (in the consumer products division). In early 2007, he joined the Group, first at Rallye as a special assistant, then at Casino where he carried out various operating functions at stores, serving especially as hypermarket director. He served as Director of Hypermarket Operations for the Ile de France region, then Brand, Digital and Innovation Manager for Casino. In January 2014, he was appointed Deputy Director of International Coordination for the Casino Group. He is also an advisor at Euris since 2007.

— *Principal executive positions*

- Deputy Director of the International Coordination of the Casino Group;
- Advisor at Euris.

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Within the Rallye/Euris Group

- Permanent representative of Casino Guichard-Perrachon, director of Banque du Groupe Casino;
- Director of Big C Thailand (listed company), Libertad (Argentina), Espace Big C Thang Long, Espace Big C Dong Nai, and Espace Big C Am Lac (Vietnam).

Outside the Rallye/Euris Group

- Manager of Financière GN;
- Manager of SNC Georges Pompidou;
- Director of TicTrac Limited (UK).

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

None.

Number of Rallye shares held: 350.

> SARIS

French Simplified Public Limited Company (SAS) with share capital of €2,100,000

Registered office: 83, rue du Faubourg Saint-Honoré - 75008 Paris

No. 344,212,063 in the Paris Companies and Trade Register

— *Offices and positions held at the Company*

Office/Position	First appointment date	End of office
Director	July 29, 2014	GSM of May 19, 2015

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Within the Rallye/Euris Group

- Director of Carpinienne de Participations (listed company).

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

None.

Number of Rallye shares held: 333.

> PERMANENT REPRESENTATIVE: ODILE MURACCIOLE APPOINTED ON MAY 4, 2011

Date of birth: May 20, 1960, age 54.

Professional address: 83, rue du Faubourg Saint-Honoré - 75008 Paris

— *Biography*

After receiving her Advanced Studies Diploma in employment law, Odile MURACCIOLE began her career as head of the legal department at the Alty Group, an independent oil company. She joined Euris in 1990 as Director of Legal Affairs.

— *Principal executive position*

Legal Director of Euris.

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Within the Rallye/Euris Group

- CEO of Parinvest, Pargest and Parande;
- President of Saris;
- Permanent representative of Finatis on the Board of Directors of Carpinienne de Participations (listed company);
- Permanent representative of Euris on the Board of Directors of Foncière Euris (listed company);
- Member of the Supervisory Board of Centrum Development and Centrum Krakow (Luxembourg);
- Director of the Euris Foundation.

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

Within the Rallye/Euris Group

- President of Eurisma;
- Permanent representative of Eurisma, Director of Rallye (listed company);
- Member of the Supervisory Board of Centrum Leto, Centrum Poznan and Centrum Weiterstadt and Centrum Warta.

Number of Rallye shares held: 28,783.

II. DIRECTOR WHOSE APPOINTMENT IS BEING PROPOSED AT THE GENERAL SHAREHOLDERS' MEETING

> SOPHIE GUIEYSSE

Date of birth: February 19, 1963, age 52.

Professional address: 1, Place du Spectacle - 92130 Issy-les-Moulineaux.

— Biography

Sophie GUIEYSSE is a graduate of Ecole Polytechnique, the Ecole Nationale des Ponts et Chaussées and the Collège des Ingénieurs. She began her career at the Ministry of Equipment where she held several business positions. From 1993 to 1995, she worked as technical adviser to the cabinet of Hervé de Charette, French Minister for Housing, then for Jean-Claude Gaudin, French Minister for Regional Development, Urban Planning and Integration (1995-1997). In 1997, she joined the LVMH Group as Development and Organization Manager, particularly in charge of human resources. In 2000, she became Human Resources Director for the LVMH Watches and Jewelry division (France and Switzerland) and in 200, Human Resources Director for Sephora. She was appointed Human Resources Director for the LVMH Group in 2002. Since 2005, she has been Human Resources Director for the Canal + Group.

— Principal executive position

Human resources Director for Canal+ Group.

— Other offices and positions held in 2014 and continuing as of February 16, 2015

Within the Rallye/Euris Group	Outside the Rallye/Euris Group
• Director of Groupe GO Sport until April 17, 2015.	• Director of the Company TVN Group (Polish company).

— Other offices and positions held in the past five years (not including the offices and positions listed above)

None.

III. NON-VOTING OBSERVER

Company by-laws allow for the appointment of one or several non-voting observers, chosen from among the shareholders. These are appointed for one year and participate in Board Meetings; in connection with this role, they share their observations and advice and take part in discussions in an advisory capacity. There may not be more than five such observers in total.

> ANDRÉ CRESTEY

Date of birth: February 22, 1939, age 76.

Professional address: 83, rue du Faubourg Saint-Honoré - 75008 Paris

— Biography

From 1977 to 1992, André CRESTEY was Chief Executive Officer of Euromarché. In 1992, he joined the Rallye Group where he successively held the positions of Chairman of the Executive Board, Chairman and CEO (1993), Vice Chairman and CEO from 1998 to 2001 and Vice-Chair from 2001 to 2013. Since 2013, he holds the position of non-voting observer for Rallye.

Office/Position	First appointment date	End of office
Non-voting observer	May 14, 2013	GSM of May 19, 2015

— Other offices and positions held in 2014 and continuing as of February 16, 2015

Within the Rallye/Euris Group	Outside the Rallye/Euris Group
• Director of Miramont Finance et Distribution and Groupe GO Sport.	• Director of FCD; • Director of Périfem.

— Other offices and positions held in the past five years (not including the offices and positions listed above)

Within the Rallye/Euris Group	Outside the Rallye/Euris Group
• Director and Vice-Chairman of Rallye (listed company).	• Chairman of Perifem; • Statutory president of the FCD.

Number of Rallye shares held: 27,511.

CHIEF EXECUTIVE OFFICER

> MONSIEUR DIDIER CARLIER

Date of birth: born January 5, 1952, age 63.

Professional address: 83, rue du Faubourg Saint-Honoré - 75008 Paris

— Biography

Didier CARLIER is a graduate of the École Supérieure de Commerce de Reims (Reims Management School) and a certified public accountant. He started his career in 1975 with Arthur Andersen (Audit department), rising to the position of Manager. He subsequently served as Company Secretary at Équipements Mécaniques Spécialisés and as Chief Administrative and Financial Officer at Hippopotamus. He joined the Rallye group in 1994, as Chief Administrative and Financial Officer, and was appointed Deputy Managing Director in 2002. Since February 28, 2013, he has been Chief Executive Officer of Rallye.

— Principal executive position

Chief Executive Officer of Rallye (listed company).

— Other offices and positions held in 2014 and continuing as of February 16, 2015

Within the Rallye/Euris Group	Outside the Rallye/Euris Group
• Chairman and CEO of Miramont Finance et Distribution and La Bruyère; • Chairman of Alpétrol, Cobivia, Genty Immobilier et Participations, L'Habitation Moderne de Boulogne, Les Magasins Jean, Matignon Sablons and Parande; • Chairman/Chief Executive Officer of MFD Inc; USA; • Representative of Parande, Chairman of Pargest and Parinvest; • Permanent representative of Euris on the Board of Directors of Casino, Guichard-Perrachon (listed company); • Permanent representative of Matignon Sablons, Director of Groupe GO Sport; • Manager of SCI Kergorju, Les Sables and Perrières.	• Manager of SC Dicaro.

— Other offices and positions held in the past five years (not including the offices and positions listed above)

Within the Rallye/Euris Group

- Chairman and Chief Executive Officer of Colisée Finance VI;
- Chairman of Kerrous, Marigny Percier, Colisée Finance III, Omnium de Commerce et de Participations, Colisée Finance IV and Colisée Finance V;
- Managing Director of Club Sport Diffusion (Belgium) and Limpart Investments BV (Netherlands);
- Representative of Parande, Chairman of Pargest Holding;
- Permanent representative of Foncière Euris, Director of Rallye (listed company);
- Chairman of the US companies Crapon LLC, King LLC, Lobo I LLC, Oregon LLC, Parker I LLC, Pointer I LLC, Sharper I LLC, and Summit I LLC;
- Permanent representative of Omnium de Commerce et de Participations, Director of Groupe GO Sport;
- Permanent representative of Matignon Diderot, Director of Rallye (listed company).

Number of Rallye shares held: 75,905.

DEPUTY MANAGING DIRECTOR

> FRANCK HATTAB

Date of birth: November 14, 1971, age 43.

Professional address: 83, rue du Faubourg Saint-Honoré - 75008 Paris

— *Biography*

Franck HATTAB graduated from EDHEC and started his career in 1994 as a Credit Analyst at the Société Générale. He later held the positions of Auditor at KPMG for three years before joining the finance department of Rallye in 1999 where he acts as the Chief Administrative and Financial officer. He has been Deputy Managing Director of Rallye since February 28, 2013.

— *Principal executive position*

Chief Financial Officer and Deputy Managing Director of Rallye (listed company).

— *Other offices and positions held in 2014 and continuing as of February 16, 2015*

Within the Rallye/Euris Group

- Permanent representative of Rallye (listed company) on the Board of Directors of Miramont Finance and Distribution;
- Permanent representative of Alpétrol, Director of Groupe GO Sport;
- Permanent representative of Matignon Sablons on the Board of Directors of La Bruyère.

