



INTERIM REPORT

FIRST-HALF 2007

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Financial Highlights

Financial highlights of first-half 2007 are as follows:

Continuing Operations*	First-half 2006 adjusted* (✓)	First-half 2007 (✓)	Reported change	Change at constant exchange rates
<i>in € millions</i>				
Total business volume excl. VAT ⁽¹⁾	17,049	17,032	+ 0.3%	-0.1%
Net sales	10,872	11,547	+ 6.2%	+ 6.2%
Gross profit	2,834	3,097	+ 9.3%	
EBITDA ⁽²⁾	683	776	+ 13.6%	+ 13.4%
Depreciation and amortisation expense	(252)	(283)	+8.1%	
Trading profit	431	492	+ 14.0%	+ 13.7%
Other operating income and expense, net	95	(17)		
Net financial expense, of which:	(97)	(120)		
<i>Finance costs, net</i>	(98)	(127)		
<i>Other financial income and expense, net</i>	1	7		
Profit before tax	430	354	-17.6%	
Income tax expense	(136)	(111)		
Share of profits of associates	7	11		
Net profit for the period from continuing operations	301	254		
Attributable to equity holders of the parent	254	208	-18.3%	
Attributable to minority interests	47	46		
Net profit from discontinued operations	7	164		
Attributable to equity holders of the parent	3	159		
Attributable to minority interests	4	5		
Net profit for the period	308	418		
Attributable to equity holders of the parent	258	367	+ 42.5%	
Attributable to minority interests	51	51		

(✓)The Auditors have performed a limited review of the interim financial statements for the periods ended 30 June 2007 and 30 June 2006.

*In accordance with IFRS 5, the results of the Polish and US operations, divested at the end of 2006 and in first-half 2007, are presented in the income statement under "Net profit from discontinued operations" (see Note 6 to the Consolidated Financial Statements).

⁽¹⁾ Includes all revenue from consolidated companies, associates and franchisees, on a 100% basis.

⁽²⁾ EBITDA = Trading profit + amortisation and depreciation expense

Business Review

SIGNIFICANT EVENTS OF THE PERIOD

- Profitable growth in the first-half.
 - Sales rose by a solid 6.2%, led by international operations. This reflects:
 - Strong sales dynamic in the Group's priority growth regions, South America and Asia.
 - The initial impact of Exito (fully consolidated from 1 May 2007).
 - Trading profit increased sharply, by 14%.
 - In France, the significant increase in trading profit (up 10%) and trading profit margin (up 34 bps), attest to the differentiation strategy's effectiveness.
 - Business portfolio remodelling, with the sale of operations in Taiwan and acquisition of control of Exito, enhanced Casino's growth profile in international markets.
- Tighter integration of subsidiaries, in terms of both equity interests and day-to-day management, has allowed the Group to speed deployment of its profitable growth model.
 - Casino took over operating management of Franprix/Leader Price during the period and launched sales revitalisation programmes at the end of May for Franprix and in July for Leader Price.
 - The Group increased its stake in Cdiscount and strengthened the management team.
 - In May 2007, Casino gained control of Exito, Colombia's number one food retailer, making it the leading food retailer in South America.
- Net debt increased to €6,015 million following consolidation of Exito.
 - Exito's full consolidation from 1 May added €1,277 million to net debt, of which €362 million in put options held by minority shareholders.
 - Exito's July share issue and further asset sales will allow the Group to meet its target of a net debt/EBITDA ratio of less than 2.5 at end-2007.
 - The Group sold €1.9 billion in assets as it refocused on its most promising activities.

FRANCE

(74% of consolidated net sales and 77% of consolidated trading profit)

<i>in € millions</i>	First-half 2006	First-half 2007	% Change
Net sales	8,497	8,601	+ 1.2%
Trading profit	344	378	+9.8%
<i>Trading profit margin</i>	4.1%	4.4%	

Operations in France contributed €8,601 million to first-half net sales, up 1.2% from €8,497 million the year before. Excluding Franprix-Leader Price, net sales rose 2.9% over the period, reflecting good sales dynamic in the retail business and sustained strong growth in other businesses. The Group achieved this performance despite unfavourable weather in the second quarter that weighed on sales of fruits and vegetables, beverages and seasonal goods in all formats, especially superettes. The Group pursued its active expansion strategy, opening more than 80,000 square metres over the period. Convenience store formats represented two-thirds of the new openings.

Trading profit increased by a significant 9.8% over the period to €378 million.

Trading profit margin widened to 4.4% from 4.1% in first-half 2006 thanks to an improved gross margin and more restrained growth in operating expenses (particularly payroll and occupancy costs). Depreciation expense increased, reflecting higher capital expenditure during the period. Growth in trading profit was led by the convenience store formats.

Highlights by format were as follows:

- **Géant Casino hypermarket** sales were stable at €2,941 million, versus €2,946 million the year before. Same-store sales rose 0.7% (excluding gasoline), lifted by a 1% increase in the average basket. The 0.1% increase in second-quarter customer traffic confirmed the sales momentum. Food sales grew by a satisfactory 1.4% on the back of double-digit growth in private labels, the expansion of fresh produce offerings and optimised price cuts through dunnhumby cooperation. The period saw an improved trend for non-food items (down 0.1%), with the development of private label products and a reduction in volumes sold at a discount, thanks to improved inventory management. As a result of these measures, store inventories shrank by more than €30 million over the half. The gross margin was lifted by an improved brand and product mix in the food section and steps to refocus the portfolio of non-food product families. At the same time, the operational excellence programme resulted in stronger cost discipline. The trading profit margin was stable over the period. This first-half performance shows that Géant Casino has improved its competitiveness in a challenging environment. Géant Casino's market share held firm during the first half (source: Secodip P6).
- **Casino supermarket** sales increased by 5%, to €1,522 million from €1,450 million the year before. Same store sales rose by 2.9% (excluding gasoline). This sustained strong growth was driven by private labels and the development of the fresh produce offering, as well as by an assertive expansion strategy that resulted in 17,000 square meters being opened in first-half 2007. The banner's successful marketing strategy fed through to a 0.1-point increase in market share, to 1.8% (source: Secodip P6). Casino Supermarkets was the only non-discount banner to have increased its market share over the period. The banner also enjoyed a significant improvement in trading profit margin.
- **Monoprix**, which is proportionately consolidated on a 50% basis, contributed €874 million to consolidated sales, up by a robust 3.8% over €842 million in the prior-year period. Good same-store growth of 2.6% reflects the banner's successful differentiation strategy, based on the unique "citymarket" store concept. Monoprix stepped up its expansion, opening 9,000 square metres over the period (as much as in all of 2006). Four of the nine new stores were Monop' outlets. Strong performances in non-food (particularly apparel) and strengthening of private labels helped lift the gross margin. Monoprix also benefited from the leverage provided by sustained same-store sales growth. Together, these two factors drove a noticeable increase in operating profitability.
- **Superette** sales increased by 0.5% to €758 million from €754 million the year before. After rising 1.6% in the first quarter, sales edged back by 0.4% in the second due to weather conditions that were unfavourable for the sale of fruits, vegetables and beverages. Expansion continued at a strong pace, with 250 store openings during the first half bringing the outlet base to 5,787 at 30 June. Profitability rose significantly during the period, thanks in particular to the continuing store network optimisation with the closure of unprofitable stores.
- At **Franprix/Leader Price**, sales declined by 4% to €1,968 million from €2,050 million in first-half 2006, primarily due to a 12.4% fall in Leader Price same-store sales. Franprix's same-store sales were down 1.5%.

In response to the deteriorating sales trend and mismanagement by the leadership team, Casino decided to take operations back into hand at both banners during the first half. The

teams were enhanced and synergies with Casino were leveraged, notably in the areas of purchasing and product development.

