



Investor Presentation – January 2016

GROUPE
Casino
NOURISHING A **WORLD**
OF **DIVERSITY**



SOLID BUSINESS DYNAMICS IN
FRANCE AND RESILIENT
INTERNATIONAL OPERATIONS

STRONG LIQUIDITY AND
ONGOING DELEVERAGING

CONCLUSION

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SOLID BUSINESS DYNAMICS IN FRANCE AND RESILIENT INTERNATIONAL OPERATIONS

Accelerating recovery of French operations in 2015-16

Resilient international operations

Reaping the benefits of a dual “retail/real estate” model



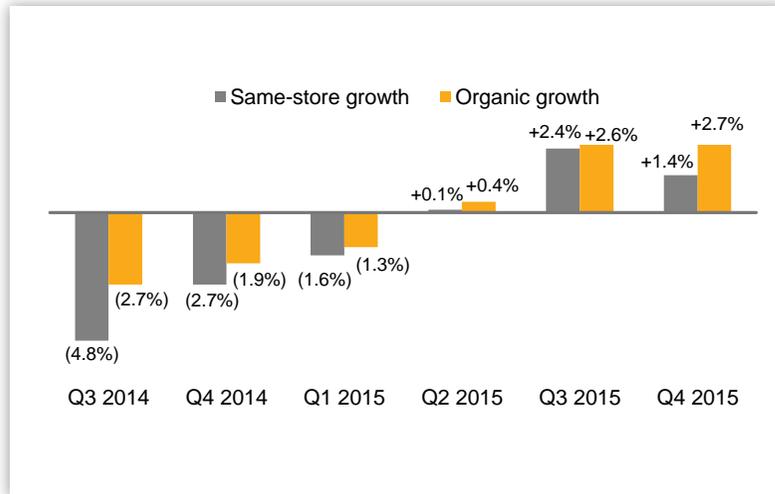
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Accelerating recovery of French operations

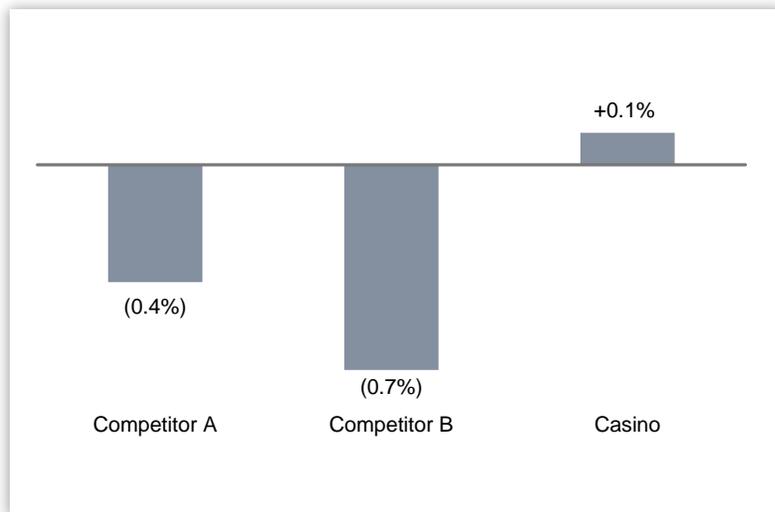
Underlying sales growth momentum*



Rebound in trading profit expected in H2 15

- Price levels very competitive at Géant and Leader Price and right positioning at other banners
- Annualization of past price cuts and purchasing gains from buying agreement with Intermarché and new alliance in purchasing and services with Dia
- **French EBITDA in H2 2015 should significantly exceed H2 2014 level, driven by the retail business, with a clearly improving margin trend from 2016 onwards**

Market share y-o-y evolution in 2015



Positive market share evolution

- Integrated groups tend to lose market shares in France
- **Casino is the only integrated retailer to achieve market share gain year-on-year in France** (as measured by the independent Kantar Worldpanel)