— *Other offices and positions held in the past five years (not including the offices and positions listed above)*

Within the Rallye/Euris Group

- Permanent representative of Soparin on the Board of Directors of Colisée Finance II;
- Permanent representative of L'Habitation Moderne de Boulogne on the Board of Directors of Colisée Finance VI;
- Permanent representative of Kerrous on the Board of Directors of La Bruyère;
- Vice-Chairman of the US companies Crapon LLC, King LLC, Lobo I LLC, Oregon LLC, Parker I LLC, Pointer I LLC, Sharper I LLC, and Summit I LLC.

Number of Rallye shares held: 41,781.

No family ties exist among members of the Board of Directors with the exception of Jean-Charles NAOURI and Gabriel NAOURI.

To the Company's knowledge, none of the members of the Board of Directors, neither the Chief Executive Officer, nor the Deputy Managing Director, has, in the past five years, been found guilty of fraud or as an senior executive, associated with bankruptcy, receivership or liquidation (as understood under French insolvency laws). Furthermore, no judgment and/or official public sanction (understood as sentencing in economic and financial issues) has been handed down against them by any statutory or regulatory authority, and no court of law has prevented them from acting as members of an administrative, managing or supervisory body of a listed company, nor from taking part in the management or supervision of a listed company's affairs.

No loans or guarantees have been set up or granted by the Company to Members of the Board of Directors, who are individuals.

CORPORATE GOVERNANCE

Executive Management

CHAIRMANSHIP OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

The Board of Directors at its meeting of February 28, 2013 decided to separate the Chairmanship of the Board of Directors, a function still held by Jean-Charles NAOURI and Executive Management, now entrusted to Didier CARLIER, as Chief Executive Officer, assisted by Franck HATTAB, as Deputy Managing Director.

Pursuant to Article L. 225-56 of the French Commercial Code, executive management has the broadest powers to act under any circumstances in the Company's name. It exercises these powers within the limits of the Company's purpose of business and subject to the powers expressly attributed by law to the Shareholders' Meetings and to the Board of Directors. It represents the Company in its dealings with third parties.

However, the Board of Directors of February 28, 2013 wanted certain management operations to be submitted to the prior approval of the Board of Directors considering their nature or amount. These limitations are detailed in the Chairman's Report (cf. page 70).

The Chairman of the Board of Directors organizes and directs the Board of Directors' operations and reports thereon to the Shareholders' Meeting. He also ensures the smooth running of the Company's executive bodies.

COMPENSATION RECEIVED BY EXECUTIVES AND OTHER CORPORATE OFFICERS

The principles and rules decided on by the Board of Directors to determine compensation and benefits of any kind to be granted to corporate officers are provided in the Chairman's Report (page 73).

2014 COMPENSATION OF JEAN-CHARLES NAOURI AS CHAIRMAN OF THE BOARD OF DIRECTORS

1 | COMPENSATION PAID TO THE CHAIRMAN OF THE BOARD OF DIRECTORS BY RALLYE

(In €)	2013 fiscal year		2014 fiscal year	
	Amounts due (1)	Amounts paid (2)	Amounts due (1)	Amounts paid (2)
Fixed compensations	-	-	-	-
Annual variable compensation	-	-	-	-
Multi-annual variable compensation	-	-	-	-
Deferred variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Director's fees	10,000	10,000	8,800	8,800
Benefits in kind	-	-	-	-
TOTAL	**10,000**	**10,000**	**8,800**	**8,800**

(1) Compensation and directors' fees granted in respect of the fiscal year, irrespective of the payment date.
(2) Total amount of compensation and Directors' fees paid by the Company during the fiscal year.

2 | STOCK OPTIONS FOR NEW OR EXISTING SHARES AND BONUS SHARES GRANTED BY THE COMPANY AND/OR COMPANIES THAT IT CONTROLS, THAT CONTROL IT OR ARE CONTROLLED BY THE LATTER

Jean-Charles NAOURI has not been given any stock options or bonus shares in Rallye, the companies controlled by Rallye, or the companies that control Rallye, or the companies they in turn control.

3 | EMPLOYMENT CONTRACT, ADDITIONAL PENSIONS, SEVERANCE PAY AND NON-COMPETE CLAUSE: NONE

Employment contract		Top-hat pension plan		Allowances or benefits due or likely to be due as a result of termination or change of functions		Non-compete allowance	
Yes	No	Yes	No	Yes	No	Yes	No
	X		X		X		X

4 | SUMMARY TABLE OF COMPENSATION DUE BY THE COMPANY AND THE COMPANIES THAT IT CONTROLS OR THAT CONTROL IT OR ARE CONTROLLED BY THE LATTER

The table below shows the compensation, directors' fees and benefits in kind owed to the Chairman of the Board of Directors, for 2013 and 2014, by Rallye, by the companies that it controls or that control it or are controlled by the latter:

(In €)	2013 fiscal year		2014 fiscal year	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Compensation due for the fiscal year	1,537,812	1,022,500 [1]	1,499,800	2,015,112 [2]
Valuation of options granted during the fiscal year	No grant		No grant	
Valuation of bonus shares granted during the fiscal year	No grant		No grant	
TOTAL	**1,537,812**	**1,022,500**	**1,499,800**	**2,015,112**

(1) Compensation and/or Directors' fees paid in 2013 by Casino, Guichard-Perrachon (€492,500), Rallye (€10,000) and Euris (€520,000).
(2) Compensation and/or Directors' fees paid in 2014 by Casino, Guichard-Perrachon (€995,312 of which €515,312 for variable compensation in 2013 and €12,500 for Directors' fees), Rallye (€8,800) and Euris (€998,500).

2014 COMPENSATION OF DIDIER CARLIER AS CHIEF EXECUTIVE OFFICER

1 | COMPENSATION PAID TO THE CHIEF EXECUTIVE OFFICER BY RALLYE

In 2014, for his position as Chief Executive Officer and member of the Board of Directors until May 13, 2014, Didier CARLIER received the following compensation, Directors' fees and benefits in kind:

(In €)	2013 fiscal year		2014 fiscal year	
	Amounts due [3]	Amounts paid [4]	Amounts due [3]	Amounts paid [4]
Fixed compensation [1]	456,667	456,667	485,000	485,000
Annual variable compensation [2]	225,422	216,000	251,190	225,422
Multi-annual variable compensation	-	-	-	-
Deferred variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Director's fees	10,000	10,000	8,800	8,800
Benefits in kind	-	-	-	-
TOTAL	**692,089**	**682,667**	**744,990**	**719,222**

(1) Gross compensation before taxes and charges.
(2) The basis for the determination of 2014 variable compensation is detailed in the Chairman's Report on page 73.
(3) Compensation granted for the year irrespective of the payment date.
(4) Total compensation paid by the Company during the year, excluding, in 2013, the paid vacation gross compensating allowance of €54,153 paid for the suspension of the employment contract in Rallye upon his appointment as Chief Executive Officer.

Didier CARLIER received no remuneration from the controlled companies or the companies in control of Rallye, other than €15,125 in Director's fees.

On July 29, 2014, Didier CARLIER was granted a deferred and conditional bonus of a target amount of €208,000 which will be paid to him at the end of a period expiring on July 29, 2017 subject to his attendance and performance.

2 | STOCK OPTIONS FOR NEW OR EXISTING SHARES AND BONUS SHARES GRANTED BY THE COMPANY AND/OR COMPANIES THAT IT CONTROLS, THAT CONTROL IT OR ARE CONTROLLED BY THE LATTER

In 2014, no stock options for new or existing shares, or bonus shares were allocated to Didier CARLIER by Rallye, or by the companies that it controls or companies controlling it or the companies they in turn control.

3 | EMPLOYMENT CONTRACT, ADDITIONAL PENSIONS, SEVERANCE PAY AND NON-COMPETE CLAUSE:

Employment contract		Top-hat pension plan		Allowances or benefits due or likely to be due as a result of termination or change of functions as director, corporate officer		Non-compete allowance	
Yes	No	Yes	No	Yes	No	Yes	No
X (1)		X (2)			X		X

(1) Didier CARLIER's employment contract of May 4, 1994 was suspended on February 28, 2013 when he was appointed as Chief Executive Officer.
(2) Didier CARLIER is a member of the Group mandatory pension and complementary pension system set up inside the Group for all group employees. He also benefits from the defined-benefits top hat pension plan in force in the Company.

4 | SUMMARY TABLE OF COMPENSATION DUE BY THE COMPANY AND THE COMPANIES THAT IT CONTROLS OR THAT CONTROL IT OR ARE CONTROLLED BY THE LATTER

The table below shows the compensation, directors' fees and benefits in kind owed to the Chief Executive Officer, for 2013 and 2014, by Rallye, by the companies that it controls or that control it or are controlled by the latter:

(In €)	2013 fiscal year		2014 fiscal year	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Compensation due for the fiscal year	707,339	699,167 (1)	761,490	734,347 (2)
Valuation of options granted during the fiscal year	No grant		No grant	
Valuation of bonus shares granted during the fiscal year	No grant		No grant	
TOTAL	**707,339**	**699,167**	**761,490**	**734,347**

(1) Compensation and/or directors fees and/or benefits in kind paid by Casino, Guichard-Perrachon (€12,500), Rallye (€682,667, not included in the paid vacation gross compensating allowance of €54,153 paid for the suspension of the employment contract in Rallye upon his appointment as Chief Executive Officer) and Groupe GO Sport (€4,000).
(2) Compensation and/or Director's fees and/or benefits in kind paid by Casino, Guichard-Perrachon (€11,125), Rallye (€719,222), and Groupe GO Sport (€4,000).