Sales revitalisation programmes have been underway since late May at Franprix and early July at Leader Price. Franprix's action plan is based on developing the assortment of national brands and of the most promising product families, reducing prices on 300 national brand products and conducting targeted promotional campaigns supported by stepped up advertising. Leader Price's plan calls for broadening the value line range, reviewing the Leader Price brand offer (notably the development of fresh produce sections), making targeted price cuts and increasing its advertising presence.

- The **other businesses**—primarily Mercialys, Casino Caf  teria, CDiscount and Banque Casino—confirmed their status as growth drivers with strong sales growth of 17.9% led by a more than 25% increase at CDiscount. Aggregate sales from other businesses totalled  538 million versus  457 million in first-half 2006.
 - Mercialys enjoyed a sharp increase in both sales and trading profit.
 - Banque Casino's outstandings rose 21% despite the unfavourable environment in the loan market.
 - Cafeterias Casino reported stable sales.
 - During the period, Casino increased its equity interest in Cdiscount to 66.8% and enhanced the management team.

The Group's strategic differentiation drivers are now fully deployed. This had the following effects in the first-half:

- Increased sales of private label products, with double-digit gains during the period.
- Enhanced customer loyalty, leading to a significant increase in the percentage of sales generated by cardholders.
- Improved price competitiveness, thanks to further price cuts, optimised by the cooperation with dunnhumby.
- A tangible improvement in the performance of stores having deployed the new concepts in food (fruit and vegetables) and non-food (apparel, household goods and consumer electronics).

INTERNATIONAL

(26% of consolidated net sales and 23% of consolidated trading profit)

<i>in � millions</i>	First-half 2006	First-half 2007	Reported change	Change at constant exchange rates
Net sales	2,375	2,946	+24.1%	+24.2%
Trading profit	87	114	+30.5%	+28.8%
<i>Trading profit margin</i>	3.7%	3.9%		

International operations confirmed their role as a growth driver.

Sales rose 24.1% to  2,946 million thanks to ongoing double-digit organic growth (11%) and the full consolidation of Exito from 1 May 2007. The Group's priority host regions, South America and Asia, continued to demonstrate their strong sales momentum with organic growth of 14.1% and 9.9%, respectively.

Trading profit totalled  114 million, up 30.5% from the  87 million recorded in first-half 2006. The sharp increase primarily reflects changes in the scope of consolidation led by the full consolidation of Exito. Indeed, international performance was boosted by asset portfolio remodelling. The Group

enhanced its profitability profile in South America by acquiring a controlling interest in Exito; it divested its stake in FEG in Taiwan, which posted a trading loss of €7 million in first-half 2006.

Lastly, the sale of the Group's interest in US-based Smart & Final to the Apollo investment fund was finalised on 29 May (see Note 6 to the consolidated financial statements).

South America

Brazil (CBD proportionately consolidated on a 34.2% basis)

Argentina

Uruguay (Disco proportionately consolidated on a 55% basis from 1 April 2006 (compared with 50% previously) and a 58% basis from 1 October 2006; Devoto fully consolidated)

Venezuela

Colombia (fully consolidated since 1 May 2007)

<i>in € millions</i>	First-half 2006	First-half 2007	Reported change	Change at constant exchange rates
Net sales	1,251	1,793	+43.4%	+47.2%
Trading profit	42	60	+41.8%	+45.1%
<i>Trading profit margin</i>	3.4%	3.3%		

Sales in South America surged by 43% over the period to €1,793 million. Full consolidation of Colombia-based Exito from 1 May 2007 accounted for €411 million of the total.

The acquisition of a controlling interest in Exito significantly increased the region's contribution to Group sales and trading profit and made Casino the leading food retailer in South America.

Following the acquisition of Carulla Vivero, Exito is Colombia's undisputed market leader, with the number one position in every retailing format. The new combination reported pro forma sales of €2.1 billion in 2006.

Casino became Exito's majority shareholder after acquiring a 21.9% interest on 3 May 2007. The shares were purchased during an auction on the Colombian Stock Exchange, following Casino's exercise on 16 January 2007 of its right of first offer on the shares to be sold by the Toro family.

Operations in South America recorded strong organic growth of 14.1% driven by an 11.8% increase in same-store sales.

At CBD in Brazil, actions to enhance price competitiveness lifted same-store sales by 5.1%. Same-store sales showed double-digit growth in the other countries in the region.

Trading profit rose 42% to €60 million in the first-half, primarily due to the consolidation of Exito.

Trading profit margin edged back by 4 bp despite the consolidation of Exito, whose operating profitability is higher than the average in the region's other countries. Margins improved noticeably in Argentina and Venezuela. CBD's price realignment strategy has weighed on margins but is paying off in terms of same-store sales growth.

Asia

Thailand

Vietnam

Taiwan (proportionately consolidated on a 50% basis until 14 September 2006)

<i>in € millions</i>	First-half 2006	First-half 2007	Reported change	Change at constant exchange rates
Net sales	731	752	+ 2.8%	-3.6%
Trading profit	28	40	+ 41.9%	+31.5%
<i>Trading profit margin</i>	3.8%	5.3%		

Operations in Asia turned in a good performance, with net sales up 9.9% like-for-like.

The sale of the Taiwan business had a negative impact on sales but a positive effect on trading profit growth. As a result, Asia became the Group's most profitable region outside France, with a trading profit margin of 5.3% in the first half.

Big C in Thailand delivered a satisfactory performance in a less favourable environment. Sales in local currency increased by 6%, led mainly by expansion. The company opened one hypermarket during the period, increasing the portfolio to 50 units. Profitability was maintained at a high level.

In Vietnam, sales were lifted by strong same-store growth of 20% and new store ramp-up. The opening of a new hypermarket in the first quarter brought the number of outlets under operation to six at 30 June 2007. Margins improved significantly over the period.

Indian Ocean

Vindémia

<i>in € millions</i>	First-half 2006	First-half 2007	Reported change	Change at constant exchange rates
Net sales	392	401	+2.2%	+2.9%
Trading profit	20	18	-10.1%	-10.2%
<i>Trading profit margin</i>	5.1%	4.6%		

Vindémia delivered organic sales growth of 2.9% and a 1.6% increase in same-store sales.

Trading profit declined by €2 million to €18 million, due for the most part to non-recurring events on Reunion Island. These included the favourable impact of insecticide sales in first-half 2006 during the Chikungunya fever outbreak and the negative impact on sales of an employee strike in June 2007.

Following Bourbon's exercise of its put option on its remaining interest in Vindémia, Casino's stake rose from 70% to 100% on 3 July 2007.

International associates

Laurus (Netherlands)

Associates of CBD (Brazil)

Exito (Colombia, until 1 May 2007, when the company was fully consolidated)

<i>in € millions</i>	First-half 2006	First-half 2007
CBD (Brazil)		
Share in profit (loss)	(3)	(2)
Exito (Colombia)		
Share in profit (loss)	5	7
Laurus (Netherlands)		
Share in profit (loss)	(3)	1
TOTAL	(1)	6

The Group's share in the profits of international associates improved by €7 million over the period to €6 million.

In the Netherlands, **Laurus** confirmed its turnaround after refocusing on Super de Boer. Successful marketing campaigns undertaken during the period drove a faster improvement in Super de Boer's performance, with a 5.4% gain in same-store sales in the second quarter building on a 3.1% increase in the first quarter. The company substantially narrowed its trading loss to €1 million from €29 million in first half 2006. Laurus posted a net profit for the period of €3 million versus a loss of €6 million the year before, making for a positive contribution to interim Group earnings of €1 million.

Comments On The Consolidated Financial Statements

Significant accounting policies

Pursuant to European regulation 1606/2002 of 19 July 2002, the consolidated financial statements for the six months ended 30 June 2007 have been prepared in accordance with the standards and interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union.

The interim consolidated financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting. They are presented in condensed format with selected explanatory notes, and do not therefore comprise all the information and notes included in a complete set of annual financial statements.