* Excluding petrol and calendar impacts

Source Kantar Worldpanel, YTD as of November 1st

Sources and uses of cash flows at Holdco level

Sources*

- **Post tax Operating Cash Flow of fully owned French operations:**
 - Operating Income
 - + D&A
 - - change in WCR
 - - tax paid
- **Dividends received from international subsidiaries and equity associates:**
 - GPA
 - Exito
 - Big C
 - Mercialys

Uses*

- **Capex of fully owned French operations**
 - New stores
 - Store remodelling
 - Other (e.g. IT)
- **Dividends paid**
 - Including hybrid debt coupons
- **Net interest paid**

Cash available for deleveraging

* Holdco perimeter of Casino Group including French scope and others (including holdings at 100%)

Significant rebound for French operations in 2015-16

Holdco perimeter*

- Post tax Operating Cash Flow and dividends received expected to cover capex, dividends paid (incl. hybrid debt coupons) and net interest paid in 2015 (excluding Latam reorganization impact)
- Post tax Operating Cash Flow and dividends received expected to cover capex, dividends paid (incl. hybrid debt coupons) and net interest paid by more than €200m in 2016 (excluding 2016 disposal plan impact), based on French operations delivering 2016 EBITDA of around €900m and 2016 EBIT above €500m
- In 2015, both Géant and Leader Price achieved strong traffic gains thanks to price repositioning and improved quality of in-store service
- Recently announced purchasing agreements with Intermarché and Dia will generate additional benefits in 2016, along with reinforced loyalty programs at Géant and Supermarchés Casino, and bolstered process industrialization at Leader Price
- Successful cash improvement initiatives, including working capital optimization and capex reduction have been launched in 2015 and will be pursued in 2016

* Holdco perimeter of Casino Group including French scope and others (including holdings at 100%)

Resilient international operations

Recent trends

- **GPA: steady food business and more moderate sales decrease in non-food in a challenging market**
 - Solid activity in food, with gains in market share across most banners (Assai, Pao de Açucar and convenience formats)
 - Successful actions plans at Via Varejo to improve price competitiveness and strengthen promotional efficiency, leading to market share gains
- **Exito: good performance across all countries**
 - Sequential improvement in customer traffic
 - Real-estate and other activities to contribute more significantly going forward
- **Big C Thailand: gradual improvement in sales and strong margins**
 - Back to positive LFL sales in December 2015
 - Growing food volumes and improving real estate revenues
 - Continued dynamic expansion

Outlook

- **GPA: continue to gain market share through the capture of productivity and efficiency gains and the expansion of higher-return formats**
 - Focus on improving FCF and financial structure through working capital and capex optimization
 - Ambitious cost-cutting plan
 - Maintaining a balanced and resilient portfolio
- **Exito: continue to deliver steady performance in a resilient environment**
 - Monetize hidden value of real estate operations
 - Complete operating synergies with Brazilian and Argentinean operations
 - Enhance loyalty programs
- **Big C Thailand: continue to deliver cost optimization initiatives and steady performance in a resilient environment**
 - Accelerate significantly network expansion and store remodellings

Casino's dual business model: longstanding success, notably in France

Key principles

- **Most retailers generate additional revenues on a recurring basis from commercial real estate activities**
- **Casino has developed a specific expertise** in combining its retail activities and commercial real estate operations, aiming at **increasing the attractiveness of commercial areas and consumers' traffic while creating real estate value**

Process

- **Casino transfers unused space to Mercialys** (both selling and non-selling area, including parking lots), on average c.3% of hypermarkets selling space every year
- **Mercialys transfers space into new lots to be rented to third parties**
- Value created through:
 - Rental revenues from malls adjacent to the stores
 - Property development revenues

Recurring EBITDA contribution

- **Fully-fledged operational activity: real estate development results constantly reflected in EBITDA**, according to the Group's accounting principles, and in compliance with IFRS standards
- Sound policy of **recurring reallocation of capital employed**, generating an incremental EBITDA contribution