2014 COMPENSATION OF FRANCK HATTAB, AS DEPUTY MANAGING DIRECTOR AND CHIEF ADMINISTRATIVE AND FINANCIAL OFFICER

1 | COMPENSATION PAID FOR HIS DUTIES AS DEPUTY MANAGING DIRECTOR AND FOR HIS SALARIED FUNCTIONS AS CHIEF ADMINISTRATIVE AND FINANCIAL OFFICER BY RALLYE

In 2014, for his salaried duties as Chief Administrative and Financial Officer, France HATTAB received the following compensation, directors' fees and benefits in kind:

(In €)	2013 fiscal year		2014 fiscal year	
	Amounts due (2)	Amounts paid (3)	Amounts due (2)	Amounts paid (3)
Fixed compensation (1)	266,333	263,333	296,800	296,800
Annual variable compensation	72,804	65,000	118,989	72,804
Multi-annual variable compensation	-	-	-	-
Deferred variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Director's fees				
Benefits in kind	-	-	-	-
TOTAL	**336,137**	**328,333**	**415,789**	**369,604**

(1) Gross compensation before taxes. For his salaried duties as Chief Administrative and Financial Officer, Franck HATTAB received fixed compensation of €255,000 in 2013 and €285,600 in 2014 and fixed compensation for his duties as Deputy Managing Director since February 28, 2013 of €8,333 in 2013 and €11,200 in 2014.
(2) The basis for determining 2014 variable compensation is detailed in the Chairman's Report on page 73.
(3) Total remuneration paid by the Company during the fiscal year.

Franck HATTAB received no remuneration from the controlled companies or the companies in control of Rallye, other than €4,000 in Director's fees.

On July 29, 2014, Franck HATTAB was granted a deferred and conditional bonus of a target amount of €208,000 which will be paid to him at the end of a period expiring on July 29, 2017 subject to his attendance and performance.

2 | STOCK OPTIONS FOR NEW OR EXISTING SHARES AND BONUS SHARES GRANTED BY THE COMPANY AND/OR COMPANIES THAT IT CONTROLS, THAT CONTROL IT OR ARE CONTROLLED BY THE LATTER

In 2014, no stock options for new or existing shares, or bonus shares were allocated to Franck HATTAB by Rallye, or by the companies that it controls or companies controlling it or the companies they in turn control.

3 | EMPLOYMENT CONTRACT, ADDITIONAL PENSIONS, SEVERANCE PAY AND NON-COMPETE CLAUSE

Employment contract		Top-hat pension plan		Allowances or benefits due or likely to be due as a result of termination or change of functions as Director, corporate officer		Non-compete allowance	
Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
X (1)		X (2)			X		X

(1) Franck HATTAB holds the main position of Chief Administrative and Financial Officer since March 1, 1999. As the Deputy Managing Director, he assists the Chief Executive Officer.
(2) Franck HATTAB is a member of the Group mandatory pension and complementary pension system set up within the Group for all group employees. He also benefits from the defined-benefits top hat pension plan in force within the Group.

4 | SUMMARY TABLE OF COMPENSATION DUE BY THE COMPANY AND THE COMPANIES THAT IT CONTROLS OR THAT CONTROL IT OR CONTROLLED BY THE LATTER

The table below shows the compensation, directors' fees and benefits in kind owed to Franck HATTAB, for his salaried duties as Chief Administrative and Financial Officer and for his position as Deputy Managing Director, by Rallye, by the companies that it controls or that control it or are controlled by the latter:

(In €)	2013 fiscal year		2014 fiscal year	
	Amounts due	**Amounts paid**	**Amounts due**	**Amounts paid**
Compensation due for the fiscal year	340,137	332,333 (1)	419,789	373,604 (2)
Valuation of options granted during the fiscal year	No grant		No grant	
Valuation of bonus shares granted during the fiscal year	No grant		No grant	
TOTAL	**340,137**	**332,333**	**419,789**	**373,604**

(1) Compensation and/or Director's fees and/or fringe benefits paid by Rallye (€328,333), and Groupe GO Sport (€4,000).
(2) Compensation and/or Director's fees and/or fringe benefits paid by Rallye (€369,604), and Groupe GO Sport (€4,000).

Pursuant to the AFEP/MEDEF recommendations, the Company's Annual General Meeting of Shareholders on May 19, 2015 will be required to issue an advisory vote on the elements of compensation due or allocated in 2014 to the Chairman of the Board of Directors, the Chief Executive Officer and to the Deputy Managing Director.

COMPENSATION RECEIVED BY OTHER CORPORATE OFFICERS

The General Shareholders' Meeting of May 19, 2010 set the total amount of Director's fees allocated to members of the Board of Directors and Committees at a maximum of €300,000. On the basis of recommendations from the Appointments and Compensation Committee, the rules governing the distribution of Director's fees and the compensation received by the non-voting observer were set by the Board of Directors and are detailed in the Chairman's Report.

The total amount of Director's fees and compensation paid out in May 2014 for the year just ended to Directors, the non-voting observer, and members of the specialized committees totaled €217,600, versus €243,600 and €269,333, for the two previous terms respectively. The individual allocation to each Director has been the same since 2002.

The total amount of compensation and Director's fees paid out to company officers other than Jean-Charles NAOURI, Didier CARLIER and Franck HATTAB by the Company, the companies it controls, the companies that control it or the companies controlled by the latter, is as follows:

(In €)	Director's fees and compensation paid			
	In 2013		In 2014	
	Director's fees	Other compensation	Director's fees	Other compensation [1]
Philippe CHARRIER	26,800		40,000	-
Jean CHODRON De COURCEL	40,000		40,000	-
André CRESTEY (non-voting observer)	50,000 [2]	79,000	20,000	79,000
Jacques DUMAS	20,000	799,539 [3]	20,000	866,833 [3]
Jean-Marie GRISARD [4]	10,000	12,500	10,000	
Didier LEVEQUE	10,000	676,745 [5]	10,000	719,527 [5]
Odile MURACCIOLE	10,000	375,000 [6]	10,000	398,000 [6]
Gabriel NAOURI [7]	10,000	674,863	10,000	727,411
Christian PAILLOT	26,800		30,000	-

(1) Director's fees and/or compensation and benefits in kind paid by the companies that Rallye controls, companies that control it, or companies controlled by the latter.
(2) An additional Director's fee of €20,000 was paid to André CRESTEY in connection with his duties as Vice-Chairman of Rallye, a position he held until May 14, 2013.
(3) Excluding the exceptional gross bonuses of €400,000 in 2013 and €450,000 in 2014.
(4) Jean-Marie GRISARD is also a manager of Frégatinvest, which has received €81,250 annually in consulting fees from Euris, Parande and Casino, excluding taxes in 2013 and €57,500 excluding taxes in 2014, from Euris, and Casino.
(5) Excluding the exceptional gross bonuses of €245,000 in 2013 and €256,000 in 2014.
(6) Excluding the exceptional gross bonuses of €90,000 in 2013 and €50,000 in 2014.
(7) Representative of Euris, the Group's parent company, which in 2014 received total fees of €4,129,047.26 from companies it controls, excluding taxes, under strategic consulting agreements, of which €1,647,838.75, excluding taxes, was paid by Rallye.

STOCK OPTIONS AND BONUS SHARES GRANTED TO CORPORATE OFFICERS AND OPTIONS EXERCISED

- No stock options for new or existing shares were granted in 2014 by Rallye to the Company's executives and employees of related companies who are also corporate officers, nor to the companies that it controls.
- The bonus shares granted in 2014 by the Company to executives and employees of the Company and related companies who are also corporate officers are as follows:

Officer	Grant date	Valuation of shares according to the method used for the consolidated accounts	Vesting date of shares granted [1]	Date after which the acquired shares may be sold	Number of bonus shares granted
Jacques DUMAS	07/29/2014	€28.47	07/29/2017	07/29/2019	1,172
Didier LEVEQUE	07/29/2014	€28.47	07/29/2017	07/29/2019	4,431
Odile MURACCIOLE	07/29/2014	€28.47	07/29/2017	07/29/2019	4,185

(1) Vesting of the bonus shares allotted is subject to the condition of the beneficiary's employment in the Group on the shares vesting date, and to two performance criteria: 50% depends on coverage of financial expense by EBITDA and 50% depends on the level of cost of debt.