For this reason, they should be read in conjunction with the consolidated financial statements for the year ended 31 December 2006, which are available from the Company's headquarters, 24 rue de la Montat, Saint-Etienne, France and can be downloaded from the Company's website, www.groupe-casino.fr.

The accounting policies used to prepare the condensed interim consolidated financial statements are unchanged compared with those applied in the 2006 consolidated financial statements, with the exception of new standards and interpretations described in Note 2 to the consolidated financial statements.

Adjustments to previously reported financial information

During the second half of 2006, the Group identified certain businesses in the process of being disposed of that fulfilled the criteria for classification as "Non-current assets held for sale", as defined in IFRS 5. Consequently, the previously published income statements have been adjusted. The effect of these adjustments is presented in Note 6.

Main changes in the scope of consolidation

The main changes in the scope of consolidation are as follows:

- Disco (Uruguay) was proportionately consolidated on a 55% basis from 1 April 2006 (compared with 50% previously) and a 58% basis from 1 October 2006.
- Exito (Colombia), which was previously accounted for by the equity method, has been fully consolidated since 1 May 2007.
- In accordance with the provision of IFRS 5 concerning proportionately consolidated companies, the results of FEG (Taiwan) have not been recognised in consolidated profit since 14 September 2006, when the Group's interest in the company was classified as "held for sale".
- In accordance with the same standard, results of the divested Polish and US businesses have been recognised under " net profit from discontinued operations."

Net sales

Net sales for first-half 2007 rose 6.2% from the year-earlier period to €11,547 million. Changes in the scope of consolidation had a positive impact of 2.9%, stemming primarily from the full consolidation of Exito. The currency effect was neutral. A detailed review of sales growth is presented above, in the sections on French and International operations.

Trading profit

Trading profit grew by 14% over the period to €492 million. The currency effect was marginal at 0.3%. Changes in the scope of consolidation added 5.2% to growth, led primarily by the full consolidation of Exito. A detailed review of trading profit growth is presented above, in the sections on French and International operations.

Operating profit

Other operating income and expense showed a net expense of €17 million in first-half 2007, compared with net income of €95 million in first-half 2006.

The net expense of €17 million in first-half 2007 primarily included:

- €7 million for asset impairment.
- €19 million in provisions for disputes.
- An €11 million reversal of an impairment loss on the Group's stake in Laurus (see Note 12).

The net income of €95 million in first-half 2006 primarily included:

- €184 million in capital gains on asset disposals, of which €107 million on the sale of a 15% stake in Mercialys and €71 million on the disposal of warehouses.
- €61 million in impairment losses, of which €28 million for retained assets in Poland, €17 million following the valuation of the assets of Taiwan's Far Eastern Géant, and €16 million for the shares in Laurus.

After other operating income and expense, operating profit amounted to €475 million, down 9.9% from the €527 million recorded in first-half 2006.

Profit before tax

Profit before tax for the period declined by 17.6% to €354 million from €430 million in first-half 2006. This reflects net financial expense, which amounted to €120 million compared with €96 million in the first six months of 2006. The total includes:

- Finance costs, net of €127 million versus €98 million in first-half 2006.
- Other financial income, net of €7 million compared with €2 million in the year-earlier period.

Profit attributable to equity holders of the parent

Income tax expense came to €111 million, representing 31.4% of profit before tax. This compares with €136 million in first-half 2006.

The Group's **share of profit of associates** rose to €11 million from €7 million in first-half 2006, mainly due to improved profits at Laurus and, to a lesser extent, Exito. Exito was fully consolidated as from 1 May 2007.

Profit attributable to **minority interests** totalled €46 million compared with €47 million in first-half 2006, as the increase in minority interests in Mercialys and the full consolidation of Exito over two months offset the decline in minority interests in Asinco.

In light of these factors, **profit for the period from continuing operations attributable to equity holders of the parent** declined by 18.3% to €208 million from €254 million in first-half 2006.

Profit for the period from discontinued operations attributable to equity holders of the parent totalled €159 million, versus €3 million the year before. The first-half 2007 figure includes €152 million in capital gains on asset disposals (primarily US operations) and €7 million in net profit from divested businesses.

Profit for the period attributable to equity holders of the parent rose 42.5% to €367 million from €258 million in first-half 2006.

Lastly, **cash flow** increased 6.8% to €587 million from €549 million in first-half 2006.

Capital expenditure, acquisitions and disposals

Capital expenditure totalled €512 million versus €428 million in first-half 2006. Both of these figures include capital expenditure for the Polish and US operations (€41 million in first-half 2006 and €12 million in first-half 2007). The increase in this item primarily stems from Mercialys' acquisition of shopping centres and expansion by Big C in Thailand and CBD in Brazil.

Acquisitions (essentially Exito) came to €1,075 million.

Disposals amounted to €459 million, of which €298 from the sale of US operations and €104 million from the sale of the Polish businesses.

Financial position

At 30 June 2007, the Group had **net debt** of €6,015 million versus €4,390 million at 31 December 2006. The increase reflects the acquisition of a controlling stake and full consolidation of Exito.

Exito's July 2007 share issue and further asset sales will strengthen the Group's financial position at end-2007.

Equity also rose over the period, to €6,345 million from €5,972 million at 31 December 2006.

Parent company information

In first-half 2007, Casino, Guichard-Perrachon, the Group's parent company, reported revenue of €60 million compared with €54 million in the year-earlier period. Revenues consist mainly of royalties received from subsidiaries for the use of trademarks and banners, and expenses charged back to subsidiaries.

The Company recorded a net profit of €323 million compared with a net loss of €47 million in first-half 2006. This loss was due to provisions for impairment of shares in Leader Price Polska and Marushka holding (which carries the investment in Laurus), in an amount of €114 million. The first-half 2007 figure reflects proceeds from the sale of shares in US operations, in an amount of €179 million, and the reversal of an impairment loss on foreign subsidiaries, in an amount of €94 million, stemming primarily from changes in the exchange rate for the Brazilian real.

Related party transactions

The main related party transactions are described in Note 18 to the interim consolidated financial statements.

Outlook for 2007 – Areas of risk and uncertainty in the next six months

In light of its first-half performance, Casino has confirmed its objectives for full-year 2007:

- **Further growth in trading profit.**
- **Continued improvement in financial position to reach a net debt-to-EBITDA ratio of less than 2.5 by year-end.**

These forward-looking statements are based on what the Group believes to be reasonable assumptions, but are not an indication of future profits. They are subject to the risks and uncertainties inherent in the Group's businesses that could cause actual results to differ materially from the objectives and outlook provided above. A full discussion of these risks and uncertainties is provided in the 2006 registration document.

In particular, audits were carried out in March 2007 of Franprix's and Leader Price's 2006 accounts and management following the replacement of their management teams. Pending the final results of these audits, the 2006 financial statements of the Franprix and Leader Price sub-group's main holding and operating companies have not been closed or approved.

Subsequent events

The main events that occurred after the closure date are described in Note 19 to the interim consolidated financial statements.

Interim Consolidated Financial Statements

The figures in the following tables have been rounded individually to the nearest million euros. Consequently, the totals and sub-totals may not correspond exactly to the sum of the reported amounts.