Active asset turnover: Pillar of value creation

- Investing in new property assets every year with potential for value enhancement, maintaining a significant pipeline of projects, and conducting disposals when appropriate
- **Stable value of property assets fully owned by Casino in France at more than €4bn since 2011** (determined on the basis of third party appraisals)

Solid business dynamics in France and resilient international operations

STRONG LIQUIDITY AND ONGOING DELEVERAGING

Optimized debt allocation between Casino Holdco and international subsidiaries

Strong liquidity and balanced maturity profile, for both Casino and Rallye

Well inside debt covenants both at Casino and Rallye

Deleveraging plan is entirely consistent with the company's long-term strategy

Limited execution risk



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Key credit rating considerations

- BBB-/Stable reaffirmed by S&P on 11 December 2015 and by Fitch on 16 December 2015
- Credit Watch Negative issued by S&P on 15 January 2016
 - Not implying a credit rating downgrade decision
 - S&P aims to resolve the Credit Watch within 90-days
- S&P's Credit Watch review occurred after the publication of our Q4 2015 sales, in a context of rising concerns over the macroeconomic situation in emerging markets and the recession in Brazil
- Casino also announced last week the launch of the sale process for its operations in Thailand after having received strong marks of interest
- S&P considers that management's deleveraging plan may have a significant impact on credit metrics
- **Casino Group is committed to its Investment Grade status**

First steps taken to optimize debt allocation between Casino Holdco and international subsidiaries

Debt allocation rationale

- Casino has mostly funded its acquisitions in France and abroad via debt raised at the Holdco company level
- These acquisitions have enabled the Group to become a large global player, with leading positions in key markets
- **As a result, most of the Group's debt was located at the Holdco level: c.€7.5bn at the end of 2014 (vs. a consolidated net debt position of c.€5.8bn)**
- The reorganization of Latam operations reduced the Holdco company net debt by c.€1.7bn in August 2015
- The 2016 deleveraging plan (incl. the disposal of Casino's controlling stake in Big C Thailand) will significantly accelerate Holdco deleveraging

Intra-group net debt allocation

| in €bn | End 2014 | End 2014 PF disposals ** |
|-----------------------------------|----------|--------------------------|
| Casino Holdco* | ~(7.5) | ~(2.3) |
| International subsidiaries | ~1.7 | ~0.5 |
| Total | ~(5.8) | ~(1.8) |

Illustrative

* Holdco perimeter of Casino Group including French scope and others (including holdings at 100%)

** Assuming i) c.€1.7bn cash upstream to Casino Holdco from Exito post Latam reorganization and ii) c.€4bn deleveraging plan (of which c.€3.5bn allocated to Casino Holdco net debt reduction)

Financial structure across group operations consistent with local cash generation profile

| |   |   |   |   |
|--|---|--|---|---|
| NFD/EBITDA 2014 | (0.29x) | (1.59x) | (2.9x) 0.2x PF Latam Reorg | 1.0x |
| Excess cash and confirmed credit lines (30/06)* | BRL8.2bn / EUR2.4bn equ. | BRL3.0bn / EUR856m equ. | COP1,931bn / EUR665m equ. | THB14.1bn / EUR482m equ. |
| FCF 2015 | ++ | + | ++ | +++ |
| Covenants | NFD / EBITDA ≤ 3.25x NFD ≤ Equity | NFD / EBITDA ≤ 3.25x NFD ≤ Equity | Consolidated NFD / EBITDA < 3.5x | NFD / EBITDA ≤ 3.5x NFD / Equity ≤ 2.5x |
| Comments on financial structure & ratings | AA-rated subsidiary on a local rating basis, reaffirmed in Sep./ Oct. 2015 by both S&P and Fitch | Strong excess cash position | c.\$1.4bn of debt raised to finance the acquisition of 50% of GPA and 100% of Libertad | Acquisition debt of Carrefour assets being very quickly repaid with operating cash flows |