- In 2014, the executives and employees of the Company and of related companies, who are also corporate officers, exercised stock options on Rallye shares as follows:

Officer	Grant date	Number of remaining options granted	Number of options exercised	Exercise price
Didier CARLIER	04/27/2009	-	2,400	€14.24
Jacques DUMAS	09/06/2010	-	5,208	€26.44
Franck HATTAB	04/27/2009	-	7,372	€14.24
Didier LEVEQUE	04/27/2009	-	8,542	€14.24
Odile MURACCIOLE	04/27/2009	-	3,370	€14.24
	09/06/2010	-	13,821	€26.44

- The bonus shares definitively granted in 2014 by the Company to executives and employees of the Company and related companies who are also corporate officers are as follows:

Officer	Grant date	Vesting date of shares granted (1)	Number of bonus shares originally granted	Number of bonus shares vested	Date after which the acquired shares may be sold
Didier CARLIER	06/08/2011	06/08/2014	9,766	9,766	06/08/2016
Jacques DUMAS	06/08/2011	06/08/2014	2,930	2,930	06/08/2016
Franck HATTAB	06/08/2011	06/08/2014	7,324	7,324	06/08/2016
Didier LEVEQUE	06/08/2011	06/08/2014	11,078	11,078	06/08/2016
Odile MURACCIOLE	06/08/2011	06/08/2014	7,774	7,774	06/08/2016

(1) Vesting of the bonus shares allotted was subject to the condition of the beneficiary's employment in the Group on the shares vesting date, and to two performance criteria: 50% depends on coverage of financial expense by EBITDA and 50% depends on the level of cost of debt.

- The bonus shares definitively granted in 2014 by the Company to executives and employees of the Company and related companies who are also corporate officers by controlled companies are as follows:

By Casino, Guichard-Perrachon

Officer	Grant date	Vesting date of shares granted	Number of bonus shares originally granted	Number of bonus shares vested	Date after which the acquired shares may be sold
Jacques DUMAS	04/15/2011	04/15/2014	6,502	6,502	04/15/2016
	05/11/2012	05/11/2014	13,738	13,708	05/11/2016

CONFLICTS OF INTEREST IN CORPORATE BODIES AND EXECUTIVE MANAGEMENT – REGULATED AGREEMENTS

As part of the day-to-day management of the Group, the Company is involved in normal business relationships with all its subsidiaries.

It also benefits from consulting services provided by Euris, the ultimate parent company of which Jean-Charles NAOURI is the major shareholder, with which a strategic consulting agreement was signed in 2003 (see page 27).

Jean-Charles NAOURI, Jacques DUMAS, Jean-Marie GRISARD, Didier LEVEQUE, Gabriel NAOURI and Odile MURACCIOLE, Directors or permanent representatives of Rallye and Didier CARLIER, Chief Executive Officer, and Franck HATTAB, Deputy Managing Director have management functions and/or are members of the corporate bodies of companies within the Rallye and Euris groups and receive the corresponding compensation and/or Director's fees. These relationships aside, there are no conflicts of interest between the duties to the Company of the members of the Board of Directors and general management and their private interests.

As required by the new provisions of Article L225-40-1 of the French Commercial Code (based on ordinance 2014-863 of July 31, 2014), the Board of Directors reviewed the agreements signed and authorized in prior years which were still effective in the year just ended. The Board of Directors noted that the agreements concerning guarantees given by the Company to Alpétrol, Cobivia, l'Habitation Moderne de Boulogne, and Parande could no longer be qualified as regulated agreements under the new provisions of Article L.225-39 of the French Commercial Code, since all the foregoing companies are direct or indirect wholly-owned subsidiaries of the Company.

No agreements other than those pertaining to ordinary business operations concluded under normal conditions were made, directly or through an intermediary, between a Company subsidiary and the Chief Executive officer, a director or a shareholder with more than 10% of the Company's voting rights.

CORPORATE GOVERNANCE

Statutory Auditors

In compliance with legal requirements, Rallye appoints two regular and two alternate Statutory Auditors:

STATUTORY AUDITORS

KPMG

Signing partner: Catherine Chassaing (since October 2013).

First appointed: June 29, 1993.

Latest term of office expires: at the end of the 2019 Annual General Meeting of Shareholders.

ERNST & YOUNG ET AUTRES

Signing partner: Pierre Bourgeois (since May 2010).

First appointed: June 1, 1999.

Latest term of office expires: at the end of the 2017 Annual General Meeting of Shareholders.

ALTERNATE STATUTORY AUDITORS

KPMG AUDIT ID

Substituting for KPMG.

First appointed: May 19, 2010.

Latest term of office expires: at the end of the 2019 Annual General Meeting of Shareholders.

AUDITEX

Substituting for ERNST & YOUNG et Autres.

First appointed: May 4, 2011.

Latest term of office expires: at the end of the 2017 Annual General Meeting of Shareholders.

One or the other of the same audit firms are auditors to the Company's main subsidiaries.

FEES PAID TO STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORKS BY THE GROUP IN 2013 AND 2014

(In € thousand)	Ernst & Young				KPMG			
	Amount		%		Amount		%	
	2014	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
AUDIT								
Statutory auditing, auditor's opinion, examination of company and consolidated accounts								
Issuer	**212**	209	**4**	3	**201**	194	**19**	9
Fully consolidated subsidiaries	**5,570**	5,520	**91**	90	**371**	367	**35**	18
Other assignments and services directly connected to the Statutory Auditors' assignment								
Issuer	**-**	-	**-**	-	**-**	-	**-**	-
Fully consolidated subsidiaries	**157**	430	**3**	6	**364**	1,466	**35**	70
Sub-total	**5,940**	**6,159**	**98**	**99**	**936**	**2,027**	**89**	**97**
Other services provided by the networks to fully consolidated subsidiaries								
Legal, tax, corporate	**31**	-	**1**	-	**87**	-	**8**	-
Other	**58**	58	**1**	1	**33**	53	**3**	3
Sub-total	**89**	**58**	**2**	**1**	**120**	**53**	**11**	**3**
TOTAL	**6,029**	**6,217**	**100**	**100**	**1,056**	**2,080**	**100**	**100**

CORPORATE GOVERNANCE

Report of the Chairman of the Board of Directors

In accordance with the provisions of Article L. 225-37 of the French Commercial Code, this report has been prepared by the Chairman of the Board of Directors.

The report is intended to present corporate governance as applied by the Board of Directors and by Executive Management, and to describe the Company's internal control and risk management procedures.

This report, attached to the management report prepared by the Board of Directors describing the activities of the Company and its subsidiaries during the year ended December 31, 2014, which has been reviewed by the Appointments and Compensation Committee and by the Audit Committee, has been approved by the Board of Directors. It was made available to the shareholders prior to the Annual General Meeting.

It was also the subject of a report by the Statutory Auditors, under Article L. 225-235 of the French Commercial Code, with regard to the internal control procedures relating to the preparation and processing of accounting and financial information, as well as a certification concerning the preparation of other disclosures.

I - CODE OF CORPORATE GOVERNANCE

As part of the Company's good governance practices, the Board of Directors uses the AFEP/MEDEF Code of Corporate Governance of June 2013, especially for writing this report. The Company applies all the recommendations of this Code with the exception of the composition of the Appointments and Compensation Committee at present of 50%. However, the committee chaired by an independent member is called to welcome new independent members on the occasion of appointment of new administrators.

II - BOARD OF DIRECTORS

1 • COMPOSITION OF THE BOARD OF DIRECTORS

The composition of the Board of Directors is presented on page 47 of this Registration Document.

2 • PREPARATION AND ORGANIZATION OF THE WORK OF THE BOARD OF DIRECTORS

The requirements governing the preparation and organization of the work of the Board of Directors are defined by law, as well as by the Company by-laws, the Board's rules of procedure, and special Board committees' charters established within it.

> ORGANIZATION AND OPERATION OF THE BOARD OF DIRECTORS

Since February 28, 2013, the functions of Chairman of the Board of Directors and Chief Executive Officer have been separated.

Didier CARLIER holds the position of Chief Executive Officer while Frank HATTAB is the Deputy Managing Director. Jean-Charles NAOURI is Chairman of the Board of Directors.

The rules of procedure describe the operation, powers, authorizations and duties of the Board of Directors and of its special Board committees: the Audit Committee and the Appointments and Compensation Committee.

The rules of procedure set out the rules of ethics applicable to members of the Board of Directors, in particular the obligations of confidentiality under Articles 621-1 *et seq.* of the regulations of the French Financial Markets Authority (AMF) on insider trading, as well as the obligation to observe a blackout period in relation to all transactions in the Company's shares during the fifteen-day period preceding the publication of the Company's annual and six-month financial statements.

They also mention the registration of Directors on the list of permanent insiders drawn up by the Company as part of the regulatory provisions intended to improve the prevention of insider trading and breaches.

The rules of procedure also include provisions governing declarations required from officers, their equivalent and individuals with "close personal ties" to members of the Board of Directors with respect to their transactions in Company shares.

The rules of procedure set out the principle of formal and regular assessments of the Board of Directors' operations.

They also spell out the terms and conditions for its meetings and deliberations and, in particular, allow directors to attend Board meetings by videoconference and any other means of telecommunication.

The office of non-voting observer was created in 2002 to encourage qualified individuals to become members of the Board of Directors. The non-voting observer attends Board meetings, expresses his or her observations and opinions and takes part in the proceedings in an advisory capacity.

> AUTHORIZATIONS AND DUTIES OF THE BOARD OF DIRECTORS

In accordance with the provisions of Article L. 225-35 of the French Commercial Code, the Board of Directors decides on the general directions to be followed by the Company's business and sees to it that they are implemented. Subject to the powers expressly attributed to the Shareholders' Meetings, and within the limits of the Company's purpose of business, the Board of Directors deals with all issues that concern the Company's operations. Through its proceedings, it resolves the issues confronting the Company. It also carries out all checks and audits it deems necessary.