CONSOLIDATED INCOME STATEMENT

For the six month periods ended 30 June 2007 and 30 June 2006

in € millions	Notes	30 June 2007 (✓)	30 June 2006 adjusted* (✓)
CONTINUING OPERATIONS			
Net sales	8	11,547	10,872
Other income		104	126
Total revenue		11,651	10,999
Cost of goods sold	9	(8,554)	(8,165)
Gross profit		3,097	2,834
<i>as a % of sales</i>		26.8%	26.1%
Employee benefits expense		(1,173)	(1,075)
Other expenses		(1,090)	(1,000)
Depreciation, amortisation and provisions		(343)	(328)
Trading profit		492	431
<i>as a % of sales</i>		4.3%	4.0%
Other operating income and expense	10	(17)	95
Operating profit		475	527
<i>as a % of sales</i>		4.1%	4.8%
Income from cash and cash equivalents		30	27
Finance costs		(157)	(125)
Finance costs, net		(127)	(98)
Other financial income		49	38
Other financial expense		(42)	(36)
Profit before tax		354	430
<i>as a % of sales</i>		3.1%	4.0%
Income tax expense		(111)	(136)
Share of profits of associates		11	7
Net profit from continuing operations		254	301
<i>as a % of sales</i>		2.2%	2.8%
Attributable to equity holders of the parent		208	255
Attributable to minority interests		46	47
DISCONTINUED OPERATIONS			
Net profit from discontinued operations	6	164	7
Attributable to equity holders of the parent		159	3
Attributable to minority interests		5	4
CONTINUING AND DISCONTINUED OPERATIONS			
Net profit for the period		418	308
Attributable to equity holders of the parent		367	258
Attributable to minority interests		51	51

* See Note 6 - Non-current assets held for sale and discontinued operations.

(✓) The Auditors have performed a limited review of the interim financial statements for the periods ended 30 June 2007 and 30 June 2006.

Earnings per ordinary share

In euros	30 June 2007 (✓)	30 June 2006 Adjusted* (✓)
From continuing operations		
Basic earnings per share	1.59	2.02
Diluted earnings per share	1.59	2.01
From continuing and discontinued operations		
Basic earnings per share	3.02	2.05
Diluted earnings per share	3.01	2.04

Earnings per preferred non-voting share

In euros	30 June 2007 (✓)	30 June 2006 Adjusted* (✓)
From continuing operations		
Basic earnings per share	1.63	2.06
Diluted earnings per share	1.63	2.05
From continuing and discontinued operations		
Basic earnings per share	3.05	2.08
Diluted earnings per share	3.05	2.08

* See Note 6 - Non-current assets held for sale and discontinued operations.

(✓) The Auditors have performed a limited review of the interim financial statements for the periods ended 30 June 2007 and 30 June 2006.

CONSOLIDATED BALANCE SHEET

At 30 June 2007 and 31 December 2006

ASSETS in € millions	Notes	30 June 2007 (✓)	31 December 2006
Goodwill	5	6,271	5,578
Intangible assets		389	260
Property, plant and equipment	11	6,154	4,849
Investment property	11	956	874
Investments in associates	12	258	436
Non-current financial assets		479	375
Non-current hedging instruments		71	78
Deferred tax assets		111	137
Total non-current assets		14,688	12,587
Inventories		2,243	1,833
Trade receivables		1,454	1,482
Other assets		1,061	940
Current tax receivables		44	45
Current hedging instruments		132	156
Cash and cash equivalents	13	2,413	2,009
Non-current assets held for sale	6		715
Total current assets		7,347	7,180
TOTAL ASSETS		22,036	19,767
EQUITY AND LIABILITIES in € millions	Notes	30 June 2007 (✓)	31 December 2006
Share capital		172	171
Additional paid-in capital, treasury shares and reserves		5,191	4,636
Profit attributable to equity holders of the parent		367	600
Equity attributable to equity holders of the parent		5,729	5,406
Minority interests in reserves		564	439
Minority interests in profit for the period		51	126
Minority interests		615	566
Equity		6,345	5,972
Provisions		270	230
Non-current financial liabilities	13	5,565	4,620
Other non-current liabilities		37	38
Deferred tax liabilities		360	338
Total non-current liabilities		6,232	5,226
Provisions		169	167
Trade payables		3,797	3,651
Current financial liabilities	13	3,066	2,014
Current taxes payable		43	46
Other current liabilities		2,383	2,342
Liabilities associated with non-current assets held for sale	6		350
Total current liabilities		9,459	8,570
Total equity and liabilities		22,036	19,767

* See Note 6 - Non-current assets held for sale and discontinued operations.

(✓) The Auditors have performed a limited review of the interim financial statements for the period ended 30 June 2007.

CONSOLIDATED CASH FLOW STATEMENT

For the six-month periods ended 30 June 2007 and 30 June 2006

in € millions	Notes	30 June 2007 (✓)	30 June 2006 (*)(✓)
Profit attributable to equity holders of the parent		367	258
Profit attributable to minority interests		51	51
Profit for the period		418	308
Depreciation and amortisation expense		295	295
Additions to/reversals of provisions (other than on current assets)		(12)	86
Unrealised gains and losses arising from changes in fair value		30	30
Income and expenses on share-based payment plans		6	6
Other non-cash items		11	6
Depreciation and amortisation and other non-cash items		331	423
(Gains)/losses on disposal of non-current assets		(159)	(185)
Share of profits of associates		(11)	8
Dividends received from associates		8	11
Cash flow		587	549
Finance costs, net (excluding changes in fair value and amortisation)		96	84
Current and deferred tax expenses		125	128
Cash flow before finance costs, net and tax		809	761
Income tax paid		(111)	(150)
Change in operating working capital (i)		(361)	(621)
Net cash provided/(used) by operating activities		338	(11)
Out flows of acquisitions:			
• Property, plant and equipment, intangible assets and investment property		(507)	(428)
• Non-current financial assets		(59)	(54)
Inflows of disposals:			
• Property, plant and equipment, intangible assets and investment property		29	149
• Non-current financial assets		8	3
Effect of changes in scope of consolidation (iii)		204	215
Variance in loans granted		1	2
Net cash provided/(used) by investing activities		(324)	(111)
Dividends paid			
• To equity holders of the parent		(241)	(232)
• To minority shareholders		(26)	(31)
• To holders of deeply subordinated perpetual bonds (TSSDI)		(45)	(45)
Increase/(decrease) in share capital		24	(5)
Proceeds received from the exercise of stock options		1	3
(Purchases)/sales of treasury shares		(23)	56
Additions to debt		1,256	171
Repayments of debt		(596)	(279)
Interest paid, net		(152)	(144)
Net cash provided/(used) by financing activities		198	(506)
Translation adjustment		30	2
Change in cash and cash equivalents		241	(626)
Cash and cash equivalents at beginning of period		1,653	1,687
Less cash and cash equivalents related to non-current assets held for sale*		(14)	-
Net cash and cash equivalents of continuing operations at beginning of period	13	1,639	1,687
Cash and cash equivalents at end of period		1,894	1,061
Less cash and cash equivalents related to non-current assets held for sale*		-	70
Net cash and cash equivalents of continuing operations at end of period	13	1,894	1,132

* See Note 6 - Non-current assets held for sale and discontinued operations.

(✓) The Auditors have performed a limited review of the interim financial statements for the periods ended 30 June 2007 and 30 June 2006.

(i) Change in operating working capital

in € millions	30 June 2007 (✓)	30 June 2006
Inventories	(85)	(92)
Trade payables	(190)	(479)
Trade receivables	109	(6)
Finance receivables (credit activity)	(31)	(26)
Finance payables (credit activity)	2	18
Other	(166)	(36)
Change in operating working capital	(361)	(621)

(ii) Effect of changes in scope of consolidation

in € millions	30 June 2007 (✓)	30 June 2006
Disposal proceeds of which:	404	276
Groupe Casino USA	265	
Far Eastern Geant	35	
Géant Polska	94	
Leader Price Polska	10	
Mercialys		236
Feu Vert		40
Acquisition cost of which:	(439)	(62)
Exito (equity method)	(43)	(22)
Exito	(299)	
Vegas Argentina	(63)	
Cdiscount	(13)	
Vindémia sub-group (EBT)	(15)	
Banque Groupe Casino		(14)
Disco / Lanin		(10)
Cash of subsidiaries acquired or sold during the period, of which :	239	0
Exito	143	
Latic	80	
Exito sub-group (Carulla)	19	
Effect of changes in scope of consolidation	204	215

* See Note 6 - Non-current assets held for sale and discontinued operations.

(✓) The Auditors have performed a limited review of the interim financial statements for the periods ended 30 June 2007 and 30 June 2006.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
BEFORE APPROPRIATION OF PROFIT

in € millions	Share capital	Additional paid-in capital	Treasury shares	Retained earnings and profit for the period	Deeply subordinated perpetual bonds	Net income recognised directly in equity	Equity attributable to equity holders of the parent	Minority interests	Total equity
At 1 January 2006 (ii)	171	3,892	(94)	96	600	501	5,167	471	5,638
Income and expense recognised directly in equity						(126)	(126)	(11)	(136)
Profit for the period				258			258	51	308
Total recognised income and expense				258		(126)	132	40	172
Issue of share capital									
Purchases and sales of treasury shares			55	1			56		56
Dividends paid				(232)			(232)	(31)	(263)
Dividends paid to deeply subordinated perpetual bondholders				(30)			(30)		(30)
Changes in scope of consolidation (iii)								128	128
Other (iv)				5			5	(33)	(28)
At 30 June 2006	171	3,892	(39)	98	600	375	5,098	575	5,673
Income and expense recognised directly in equity						(67)	(67)	2	(66)
Profit for the period				342			342	76	418
Total recognised income and expense				342		(67)	275	77	352
Issue of share capital		2					2		2
Purchases and sales of treasury shares			31	2			33		33
Dividends paid							0	(11)	(11)
Dividends paid to deeply subordinated perpetual bondholders							0		0
Changes in scope of consolidation (v)							0	(70)	(70)
Other (iv)				(2)			(2)	(5)	(7)
At 31 December 2006	171	3,894	(8)	440	600	308	5,406	566	5,972
Income and expense recognised directly in equity						230	230	10	240
Profit for the period				367			367	51	418
Total recognised income and expense				367		230	597	61	658
Issue of share capital	0	14					14		14
Purchases and sales of treasury shares			(29)	5			(24)	0	(24)
Dividends paid				(241)			(241)	(26)	(267)
Dividends paid to deeply subordinated perpetual bondholders				(30)			(30)		(30)
Changes in scope of consolidation (vi)								33	33
Other (iv)				7			7	(18)	(12)
At 30 June 2007	172	3,908	(37)	549	600	538	5,729	615	6,345

(✓) The Auditors have performed a limited review of the interim financial statements for the periods ended 30 June 2007 and 30 June 2006.

(i) Additional paid-in capital: premiums on shares issued for cash, in payment of assets and in connection with mergers, and statutory reserves.

(ii) Equity for prior periods has been adjusted following adoption of the amendment to IAS 19.

(iii) The increase in minority interests is mainly due to the disposal of Mercialys shares.

(iv) The decrease in minority interests (other) is related to the Asinco and Vindémia puts and Exito. The €7 million reported at 30 June 2007 corresponds to recognition of the periodic costs of share-based payment plans.

(v) The decrease in minority interests reflects the change in scope of consolidation at Asinco.

(vi) The change in scope of consolidation mainly involves the recognition of minority interests following full consolidation of Exito and the derecognition of minority interests following the sale of Casino USA.

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

For the periods ended 30 June 2007 and 30 June 2006, as well as the second-half of 2006.

in € millions	From 1 January 2007 to 30 June 2007 (✓)	From 1 July 2006 to 31 December 2006	From 1 January 2006 to 30 June 2006 (✓)
Effect of differences on translating foreign operations	172	(68)	(136)
Actuarial gains and losses	0	1	0
Gains and losses from remeasurement at fair value of assets and liabilities held in prior periods (i)	70		
Gains and losses from remeasurement at fair value of available-for-sale financial assets (i)	0	1	0
Hedge accounting	(3)		
Income and expense recognised directly in equity	240	(66)	(136)
Profit for the period	418	418	308
Total recognised income and expense for the period	658	352	172
Attributable to equity holders of the parent	597	275	132
Attributable to minority interests	61	77	40

(✓) The Auditors have performed a limited review of the interim financial statements for the periods ended 30 June 2007 and 30 June 2006.

(i) Net of tax.

GROUPE CASINO
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Six months ended 30 June 2007

Note 1: General information

Casino, Guichard-Perrachon (“the Company”) is a *société anonyme* governed by French law. Its shares are listed on Euronext Paris, in compartment A. The Company and its subsidiaries are referred to in these notes as “the Group” or “group Casino”.

The interim consolidated financial statements for the six months ended 30 June 2007 reflect the accounting situation of the Company, its subsidiaries and jointly-controlled companies, as well as the Group’s interests in associates. Our auditors have performed a limited review of the interim consolidated financial statements for the six month period ended 30 June 2007.

The interim consolidated financial statements were approved for publication by the Board of Directors on 30 August 2007.

Note 2: Basis of preparation of the financial statements and accounting policies

2.1. Basis of preparation

Pursuant to European regulation 1606/2002 of 19 July 2002, the consolidated financial statements for the six months ended 30 June 2007 have been prepared in accordance with the standards and interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union.

The condensed interim consolidated financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting.

They are presented in condensed format with selected explanatory notes, and do not therefore comprise all the information and notes included in a complete set of annual financial statements. For this reason, they should be read in conjunction with the consolidated financial statements for the year ended 31 December 2006, which are available from the Company’s headquarters, 24 rue de la Montat, Saint-Etienne, France and can be downloaded from the Company’s website, www.groupe-casino.fr.

2.2. Summary of significant accounting policies

The accounting policies used to prepare the condensed interim consolidated financial statements are unchanged compared with those applied in the 2006 consolidated financial statements, with the exception of new standards and interpretations described below.

2.2.1. New standards and interpretations applicable in 2007

- IFRS 7 – Financial Instruments: Disclosures – and Amendment to IAS 1 – Presentation of Financial Statements: Capital Disclosure – call for disclosure of information on the significance of financial instruments for the Group’s financial position and performance, as well as qualitative and quantitative information about the nature and extent of risks arising from financial instruments. IFRS 7 and the amendment to IAS 1 have no impact on the interim consolidated financial statements at 30 June 2007 because they are condensed financial statements prepared in accordance with IAS 34. Additional information on financial instruments and capital will be provided in the notes to the consolidated financial statements for the year ending 31 December 2007.

- IFRIC 7 “Applying the Restatement Approach under IAS 29 – Financial Reporting in Hyperinflationary Economies”. The Group is not concerned by this interpretation.
- IFRIC 8 “Scope of IFRS 2 – Share-Based Payment” stipulates that IFRS 2 applies to transactions in which an entity or an entity shareholders have granted equity instruments or incurred a liability to transfer cash or other assets for amounts that are based on the price of the entity’s shares or other instruments of the entity, when the identifiable consideration received by the entity appears to be less than the fair value of the equity instruments granted or liability incurred. This interpretation had no impact on the consolidated financial statements.
- IFRIC 9 “Reassessment of Embedded Derivatives” concludes that an entity must assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative (in accordance with IAS 39) when the entity first becomes a party to the contract or if there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract. The Group is not concerned by this interpretation.
- IFRIC 10 “Interim Financial Reporting and Impairment” specifies that an impairment loss recognized in a previous interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost cannot be reversed in future periods. The interpretation is applicable prospectively as from the date at which the entity first applied IAS 36 and IAS 39 (for Casino, 1 January 2004). This interpretation had no impact on the consolidated financial statements.

2.2.2. New interpretation not yet applicable, adopted by the European Union

- IFRIC 11 “IFRS 2: Group and Treasury Share Transactions” provides guidance on the accounting treatment of share-based payments involving an entity's own equity instruments and share-based payments involving equity instruments of the parent. The Group did not opt to early adopt this interpretation, which will be applied to the Casino’s financial statements as from 1 January 2009.

2.3. Changes to financial statements previously published

During the second half of 2006, the Group identified certain businesses in the process of being disposed of that fulfilled the criteria for classification as “Non-current assets held for sale”, as defined in IFRS 5. Consequently, the previously published income statements have been adjusted. The effect of these adjustments is presented in Note 6.