The Board of Directors also reviews and approves the annual and six-month individual company and consolidated financial statements. It presents reports on the activities and performance of the Company and its subsidiaries, and approves management forecasts. It also reviews the Chairman's Report for approval. It appoints its Chairman, the Chief Executive Officer and the Deputy Managing Director and sets their compensation. It determines the unified or separated Executive Management system. It awards stock options and bonus shares. It is called upon to deliberate every year with regard to the Company's policy on equal job opportunities and equal pay.

— *Powers of the Chairman of the Board of Directors*

Within the Board of Directors, the Chairman organizes and directs the activities of the Board and reports thereon to the Shareholders' Meeting.

He convenes the meetings of the Board of Directors and is in charge of setting the agenda and producing the minutes of these meetings. He assures the proper functioning of the Company's operations and, in particular, that the directors are capable of performing their duties.

— *Powers of Executive Management*

The Chief Executive Officer and the Deputy Managing Director, in accordance with Article L. 225-56 of the French Commercial Code, has the broadest powers to act on behalf of the Company in every circumstance. They exercise these powers within the limits of the Company's purpose of business and subject to the powers expressly attributed by law to the Shareholders' Meetings and to the Board of Directors. They represent the Company in its dealings with third parties.

As part of the Company's good governance practices, due to their nature or their amount, certain transactions are subject to the prior authorization of the Board of Directors. Limit thresholds have been set so that, pursuant to the law and the principles of corporate governance, decisions regarding the most significant transactions are taken by the Board of Directors.

Thus, without the prior authorization of the Board of Directors, Executive Management cannot carry out:

- any transaction likely to impact the strategy of the Company or the companies that it controls, their financial structure or business scope, and in particular cannot enter into or terminate any agreements that may represent a significant commitment for the Group in future;
- any transaction when it exceeds one (1) million euros and in particular:
  - any security subscription and purchase, any immediate or deferred equity investments in any entity or company, of law or fact,
  - any contribution or exchange, with or without a balancing cash adjustment, of assets, shares or securities,
  - any acquisition of real estate assets or rights,
  - any new loans, borrowings, credit or cash advance,
  - any derivative transaction on equities, marketable securities, interest-rate or foreign exchange hedges, such as Equity Swaps, Total Return Swaps (TRS) and options including through the disposal or acquisition of call or put options,
  - any transaction and settlement relating to litigation,
  - any transfer of tangible real property or real estate rights,
  - any total or partial transfer of equity interests, marketable securities or any other asset or rights,
  - any constitution of securities.

These limitations of powers concern Rallye, the subsidiaries of the holding group excluding internal transactions between them and/or with their parent companies.

Furthermore, Executive Management has specific annual authorizations concerning notably borrowings, credit lines, other funding and cash advance contracts, guarantees, endorsements and securities, equity, marketable security and derivative transactions and convertible bonds, which have been renewed until December 2015.

Borrowings, credit lines, funding and cash advance contracts

Executive Management is authorized, for a period of one year, to negotiate and set up – including the renewal, extension or replacement - borrowings, including as bonds and/or any other debt instrument, confirmed credit lines and any funding contracts (syndicated or not), as well as cash advances, within an overall annual maximum of €1 billion.

Guarantees, endorsements and securities

Executive Management is authorized for a period of one year to provide guarantees, endorsements and securities in the Company's name, on behalf of its controlled subsidiaries, to financial or banking institutions and to the Treasury system, up to an overall annual maximum of €100 million.

Executive Management is also authorized to award pledged securities relating to loans and credit lines, including those set up prior to February 28, 2013, up to a maximum of 130% of the amount of loans and credit lines and any other funding contract concerned.

Equities, marketable security, derivative, interest rate and foreign exchange transactions

Executive Management is authorized, for a period of one year, to carry out the following transactions:

- interest-rate transactions, up to a monthly maximum of €500 million and an overall annual maximum of €1.5 billion;
- foreign exchange transactions, up to a monthly maximum of €300 million and an overall annual maximum of €1 billion;
- equity, marketable security and financial portfolio transactions, either directly of via derivatives such as Equity Swaps, Total Return Swaps (TRS) and options, up to a monthly maximum, which corresponds to the value of the underlying instrument where applicable, of €25 million and an annual maximum of €100 million;
- transactions of any nature (acquisitions, disposals, exchanges, commitments and similar transactions), either directly or through derivatives such as Equity Swaps, Total Return Swaps (TRS) and options, up to an annual maximum, which corresponds to the value of the underlying instrument where applicable, of €100 million.

It being noted that short-term liquid investments, such as money-market funds, term deposits, cash from borrowings, credit lines, funding contracts, cash advances or bond issues, are authorized up to the maximum monthly and annual amounts set for the transactions to which they are related.

Bond issues

Executive Management is authorized to issue bonds, including as part of the EMTN program, and all other types of debt instruments, without securities giving access to the existing capital of the Company or to existing securities of companies controlled by Rallye, and in this respect, to set the characteristics and conditions and to implement all related market transactions, up to a monthly maximum of €500 million and an overall annual maximum of €1 billion and.

As part of this delegation of powers, Executive Management is authorized to buy back previously issued existing bonds. This buyback may be carried out in cash or new bonds to be issued up to the monthly and annual maximum amounts set out above.

Independently, Executive Management is also authorized to issue commercial paper, up to a maximum amount outstanding of €750 million.

Compensation of all contracts or offices held

Executive Management is authorized to pay the fees and/or commissions of contracts and offices held up to a monthly maximum of €3 million and an overall annual maximum of €5 million.

All transactions, implemented under these specific authorizations, for which the amount exceeds €25 million, are subject to the express joint agreement of Chief Executive Officer and the Deputy Managing Director.

> INDEPENDENCE OF DIRECTORS

As part of its duties, the Appointments and Compensation Committee is in charge of monitoring the situation of each of the Directors in light of the relationship that may exist, if applicable, with the Company or companies in the Group, which might compromise a director's free judgment or lead to potential conflicts of interest with the Company.

Therefore, each year the Committee carries out an annual review of the makeup of the Board of Directors, and, in particular, of the independence of the Directors in light of the assessment criteria laid down by the AFEP and MEDEF Code detailed in the table below. The Committee presents its findings to the Board of Directors.

Summary analysis of the position of each Director with respect to the AFEP/MEDEF Code independence criteria

Independence criteria of the AFEP/MEDEF Code	Not being an employee or a corporate officer of the Company, employee or board member of the parent company or of a company it controls and not have been one during the five previous years	Not being a corporate officer of a company in which the Company holds directly or indirectly a seat on the board or in which an employee designated as such or a corporate office of the Company does	Not being a customer, supplier, investment bank, lending bank	Not being a relative or a person close to a corporate officer	Not having been an auditor of the Company in the five previous years	Not having been a board member of the Company for more than twelve years
Non-independent directors						
Jacques DUMAS	N					N
Jean-Marie GRISARD, representing Finatis	N					N
Didier LEVEQUE, representing Foncière Euris	N					
Odile MURACCIOLE, representing Saris	N					
Jean-Charles NAOURI	N					N
Gabriel NAOURI, representing Euris	N			N		
Independent directors						
Philippe CHARRIER	Y	Y	Y	Y	Y	Y
Jean CHODRON de COURCEL	Y	Y	Y	Y	Y	Y
Catherine FULCONIS	Y	Y	Y	Y	Y	Y
Christian PAILLOT	Y	Y	Y	Y	Y	Y

Note: non-compliance with the criteria is identified with an "N" and compliance with an "Y".

The independent directors maintain, directly or indirectly, no business relationship with the Company.

> BOARD MEMBERS HOLDING MORE THAN ONE OFFICE

No Director whose new appointment or re-appointment has been recommended to the Shareholders' Meeting of May 19, 2015 holds more than one office as defined in the recommendations of the AFEP/MEDEF Code.

— *Board activities over the past year*

In 2014, the Board of Directors met five times. The attendance rate of Board members for these meetings was 100%.

— *Approval of the financial statements – Business of the Company and its subsidiaries*

The Board of Directors examined the financial statements for the year ended December 31, 2013 and the statements for the first half of 2014, as well as the Company's management forecasts.

It decided on the reports and the text of the resolutions submitted to the Ordinary and Extraordinary General Meeting held on May 13, 2014. It also took note of the Group's activity for each quarter, its number of employees, as well as its level of debt and available sources of funds.

The Board of Directors approved different operations subject to its authorization. This included, in particular, the provision of guarantees on behalf of the Company's subsidiaries during the arrangement of financial operations. It also reviewed lines of credit set up by the Company and subsidiaries within the holding company's scope.

The Board also took stock of the main financial and real estate asset disposals made by the Group.

The Board of Directors also implemented a simplified public offering for the shares of Groupe GO Sport which was followed by a squeeze-out offer.

The Board of Directors examined the professional gender equality policy within the Company.

— *Compensation*

The Board of Directors determined the 2014 fixed compensation and 2013 variable compensation of Chief Executive Officer Didier CARLIER and of Deputy Managing Director Franck HATTAB. It also defined the conditions for determining their variable compensation in 2014, it being noted that the Chairman of the Board of Directors does not receive fixed or variable compensation.