2.4. Use of estimates

The preparation of consolidated financial statements requires management to use estimates and assumptions that may affect the reported amount of certain assets and liabilities and income and expenses, as well as the disclosures made in certain notes to the consolidated financial statements. Due to the inherent uncertainty of assumptions, actual results may differ from the estimates. Estimates and assessments are regularly reviewed and adjusted where necessary to take into account past experience and any relevant economic factors.

The main estimates and assumptions are based on information available when the financial statements are approved by the Board and concern the following:

- Commercial cooperation fees.
- Impairment losses on inventories and receivables.
- Provisions.
- Put options granted to minority shareholders and earn-out payments on business combinations.
- Impairment losses on intangible assets and goodwill.
- Impairment losses on investments in associates accounted for by the equity method.
- Valuation of employee stock options.
- Deferred taxes.
- Financial assets and liabilities.

Note 3: Significant events of the period

- On 16 January 2007, the Group exercised its right of first offer in connection with the Toro family's 24.5% stake in Exito. The shares were purchased on 3 May 2007 through a “martillo” auction process on the Colombian Stock Exchange. Exito is now fully consolidated. The impact of this acquisition is described in Note 5.1.1. During the period, Exito acquired a 77% interest in Carulla Vivero (see Note 5.1.2).
- On 20 February 2007, Smart & Final signed an agreement with Apollo, a private equity company, under which Apollo purchased Casino's interest in Smart & Final. The impact of this transaction, carried out on 29 May 2007, is described in Note 6.
- In March and April 2007, Casino decided to appoint a new management team to run Franprix and Leader Price. In early April 2007, the minority shareholders of Leader Price Holding informed Casino that they contested the conditions of their replacement as managers of the business and that, consequently, they intended to exercise their put options early. In view of the terms of the shareholders' pact and their mismanagement, Casino rejected outright their right to exercise the options early. The Group is confident that proceedings currently under way will be decided in its favour.
- Following various share purchases and a share issue in the second quarter of 2007, Casino now holds 66.8% of Cdiscount. These transactions resulted in the recognition of additional goodwill in an amount of €16 million.
- On 2 May 2007, Casino announced a partnership agreement with Cencosud to create a joint venture to develop the do-it-yourself market in Colombia and define a framework for possibly expanding the business into other Latin American markets. The impact on the financial statements is described in Note 5.2.
- On 22 June 2007, Casino announced a change in the exercise period of its call option on Laurus shares. ABN Amro, ING and Rabobank ("the Banks") and Casino have jointly agreed to postpone the beginning of the exercise period of Casino's call option on the Banks' participation in Laurus (allowing Casino to raise its stake to 51.2% from 45.0% currently), from 1 July 2007 to 1 January 2008. The other terms and conditions of the option remain unchanged.

Note 4: Changes in the scope of consolidation

At 30 June 2007, Groupe Casino comprised some 1,050 consolidated companies, compared with 1,040 at 31 December 2006.

The main changes are described in Note 5 – Business combinations – and Note 6 – Non-current assets held for sale and discontinued operations

Note 5: Business combinations

5.1 Retail in Colombia

5.1.1 Almacenes Exito S.A.

In the first quarter of 2007, Casino increased its stake in Almacenes Exito from 38.6% to 39.5% through the acquisition of individual shares. During the second quarter, and primarily on 3 May 2007, the Group acquired a further 26% interest, bringing its total stake to 65.5%. Almacenes Exito is a listed company, incorporated in Colombia. The Exito group is Colombia's leading retailer, with such banners as Exito, Pomona and Ley.

Casino accounted for the acquisition of a controlling stake according to the purchase method.

In the interim consolidated financial statements, Exito was accounted for by the equity method from 1 January to 30 April 2007 and fully consolidated from 1 May to 30 June 2007.

The provisional fair values of Exito's identifiable assets and liabilities as of the date of acquisition are presented below.

in € millions	Carrying amount (i)	Fair value adjustments (ii)	Fair value recognised on acquisition (iii)
Goodwill	138	(138)	0
Intangible assets	10	(3)	8
Property, plant and equipment	528	300	828
Investment property	10	4	14
Non-current financial assets	64	26	90
Deferred tax assets	0	17	17
Total non-current assets	750	206	956
Inventories	187	(1)	185
Trade receivables	8	0	8
Other assets	45	4	48
Current tax receivables	7	0	7
Cash and cash equivalents	130	0	130
Total current assets	376	3	379
Provisions	5	3	9
Non-current financial liabilities	159	(13)	146
Deferred tax liabilities	27	32	59
Total non-current liabilities	191	23	214
Provisions	6	0	6
Trade payables	146	16	162
Current financial liabilities	69	8	77
Taxes payable	0	5	4
Other current liabilities	121	(21)	100
Total current liabilities	340	8	348
Total identifiable assets and liabilities, net	596	178	773
Identifiable assets and liabilities acquired, net			200
Goodwill			117
Acquisition cost:			317
Liability corresponding to put option granted to minority shareholders			210
Additional goodwill			67
Total goodwill			184

(i): Carrying amounts were measured according to IFRS immediately prior to the acquisition. A detailed analysis is currently under way that could result in re-classifications.

(ii): Certain fair value adjustments stemming from reclassifications referred to in (i) above are currently negative. These adjustments will be revised at 31 December 2007.

(iii): The fair values shown above are provisional. In particular, they do not include the fair value of intangible assets acquired and liabilities and contingent liabilities assumed.

The total cost of the business combination was €317 million, of which €296 million for the shares and €21 million directly attributable expenses. At 30 June 2007, only €18 million remained to be paid.

The Group has granted put options on shares representing 16.9% of Exito's issued capital. The fair value of the corresponding liability at 30 June 2007 was €210 million, leading to recognition of goodwill in an amount of €67 million.

Goodwill in respect of Exito recognised in the consolidated financial statements totalled €202 million at 30 June 2007. This comprises €8 million in previously recognised goodwill, €127 million in provisional goodwill related to the current acquisition (after taking into account of a €10 million translation difference), and €67 million stemming from the recognition in liabilities of the put options granted to Exito's minority shareholders.

Because the fair value of the assets acquired and liabilities assumed has not yet all been finalised, provisional goodwill will be adjusted within the 12-month period authorised under IFRS 3. Remeasurement of the original stake led to the provisional recognition of €70 million in equity.

5.1.2. Carulla Vivero

During the first-half, Exito acquired a 77% interest in Carulla Vivero, a retailer in Colombia that operates under the Carulla, Vivero, Merquefacil, Surtimax and Homemart banners.

The controlling stake was accounted for according to the purchase method.

The provisional fair value of Carulla Vivero's identifiable assets and liabilities as of the date of acquisition is presented below.

in € millions	Carrying amount (i)	Fair value adjustments (ii)	Fair value recognised on acquisition (iii)
Intangible assets	5	95	101
Property, plant and equipment	241	(27)	214
Non-current financial assets	3	0	3
Deferred tax assets	11	3	13
Total non-current assets	260	71	331
Inventories	91	(4)	88
Trade receivables	11	0	11
Other assets	26	(13)	13
Current tax receivables	3	0	3
Cash and cash equivalents	19	0	19
Total current assets	151	(17)	134
Provisions	2	1	2
Non-current financial liabilities	78	5	83
Deferred tax liabilities	0	27	27
Total non-current liabilities	80	32	112
Provisions	0	0	0
Trade payables	78	0	78
Current financial liabilities	48	0	48
Taxes payable	1	0	1
Other current liabilities	34	3	37
Total current liabilities	161	3	164
Identifiable assets and liabilities, net	170	19	189
Identifiable assets and liabilities acquired, net			146
Goodwill			187
Acquisition cost:			332
Liability corresponding to put option granted to minority shareholders			139
Additional goodwill			96
Total goodwill			282

(i): Carrying amount was measured according to Colombian GAAP immediately prior to the acquisition.

(ii): Fair value adjustments reflect the impact of converting financial statements prepared in accordance with Colombian GAAP to IFRS, as well as re-measurement of assets and liabilities at the time of acquisition.

(iii): These fair values are provisional.

The acquisition cost a total €332 million, of which €322 million for the shares and €10 million direct expenses.

Exito has granted a put option to minority shareholders for shares representing 22.5% of Carulla Vivero's issued capital. The fair value of the corresponding liability at 30 April 2007 was €139 million, leading to recognition of additional goodwill in an amount of €96 million. Net debt totalled €152 million at 30 June 2007 and goodwill in respect of Carulla Vivero amounted to €310 million.

Because the fair values of the assets acquired and liabilities assumed have not yet all been determined, provisional goodwill will be adjusted within the 12-month period authorised under IFRS 3.

5.1.3 Impact on the Group financial statements

The impact on the Group's cash position was as follows:

in € millions	
Net cash and cash equivalents acquired with the company	151
Amounts paid	(298)
Net outflow of cash and cash equivalents	(147)

Exito (including Carulla Vivero) contributed €17 million to consolidated net profit for the period, including €7 million for the period from 1 January to 30 April, recognised under "Share of profits of associates", and €9 million for the period from 1 May to 30 June, included in profit from consolidated companies. If the acquisition had been effective 1 January, profit from continuing operations would have totalled €266 million and total revenue would have come to €12,288 million.

5.2 DIY business – Vegas Argentina S.A.

On 2 May 2007, Casino announced a partnership agreement with Cencosud to create a joint venture.

Pursuant to this agreement, the Group acquired all outstanding shares in Vegas Argentina S.A. for USD85 million on 29 June 2007. Through Easy Holland (70%-owned by Cencosud), Vegas Argentina holds 30% of Easy Colombia, the unit that will develop the DIY business in Colombia.

The total cost of the business combination was €64 million, of which €63 million for the shares, paid in cash and €1 million in directly attributable expenses. The acquired assets were valued at €11 million, giving rise to goodwill of €53 million.

Because the acquisition was carried out on 29 June 2007, Vegas Argentina did not contribute to interim consolidated profit. There would have been no impact on Group profit and sales if the acquisition had been carried out at the beginning of the year.

Note 6: Non-current assets held for sale and discontinued operations.

In keeping with its plan to refocus on its core business, the Group announced the sale of its retail operations in Poland and its holdings in Far Easter Géant and Smart & Final in 2006. Because the disposals had not been made or were only partially completed as of 31 December 2006, the related assets and liabilities were recorded under "Non-current assets held for sale".

As the Polish and North American activities represent a separate, major geographical area of operation, their income statements are presented under the line item "Discontinued operations" and prior-year comparatives have been adjusted accordingly.

The North American operations were reclassified under "Non-current assets held for sale" in early November 2006 and data for first-half 2006 has therefore been adjusted in relation to previously published statements.

6.1. Polish retailing businesses

On 17 July 2006, Casino announced the sale of its Polish retailing business. The Géant hypermarket business was sold to Real (Metro Group), the properties were sold to GE Real Estate, and Leader Price

Polska was sold to the Tesco Group. Most of the disposals had been completed as of 31 December 2006.

Net profit from discontinued operations totalled €35 million for the period.

The Polish businesses formed the “Europe excluding France” geographical segment. These businesses are considered as having been discontinued and are presented as such in the income statement.

6.2. Operations in Taiwan – Far Eastern Géant

The sale of the Group’s 50% interest in Far Eastern Géant was still in progress as of 31 December 2006. As a result, the shares were recognised under non-current assets held for sale (€91 million) and associated liabilities (€70 million).

The transaction had been completed as of 30 June 2007.

Because this was not a discontinued operation, comparative income statement data has not been adjusted.

6.3 North American business

Casino announced the sale of its North American businesses on 20 February 2007. Because the transaction had not been completed as of 31 December 2006, the related assets and liabilities were recognised under non-current assets held for sale and associated liabilities and profit and loss items were presented under the line item “Discontinued operations”.

Net profit from discontinued operations totalled €128 million.

6.4. Impact on the financial statements

The income statements of the Polish and North American businesses, presented on a single line of the consolidated income statement under discontinued operations, break down as follows:

in € millions	30 June 2007			30 June 2006		
	Poland	USA	Total	Poland	USA	Total
Net sales	8	617	624	426	765	1,192
Other income	1	1	2	2	1	3
Total revenue	9	618	627	429	766	1,194
Cost of goods sold	(6)	(492)	(498)	(336)	(611)	(947)
Gross profit	3	126	129	93	154	247
Employee benefits expense	(1)	(52)	(53)	(25)	(63)	(88)
Other expenses	(2)	(54)	(55)	(43)	(63)	(106)
Depreciation, amortisation and provisions	0	1	1	(19)	(12)	(31)
Trading profit	1	21	22	6	17	23
Other operating income and expense	40	114	153	(13)	(1)	(15)
Operating profit	40	135	175	(8)	16	8
Finance costs, net	0	(2)	(2)	(6)	(4)	(11)
Other financial income	1	5	5	0	2	2
Other financial expense	0	0	0	0	(1)	(1)
Profit before tax	41	137	178	(14)	12	(2)
Income tax expense	(5)	(10)	(15)	12	(4)	8
Share of profits of associates	0	1	1	0	0	0
Net result from discontinued operations	35	128	164	(2)	9	7
Of which proceeds from divestment, net	34	118	152			
Of which result for the period	1	11	12	(2)	9	7

Cash flow statement for the Polish and North American businesses:

in € millions	Poland	USA	30 June 2007 (✓)
Net cash provided/(used) by operating activities	0	5	5
Net cash provided/(used) by investing activities	0	(34)	(34)
Net cash provided/(used) by financing activities	0	(3)	(3)
Translation adjustment			
Net change in cash and cash equivalents of discontinued operations	0	(31)	(31)
Cash and cash equivalents at beginning of period	0	31	31
Cash and cash equivalents at end of period	0	0	0
FEG cash at beginning of period reclassified as non-current assets held for sale			(17)
FEG cash at end of period reclassified as non-current assets held for sale			0

(✓) The Auditors have performed a limited review of the interim financial statements for the period ended 30 June 2007.

Note 7: Seasonal fluctuations in business

Seasonal fluctuations in business are limited. Net sales for 2006 at constant exchange rates and based on a comparable scope of consolidation broke down as 45.8% for the first-half and 54.2% for the second-half.

Note 8: Segment information

Casino's primary segment reporting format is the geographic segment, reflecting the Group's management and internal reporting structure. Segment profit includes goodwill impairment losses but does not include other operating income and expenses. The negative €17 million in other operating income and expense listed in the income statement primarily concerns operations in France.

30 June 2007

in € millions (✓)	France	Europe excluding France	Latin America	Asia	Indian Ocean	Continuing operations	Discontinued operations	Total
Segment revenue	8,601	1	1,793	751	401	11,547	624	12,172
Segment result	378	(4)	60	40	18	492	22	514

30 June 2006

in € millions (✓)	France	Europe excluding France	Latin America	Asia	Indian Ocean	Continuing operations	Discontinued operations	Total
Segment revenue	8,497	1	1,251	731	392	10,872	1,192	12,064
Segment result	344	(3)	42	11	20	414	23	437

(✓) The Auditors have performed a limited review of the interim financial statements for the periods ended 30 June 2007 and 30 June 2006.

Note 9: Cost of goods sold

in € millions	30 June 2007 (✓)	30 June 2006 Adjusted* (✓)
Purchases and change in inventories	(8,146)	(7,753)
Logistics costs	(408)	(412)
Cost of goods sold	(8,554)	(8,165)

in € millions	30 June 2007 (✓)	30 June 2006 Adjusted* (✓)
Employee benefits expense	(102)	(109)
Other expenses	(285)	(282)
Taxes other than on income	(8)	(9)
Depreciation, amortisation and provisions	(14)	(11)
Logistics costs	(408)	(412)

* See Note 6 - Non-current assets held for sale and discontinued operations.