The Board of Directors also determinated the conditions of allocation of a deferred and conditional bonus to the Chief Executive Officer and to the Deputy Manager Director.

It also examined the terms for the allocation of Directors' fees to Directors, non-voting observers and members of the Board committees. It decided on the issuance of stock options and bonus shares, subject to presence and performance conditions, to executives and employees of the Group and its affiliates.

— *Corporate governance*

The Board of Directors examined its position with regard to the principles of corporate governance: composition and organization of the Board of Directors and Board committees, the representation of women and of independent directors.

In this respect, it recommended to the Annual General Meeting, the appointment of a female Director to the Board.

In connection with the reappointments of the Chief Executive Officer and the Deputy Managing Director, the Board of Directors maintained the limitation of their powers and renewed the specific annual authorizations for borrowings, credit lines, other funding and cash advance contracts, guarantees, endorsements and securities, equity, marketable securities and derivative transactions and convertible bonds granted to Executive Management.

The Board of Directors approved the Chairman's Report on the organization and operation of the Board of Directors and Executive Management, as well as on the internal control and risk management procedures.

The Board of Directors was informed of all the work of the Committees, as described below.

— *Board Committees*

The Board of Directors is assisted by two specialized committees founded in 2000: the Audit Committee and the Appointments and Compensation Committee.

Committee members are named by the Board of Directors, which also appoints the Chairman of each committee.

The Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Managing Director are not members of any Committee.

The authorities and specific methods of operation of each Committee were defined by the Board of Directors when they were created and incorporated into the rules of procedure.

— *Audit Committee*

Composition

The Audit Committee has three members, of whom two are independent: Philippe CHARRIER, Chairman, Gabriel NAOURI and Christian PAILLOT, who have been appointed for the duration of their terms as Directors.

All members of the Audit Committee hold or have held positions as Company directors and as such have the financial or accounting expertise required under Article L. 823-19 of the French Commercial Code.

Duties

The Audit Committee provides support to the Board of Directors in the review and approval of the annual and six-month financial statements. It also assists the Board whenever an event occurs that is likely to have a significant impact on the situation of the Company or its subsidiaries in terms of commitments and/or risk.

In this regard and in accordance with Article L. 823-19 of the French Commercial Code, it monitors issues related to the preparation and auditing of accounting and financial information, subject to the responsibility of the Board of Directors. For the audit of the Company's annual and six-month financial statements, the Audit Committee meets at least two days before the Board Meeting convened to approve the statements.

Thus, it is charged with monitoring the preparation of financial information, the efficacy of internal control and risk management systems, the legally required audit of annual and consolidated financial statements by the Statutory Auditors and the independence of the Statutory Auditors.

The audit committee has an organization and operations chart which confirms its powers and authorities with regard, among other things, to management risk analysis and to the detection and prevention of management irregularities.

Activities in 2014

The Audit Committee met twice in 2014, with all members in attendance at each meeting.

In connection with the approval of the six-month and annual financial statements, the Audit Committee verified the account closing process and took note of the Statutory Auditors' analysis, in particular, of all consolidation procedures and the Company's financial statements. The Committee also reviewed off-balance-sheet commitments, risks and accounting options taken with regard to provisions, together with relevant legal and accounting changes. It was notified of the audit plan and the fees paid in 2014 to the Statutory Auditors.

The Committee reviewed the financial and accounting department's report on risks and off-balance sheet commitments, and Rallye's risk prevention documents, as well as the Chairman's Report on internal control and risk management procedures.

The Committee was informed of the Statutory Auditors' findings on procedures relating to the processing and preparation of accounting and financial information.

The Chairman of the Audit Committee reported to the Board on the work done at each of these meetings.

— *The Appointments and Compensation Committee*

Composition

The Appointments and Compensation Committee has two members: Jean CHODRON de COURCEL and Jacques DUMAS, appointed for the duration of their terms as Directors.

The Board of Directors will strive to propose an additional independent director shortly.

The Chairman and Chief Executive Officer may attend committee meetings in an advisory capacity, in order to present proposals related, in particular, to the compensation of senior managers and the granting of options and bonus shares.

The Chairman of the Board of Directors takes part in the selection process for new Directors.

Duties

The Appointments and Compensation Committee is charged, in particular, with helping the Board of Directors review candidates for senior management positions, select new directors, define and monitor policies for senior management compensation and stock option and bonus share awards. As appropriate, it also reviews the benefits and other forms of compensation of senior management. It also oversees the proper application of corporate governance rules and the absence of potential conflicts of interests.

The Appointments and Compensation Committee drew up an organization chart, adopted in 2004, confirming its powers and authorities with regard to performance evaluation of the Board of Directors and verification that the Corporate Governance principles and Code of ethics, in particular as derived from the Board of Directors' internal rules of procedure, are being properly respected and applied.

Activities in 2014

The Appointments and Compensation Committee met four times in 2014, with all members in attendance at each meeting.

The committee performed its annual review of the organization and operations of the Board of Directors and its special committees as well as of the proper application of corporate governance principles in accordance with the AFEP/MEDEF Code and the provisions of the rules of procedure.

It examined the situation of each director with regard to dealings with Group companies that might compromise their freedom of judgment or entail conflicts of interest.

The Appointments and Compensation Committee expressed its recommendations regarding the proposed reappointments of the Chairman of the Board of Directors, the reappointment of Directors and the non-voting observer, and the composition of Board committees.

It implemented the selection procedure for a new Director and recommended to the Board the appointment of a new female director.

The Committee approved the conditions for determining the 2014 fixed and variable compensation of the Chief Executive Officer and of the Deputy Managing Director as well as the conditions for determining their conditional and deferred bonuses.

The Committee also reviewed the issuance of stock options and bonus shares to managerial staff and employees of the Company and related companies, as well as the fees to be awarded to Board members, the non-voting observer, and members of the Board committees.

It duly noted the order dated July 31, 2014 taken by the French government in connection with the enabling legislation of January 2, 2014 aimed at simplifying and protecting the existence of businesses with respect to the procedure for checking regulated agreements.

It examined the Chairman's Report on the organization of the Board of Directors' work, along with the corporate governance-related information mentioned in the management report.

The Committee issued recommendations on maintaining the limitation on the powers of Executive Management as well as the specific annual authorizations granted to them.

The Committee Chairman reported to the Board of Directors on the work of the Appointments and Compensation Committee.

> PRINCIPLES AND RULES DETERMINING COMPENSATION AND BENEFITS GRANTED TO CORPORATE OFFICERS

The means and the amount of corporate officers' compensation are determined by the Board of Directors on the basis of recommendations made by the Appointments and Compensation Committee.

The compensation paid to the Chief Executive Officer Didier CARLIER and to Deputy Managing Director Franck HATTAB, includes both a fixed and variable portion. The basis for their determination is decided each year by the Board of Directors, after consulting with the Appointments and Compensation Committee, and as applicable, based on studies carried out by external consultants.

The 2014 variable compensation component for the Chief Executive Officer is based on the achievement of quantitative Group targets, qualitative individual targets and on a general evaluation of managerial

attitudes and behavior. The variable element may be a maximum of €150,000 if the defined targets are achieved and up to €300,000 if such targets are exceeded.

The 2014 variable compensation component of the Deputy Managing Director is based on the attainment of quantitative Group targets, identical to those of the Chief Executive Officer, qualitative individual targets and on a general evaluation of managerial attitudes and behavior. Given the change in the duties and responsibilities of Franck HATTAB in 2013, Chief Financial Officer and now also Deputy Managing Director, towards both the Chief Executive Officer and the Chairman of the Board of Directors, the maximum amount of his variable compensation is now €90,000 if he achieves his targets and €180,000 if he exceeds them.

The Group quantitative targets have been pre-established and precisely defined and are assessed according to criteria corresponding to Rallye Group's key business indicators: reduction in the cost of debt and improvement in the ratio of EBITDA to consolidated finance charges. Figures are not published for confidentiality reasons.

In July 2014, the Chief Executive Officer and the Deputy Managing Director were awarded a deferred and conditional bonus for a target gross amount of €208,000 each. These bonuses will be paid at the end of a set period that ends on July 29, 2017 subject to presence and performance conditions.

The Board of Directors, on the recommendation of the Appointments and Compensation Committee, sets the rules for distribution of the fees payable to the Directors and to the non-voting observer, as well as the additional fees to be paid to the members of board committees, as follows:

- these fees include a flat fee of €4,000 and a variable component of €16,000 based on attendance at Board Meetings. Note that fees for directors, senior managers, and Group executives have been reduced by half and the variable component attributable to absent directors is not re-assigned;
- an additional fee is paid to Committee members, in the flat amount of €10,000. The fee is doubled for each Committee Chairman.

> INFORMATION PROVIDED TO DIRECTORS

In compliance with Article L. 225-35 of the French Commercial Code, the Chairman or Chief Executive Officer of the Company provides each member of the Board with all of the documents and information necessary for carrying out their tasks.

Therefore, all the necessary information pertaining to the issues to be examined by the Board is provided to the members prior to each Board meeting. Accordingly, each Board member receives a preparatory file including information and documents, provided such documents are available and depending on the progress status of the files, on the subjects on the agenda.