(✓) The Auditors have performed a limited review of the interim financial statements for the periods ended 30 June 2007 and 30 June 2006.

Note 10: Other operating income and expense

Other operating income and expense, totalled a negative €17 million. The main components included €7 million in impairment losses, €19 million in provisions for disputes, €2 million in restructuring provisions and an €11 million reversal of impairment losses on the Group's investment in Laurus. This reversal is described in Note 12.

Note 11: Property, plant and equipment and investment property

Acquisitions and disposals: Purchases of property, plant and equipment and investment property in first-half 2007 amounted to €397 million, versus €345 million in first-half 2006.

Impairment losses: No new impairment losses were recorded during the period.

Note 12: Investments in associates

In accordance with IAS 28, the recoverable amount of the Group's investment in Laurus was determined based on the higher of fair value (measured by reference to the share price) and value in use (measured by the discounted cash flows method), and on the results of a valuation performed by a bank at 31 December 2006. This valuation was updated internally to take into account the actual change in net debt as compared to the initial estimate. The update gave rise to a reversal of impairment losses in an amount of €11 million, recognised in the interim financial statements under "Other operating income and expenses" (see Note 10). As a result, the value of Group's investment in Laurus came to €171 million. As the fair value, measured by reference to the share price, amounted to €173 million at 30 June 2007, Casino decided for practical reasons to recognise the investment at its value in use.

Note 13: Cash and cash equivalents and net debt

Cash and cash equivalents and net debt can be analysed as follows:

Cash and cash equivalents

in € millions	30 June 2007 (✓)	31 December 2006
Cash	430	684
Cash equivalents	1,983	1,324
Spot loans and confirmed credit facilities	(49)	0
Bank overdrafts	(470)	(370)
Net cash and cash equivalents	1,894	1,639

Net debt

in € millions	30 June 2007 (✓)	31 December 2006
Net cash and cash equivalents	1,894	1,639
Borrowings (other than bank overdrafts)	7,909	6,029
Net debt	6,015	4,390

(✓) The Auditors have performed a limited review of the interim financial statements for the period ended 30 June 2007.

Cash and cash equivalents include the €102 million proceeds from sales of receivables fulfilling the derecognition criteria of IAS 39 (31 December 2006: €137 million).

Net debt includes put options granted to minority shareholders. Pending the outcome of legal proceedings, the liability corresponding to the put options granted to minority shareholders of Franprix Holding and Leader Price Holding was maintained in the balance sheet at 30 June 2007 without any reduction to reflect the findings of the audits under way, as the investigations and assessments have not yet been completed.

Note 14: Dividends

At the Annual General Meeting of 31 May 2007, shareholders approved payment of a dividend of €2.15 per ordinary share and €2.19 per preferred non-voting share. The dividend paid to holders of deeply subordinated perpetual bonds amounted to €75.

Dividends deducted from equity at 30 June 2007 totalled €241 million.

Note 15: Share-based payments

The terms and conditions of the plans and the methods used to calculate the fair value of the options are described in Note 3.16.4 to the consolidated financial statements for the year ended 31 December 2006.

At its meetings of 13 April and 31 May 2007, the Board of Directors decided to set up a new stock option plan, as well as two share grant plans, for Group managers and senior executives. Members of the Management Committee were granted 95,667 of the 362,749 stock options, 20,133 of the 158,851 shares under the first share grant plan and all 11,700 shares under the second share grant plan.

Details of the stock option plan and the main assumptions applied to value the options granted on 13 April 2007 are presented below.

- Share price on the grant date: €77.25
- Option exercise price: €75.75
- Projected dividend yield: 5%
- Projected volatility: 23.55%,
- Estimated life of the options: 5.5 years
- Risk-free interest rate: 4.78%.

On the above basis, the fair value of each option is €16.73.

The fair value of the new share grant plans corresponds to the share price on the date of grant less dividends not received during the lock-up period (i.e., €70.13 for the shares granted on 13 April 2007 and €74.01 for the shares granted on 31 May 2007).

During the six months ended 30 June 2007, 228,295 options were exercised, resulting in a €14 million increase in the share capital.

Note 16: Borrowings and other financial liabilities

Main movements during the period:

- On 27 March 2007, Casino, Guichard-Perrachon carried out a €750 million bond issue at 99.271% of par. The bonds are due on 10 April 2014 and will be redeemed at par. The nominal interest rate is 4.875%, for an effective interest rate of 5.063%. The interest rate after hedging corresponds to the 3-month Euribor + 67 bps.
- €80 million worth of bonds were redeemed early on 16 April 2007, reducing the nominal amount of the issue to €989 million at 30 June 2007 from €1,069 million at 31 December 2006. The early redemption costs were recognised in finance costs for €1 million.
- Redemption at maturity of the €81 million first part of the 2004-2007 indexed bond issue led to the recognition of financial income of €2 million.
- On 25 June 2007, Casino carried out a €184 million private placement in two parts underwritten by Cassie Régionales du Crédit Agricole. The notes are due on 28 June 2013. The interest rate after hedging corresponds to the 3-month Euribor + 55 bps.

Note 17: Contingent assets and liabilities

No new disputes arose during the period that could have a material impact on the consolidated financial statements.

However, legal analyses and additional assessments are currently being carried out as part of the accounting, financial and business audits performed at Franprix and Leader Price. The conclusions of these analyses and assessments should be available in the second half of 2007 and, if necessary, the Group will adjust its accounts accordingly.

Note 18: Related parties that control the Group

Casino, Guichard-Perrachon is controlled by Groupe Rallye, which in turn is owned by Foncière Euris. At 30 June 2007, Groupe Rallye held 48.69% of the Company's capital and 62.94% of the voting rights.

Casino receives advice from its majority shareholder, Groupe Rallye, through Groupe Euris, the ultimate holding company, under a strategic advice and assistance contract signed in 2003.

Related party transactions were comparable to those in 2006. No transactions of an unusual nature or amount were carried out during the period.

The main related party transaction during the period between Casino and Rallye concerned the payment of the 2006 dividend for €118 million.

Note 19: Subsequent events

On 3 July 2007, Casino announced a partnership agreement with the Whitehall property investment funds managed by Goldman Sachs to develop shopping centres primarily in Poland. The agreement may be extended to other Eastern European countries.

Also on 3 July 2007, Casino increased its interest in Vindémia to 100% by acquiring Bourbon's 30% stake.

A number of Franprix – Leader Price franchisees exercised their put options after the first-half accounts were closed. The corresponding liability is recognised in the June 2007 consolidated financial statements in an amount of €198 million.

Casino took up one-third of a USD390 million share issue carried out by Exito in the United States, resulting in the dilution of its interest in Exito to 59.8%.

Statement by the Person Responsible for the Interim Report

“To the best of my knowledge, the condensed interim consolidated financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of operations of the companies included in the consolidation, and the interim management report includes a fair review of significant events of the first six months of the year, their impact on the interim consolidated financial statements, the main transactions between related parties and the main risks and uncertainties in the second half of the year.”

Paris – 30 August 2007

Jean-Charles Naouri
Chairman and Chief Executive Officer

Statutory Auditors' Report

To the Shareholders,

In our capacity of Statutory Auditors and in accordance with the requirements of article L.232-7 of the French Commercial Law (the Code de Commerce), we hereby report to you on:

- the review of the accompanying condensed consolidated half-year financial statements of Casino Guichard-Perrachon, for the period from January 1 to June 2007.
- the verification of information contained in the half-year management report.

These condensed half-year consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to Interim financial information.

In accordance with professional standards applicable in France, we have also verified the information given in the half-year financial report commenting the condensed half-year consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-year consolidated financial statements.

Paris and Lyon – 30 August 2007

The Statutory Auditors

Didier Kling & Associés

Didier Kling Bernard Roussel

Ernst & Young Audit

Jean-Luc Desplat