Executive Management transmits on a regular basis to the Board of Directors a statement on the business trends of the Company and its major subsidiaries, as well as on the debt situation and the credit lines available to the Company.

Once every six months, the Board of Directors also reviews the Group's off-balance-sheet commitments.

> ASSESSMENT OF THE CONDITIONS UNDER WHICH THE BOARD OF DIRECTORS OPERATES

Pursuant to the Code of Corporate Governance, the rules of procedure provide for an annual discussion and regular evaluation of the operations of the Board of Directors, to be performed by the Appointments and Compensation Committee, with the help, if desired, of an external consultant.

The latest evaluation of the organization and operation of the Board of Directors was implemented during the last quarter of 2013, using responses to a questionnaire sent to each Director.

The evaluations and observations made by the members of the Board of Directors indicated that the organization and operations of the Board were entirely satisfactory with respect to proper corporate governance. The Directors have expressed the wish to increase the percentage of women on the Board of Directors and to be regularly informed on the disposal of financial assets.

III - PARTICIPATION IN SHAREHOLDERS' MEETINGS

The methods of participating in general shareholders' meetings are presented in Articles 25, 27 and 28 of the bylaws (cf. page 204 and 205 of this Registration Document).

IV - ISSUES WHICH MAY HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

The Company's capital structure and any direct or indirect interests in the Company's capital of which it is aware by virtue of Articles L. 233-7 and L. 233-12 of the French Commercial Code are described on pages 20 et seq.

There are no statutory restrictions to the exercise of the voting rights and transfers of shares, nor are there any agreements of which the Company is aware under Article L. 233-11 providing for preferential terms of sale or acquisition of shares, nor are there, to the Company's knowledge, any agreements between shareholders which might restrict the transfer of shares or the exercise of voting rights.

The Company has not issued any securities with special control rights attached, and there is no control mechanism provided for in any employee stock ownership plan when the control rights are not exercised by employees.

The rules which apply to the appointm ent and replacement of the members of the Board of Directors, as well as to the modification of Company by-laws are described in pages 201 et seq.

The powers of the Board of Directors are described on page 202.

With respect to the issuance of shares, the authorizations granted to the Board of Directors are indicated on page 22 and, with regard to share repurchases, the powers of the Board of Directors are described on page 20.

In addition, there are no agreements providing for compensation of the members of the Board of Directors, executive officers or employees should they resign or be dismissed without just cause or if their employment is terminated as a result of a public offer.

V - INTERNAL CONTROL PROCEDURES IMPLEMENTED BY RALLYE

The information below was obtained from the various tasks performed by the departments responsible for Rallye's internal control procedures. Based on this information validated by Executive Management, a factual description of the control environment and procedures has been put in place.

1 • DEFINITION AND OBJECTIVES OF INTERNAL CONTROL PROCEDURES

> REFERENCE FRAMEWORK USED

To prepare and draft this report and define internal control, Rallye chose to refer to the "COSO [(1)]"; the internationally-recognized integrated framework compatible with AFEP/MEDEF recommendations [(2)].

Under the COSO framework, internal control is defined as a process implemented by all levels of an organization's management and aims to provide reasonable assurance regarding the achievement of the objectives below:

- compliance with applicable laws and regulations;
- application of instructions and guidelines fixed by Executive Management;
- the smooth operation of processes, especially those related to the protection of assets and the value of capital;
- reliability of financial and accounting reporting.

> OBJECTIVES

Rallye's internal control process is a system that helps to provide reasonable assurance regarding control of its activities, the effectiveness of its operations, the efficient use of its resources, in accordance with applicable laws and regulations, internal standards and rules applicable to the Company, and seeks in particular, although without be able to provide an absolute guarantee, to achieve the following objectives:

- the proper functioning of the internal process of the Company, particularly those that promote the protection of its assets in compliance with the guidelines and policies defined by Rallye's Executive Management;
- the reliability of accounting, financial and management information published internally and externally;
- the control of risks resulting from its status as a company whose securities are traded in a regulated market.

> CONTROL ENVIRONMENT

The control environment within the Company consists mainly of the principles of corporate governance and group organization, carefully designed and rigorously applied. The aim is for all risks to be managed as a whole and for a reasonable assessment to be made of the potential risks of any kind with which the Group may be faced.

2 • DESCRIPTION OF IMPLEMENTED CONTROL PROCEDURES

The scope of internal control over accounting and financial information comprises the parent company and the operational subsidiaries included in the Group's consolidated financial statements, the main ones being the Casino Group and Groupe GO Sport (these have an internal control system and are responsible for implementing their own system).

> GENERAL ORGANIZATION OF INTERNAL CONTROL

The internal control procedures are part of the general policy framework set out by the Board of Directors and implemented under the direct responsibility of the Company's senior management.

The main actors involved in managing the internal control system are as follows:

— *Executive Management – Administration and finance department*

Executive Management defines the general principles of Internal Control and ensures their proper implementation in order to achieve the required level of Internal Control.

Rallye's administration and finance department, which reports to Executive Management, supervises oversees all of the Company's staff departments. Its main responsibility to assist and monitor line staff in their administrative, financial and legal activities. To do so, it sets the mandatory operating rules for all entities, defines and deploys tools, procedures and good practices, specifically in the areas below: management, accounting and consolidation, financing and cash management, tax, legal, financial communications, information systems and insurance.

— *Board of Directors – Audit Committee*

The Board of Directors has always asserted that together with Executive Management, it considers Internal Control and its principal areas of application as very important.

Pursuant to the Company's by-laws and rules of procedure, the Board of Directors and its Audit Committee are responsible for internal control through the opinions and recommendations that they express to Executive Management and through the analyses and investigations which they perform or commission.

(1) Committee Of Sponsoring Organizations of the Treadway Commission.

(2) Recommendations of the French association of private companies and the movement of French companies of December 17, 2013, known as "The application of the provisions of financial security law with regard to the Chairman's report on internal control procedures implemented by the Company".

— *Statutory Auditors – External Consultants*

The Statutory Auditors certify the individual and consolidated financial statements, in accordance with legal and regulatory requirements. They also examine the Company's semi-annual consolidated results and verify the information given in the six-month report. They are consulted regularly regarding the accounting treatment of ongoing operations. They are also informed of how internal control procedures are organized and applied in practice and, if necessary, they may issue recommendations.

> DISSEMINATION OF INFORMATION WITHIN THE GROUP

The Group ensures that the relevant information is properly disseminated and provided to those concerned so that they can fulfill their responsibilities, in compliance with Group standards.

With the objective of providing reliable financial information and communication, Rallye strives to ensure that the entire organization respects certain references in the performance of its duties: consolidated and accounting procedure manual, general accounting plan, code of ethics described in the Board of Directors' rules of procedure, Audit Committee charter and Appointments and Compensation Committee charter.

> IDENTIFICATION AND ASSESSMENT OF RISKS

The Group identifies and assesses the main risks that could hinder the achievement of its objectives. It takes measures to limit the probability of occurrence and the effects of such risks, thereby promoting an environment of risk control.

The Group's exposure to risks inherent in its business activities and the provisions designed to control them are partially detailed in Note 11.6 "Financial risk management policies and objectives" to the 2014 consolidated financial statements.

The main risks related to the Group's financial instruments are discussed: interest and exchange risk, credit risk, liquidity risk and security risk.

Risks specific to Rallye's holding activity, risks specific to the main controlled investments (Casino and Groupe GO Sport), legal risks as well as the description of the insurance policy are detailed in the management report in the "Risk factors and insurance" chapter.

> CONTROL ACTIVITIES

In order to enhance its control over identified risks, the Group has put in place control procedures for both operational processes and financial information.

Within the Company, internal control procedures are centralized. Because Rallye is a holding company, the procedures implemented relate mainly to the preparation and processing of financial and accounting information aimed at ensuring that consolidated financial statements are reliable and that subsidiaries are monitored.

— *Operating subsidiaries*

Each Rallye subsidiary has its own internal audit department charged with ensuring the effectiveness of the internal control activities and procedures in order to obtain reasonable assurance that the subsidiary's own risks are under control.

The Chairman of the subsidiary Casino, Guichard-Perrachon, drafted a report on internal control which shareholders may consult.

The Group controls the quality of the information supplied by the subsidiaries, notably by appointing the same person to several executive bodies, but also through the meetings of the Audit Committees and Appointments and Compensation Committees. The committees, together with senior management, receive the support of the staff departments in the subsidiaries.

Information is also verified thanks to the familiarity of Rallye's central controlling department with the various information systems, as well as through the holding of monthly meetings.

The Company's legal department performs any necessary specific investigations or examinations that it deems necessary for the prevention and detection of any legal irregularity or anomaly in Group management. Executive Management and the administration and finance department regularly communicate regarding the status of the main disputes possibly affecting the subsidiaries, as well as with regard to the risks incurred.

— *Rallye*

Procedures for monitoring operating risks

Cash management, financing and expenditures

In the administration and finance department, the cash management team is responsible for applying the Group's financial policy, which includes the optimized management of the balance sheet and financial debt, financing strategy, control of financial costs, the profitability of cash surpluses and investments, improvement of the financial structure, and a conservative policy for the management of solvency, liquidity, market and counterparty risks.

Company cash must be invested in instruments whose maturity is matched to the planned duration of the investment and must never be invested in speculative or risky instruments.

Executive Management receives reports of weekly cash flows and the status of the credit lines, along with the respective terms and conditions.

To facilitate and strengthen control over the Company's spending, an authorization procedure for investments and overheads has been introduced. The procedure clearly identifies the persons with the authority to grant prior authorizations for any commitment or payment.

Tax

The Tax manager, who works in the administration and finance department, coordinates the preparation of tax returns by ensuring compliance with applicable tax regulations and legislations.

Financial controlling

Financial controlling, a sub-department of Administration and Finance, is responsible for coordinating the budget process and its revised estimates established during the year together with the three-year strategic plan. It helps to prepare accounting and financial information by drafting monthly management reports, as well as all the analyses required for Executive Management. It also monitors investments and cash flows, as well as management indicators specific to the business of the Company and its subsidiaries.

Market risk monitoring

Marketing risk monitoring is described in the management report of this Registration Document in the chapter "Risk factors and insurance". In light of the priorities emanating from the latter, those responsible regularly make adjustments to the control measures pertaining thereto.

Investment portfolio

Investments and divestments require prior approval to ensure that they comply with the Group's strategy and profitability criteria. Weekly reports showing the changes in the investment portfolio are sent to Executive Management.

Payroll and compensation

The administration and finance department is in charge of payroll organization and management.

The Group's legal department regularly monitors changes in legal and social information affecting payroll management.

The Appointments and Compensation Committee reviews compensation for senior managers, which is then submitted for approval to the Board of Directors. Compensation for all other employees is validated by Executive Management.

Procedures for producing and processing financial and accounting data

Accounting and financial Internal Control covers the processes used to gather accounting data: financial information production process, account closing processes and communication actions.

The accounting and financial Internal Control system seeks to achieve:

- compliance with accounting regulation and the proper application of the principles underlying the financial statements;
- application of the guidelines fixed by Executive Management with respect to financial information;
- the protection of assets;
- the quality of feedback used to prepare the published accounts and the reliability of their centralized processing for the Group with a view to their circulation and their use for steering purposes;
- the verification of the production of financial, accounting and management components including fraud prevention.

Accounting and financial organization

The administration and finance department

The heads of the administration and finance department are in charge of implementing accounting and financial steering, under the supervision of Executive Management in the following areas: accounting, consolidation, management, financial services and cash management.

The finance department is responsible for centralizing cash flows, hedging foreign exchange and interest rate risks in addition to identifying commitments to facilitate their recognition in the accounts.

Accounting standards

The Group has compiled accounting rules and principles which must be applied by all consolidated subsidiaries to ensure the delivery of consistent and reliable financial reports.

These accounting rules are updated on a regular basis to reflect changes in accounting regulations and reporting standards:

- accounting standards define the principles to be used for the consistent treatment of operations. They clarify in particular the terms for recording balance sheet items as well as the identification and valuation of off-balance sheet commitments. They are compliant with IFRS, the reporting standards for consolidated financial statements. The Group's accounts department is constantly gathering intelligence on new accounting standards in the pipeline in order to inform Executive Management and anticipate their impacts on the Group's financial statements;
- the chart of accounts provides the definitions and procedures for preparing the reporting required to draw up the accounts.

Key performance indicators

The various economic indicators deliver monthly reports used to continuously and consistently track the performance trend of each subsidiary and ensure that they are in line with fixed targets.

Audit Committee

The role and duties of the Audit Committee are described above on page 72. These duties are compliant with Article L. 823-19 of the French Commercial Code (order dated December 2008 on the conditions for applying the 8th European Directive on the statutory auditing of financial statements).

Preparation of accounting and financial reporting

Accounts closing and consolidation

The Group's administration and finance department is responsible for preparing the financial statements. These can be a source of financial risk, particularly as regards the accounting records, the consolidation process, and the recognition of off-balance sheet commitments.

Risks regarding the preparation of accounting and financial information are managed by monitoring regulatory texts, anticipating any problems, communicating with the Statutory Auditors and an appropriate calendar.

The account closing process is covered by specific instructions and an appropriate information feedback system that allows the processing of coherent, exhaustive and reliable information based on a consistent methodology and within the appropriate deadlines depending on the schedule defined by the Board of Directors and its special committees.

For drawing up the consolidated financial statements, validation procedures are applied to each stage of the information feedback and processing process. These procedures are designed to specifically check the correct adjustment and elimination of internal transactions; verify consolidation operations; the correct application of accounting standards; the quality and consistency of consolidated and published accounting and financial data.

Consolidation of the financial statements is performed every six months, as a centralized procedure carried out by the consolidation team on the basis of information provided by the subsidiaries. The team performs an overall review of the Group's financial statements, and prepares a file which includes all the restatements and eliminations made, and documents the checks performed, thereby ensuring traceability.

In addition, the consolidation department is in charge of updating consolidation procedures, including subsidiaries within the scope of consolidation, information processing and maintaining the consolidation tools.

The Statutory Auditors

All the accounting and financial data prepared by consolidated subsidiaries is subject to at least a limited review for six-month reports, and a full audit for annual reports, by external auditors. The Chief Executive Officer issues a letter of representation to personally vouch for the accuracy, reliability and completeness of the financial disclosures.

The Statutory Auditors responsible for jointly reviewing all the financial statements and the methods used to prepare them, certify the Group's consolidated financial statements. They issue a report to the

Group's shareholders to certify that the accounts are an accurate, fair and truly reflection of the Company's consolidated and individual financial statements. They are previously informed of the accounts preparation process and they present a summary of their works to the Group's accounts and financial officers and to the Audit Committee for the six-month position and the annual closing.

IT system security

Selected software programs are compatible with accounting and financial requirements. Information systems managers are working on enhanced task separation solutions and improving the verification of access rights.

In order to ensure the effectiveness of internal control procedures as well as the security and integrity of all data and data processing in the face of a possible major incident, whether accidental or due to acts of malfeasance, the entire system is secured by a system providing authorization and protected access to the network, data backup procedures and physical protection of the data center.

Financial communications

The administration and financial department is responsible for coordinating information distributed to the financial community and ensuring that such information accurately and transparently reflects the Group's position, activity and outlook.

Financial Communications managers draw up a precise schedule for the release of current information about the Group to financial markets. This schedule is consistent with the requirements of market authorities. The managers constantly gather intelligence and check, with the assistance of the legal department, that the communication is made within the required time scales, in accordance with rules and regulations and in compliance with the principle of equal access to information for all shareholders.

By working closely with Executive Management, the Board of Directors and Statutory Auditors, the Financial Communications managers draft and coordinate the distribution of this information through various means (annual and six-month reports, road shows, website, etc.).

When signing their employment contract, each employee signs an appendix relating to ethics which specifies, in particular, an obligation to observe a blackout period in order to avoid finding themselves, or placing the Company, in a situation which constitutes a stock market offence.

The internal control system is not set in stone and changes in order to allow Executive Management to take into account significant risks to the Company in an appropriate manner. The Board of Directors is informed of any changes to this system and can monitor its functioning based on information provided to it by Executive Management.

REPORT OF THE STATUTORY AUDITORS

prepared in accordance with Article L. 225-235 of the French Commercial Code, on the report by the Chairman of the Board of Directors of Rallye

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Year ended December 31, 2014

Dear Shareholders,

In our capacity as Rallye's Statutory Auditors, and in accordance with Article L. 225-235 of the French Commercial Code, we hereby present our report on the report prepared by the Chairman of your Company in accordance with Article L. 225-37 of the Commercial Code for the year ended December 31, 2014.

The Chairman is responsible for preparing and submitting to the Board of Directors for approval a report on the internal control and risk management procedures in place at the Company, and providing other information required by Article L. 225-37 of the French Commercial Code related especially to corporate governance measures.

Our responsibility is to:

- inform you of our observations concerning the information contained in the Chairman's Report with respect to the internal control and risk management procedures relating to preparation and processing of accounting and financial information, and
- certify that the report contains the other information required by Article L. 225-37 of the French Commercial Code, without however being required to verify that such other information is fairly presented.

We carried out our work in accordance with the professional standards applicable in France.

INFORMATION CONCERNING THE INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

Professional standards require us to implement procedures designed to assess the fairness of the information set out in the Chairman's Report on internal control and risk management procedures relating to the preparation and processing of financial and accounting information. These procedures consist, in particular, of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information supporting the information set out in the Chairman's Report as well as of the existing documentation;
- obtaining an understanding of the work performed to prepare this information and the existing documentation;
- determining whether any major weaknesses in the internal control procedures relating to the preparation and processing of financial and accounting information, which we may have found as part of our assignment have been appropriately disclosed in the Chairman's Report.

On the basis of these procedures, we have no matters to report in connection with the information on the internal control and risk management procedures relating to preparation and processing of financial and accounting information contained in the Chairman of the Board of Directors' report, prepared in accordance with article L. 225-37 of the French Commercial Code.

OTHER INFORMATION

We certify that the report of the Chairman of the Board of Directors includes the other information required by Article L. 225-37 of the Commercial Code.

Paris-La Défense, March 6, 2015

The Statutory Auditors

KPMG Audit

Department de KPMG S.A.

Catherine Chassaing

ERNST & YOUNG et Autres

Pierre Bourgeois