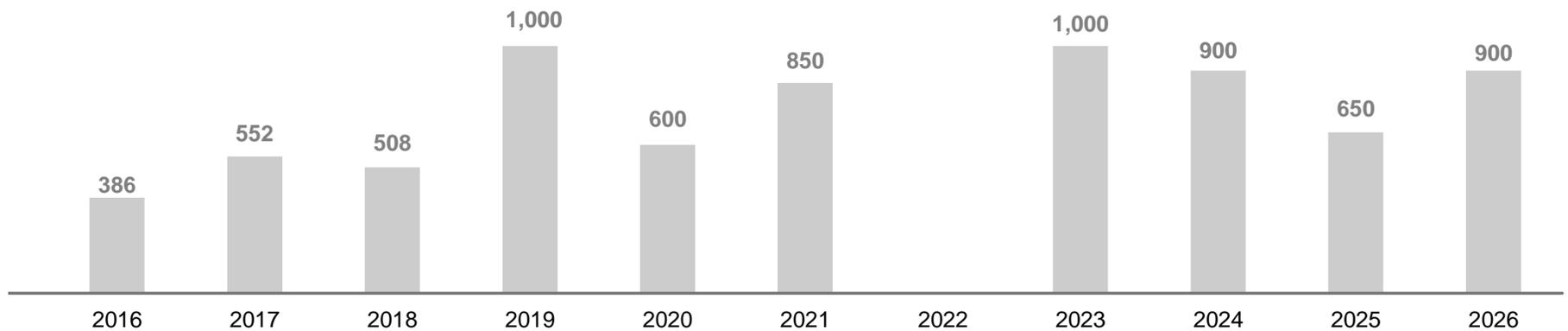
* Exchange rates as at 30th June 2015: EUR/BRL: 3.5; EUR/COP: 2,900; EUR/THB: 37.8
Sources: Data published by Casino's subsidiaries

Casino's liquidity is strong

Strong liquidity at holdco level*

- At year-end 2015, Casino will report a significant cash position, well above its outstanding commercial paper program, and will have undrawn credit facilities exceeding €3.5bn with a weighted average maturity close to 4 years
- Casino's resources comfortably cover all its upcoming repayments beyond 2017
- Casino's only debt repayments of the parent company for the next two years are its bond redemptions (€386m in 2016 and €552m in 2017)
- The €500m mandatory convertible bonds issued by Monoprix will mature in December 2016. There is no disbursement associated, unless Casino exercises its call options on these bonds
- Based on its existing financial resources, Casino expects to have ample undrawn committed credit facilities at any point in time for the next 2 years, even before taking into account the deleveraging plan

Well balanced bond maturity profile** (in €m)



* Holdco perimeter of Casino Group including French scope and others (including holdings at 100%)

** Excluding €500m ORA redeemable in Monoprix preferred shares, with a 3-year maturity to Dec 2016 and a variable coupon of 6M Euribor + 4.1%. There is no disbursement associated, unless Casino exercises its call options on these bonds

Well inside debt covenants both at Casino and Rallye

Debt covenants at Casino Holdco

- **There is only one financial covenant on Casino's bank debt (drawn and undrawn) : Net debt/EBITDA at 3.5x vs. 1.8x as at end 2014**
- There are no covenants on Casino's bond documentation nor on Casino's commercial paper program

Debt covenants at Rallye Holdco

- **The only covenants existing on Rallye's bank debt (drawn and undrawn) are the following:**
 - Consolidated EBITDA/Consolidated cost of net financial debt > 2.75: the ratio stood at 3.96 at year end 2014 and was 4.02 at June 30, 2015 on a rolling 12 months basis
 - Rallye shareholders equity (French GAAP statutory accounts) > €1.2bn: Rallye shareholders equity stood at €1.75bn as at year end 2014
 - Rallye shareholders equity is not impacted by currency translation nor by the share price of Casino, as Casino shares are valued at cost and are not marked-to-market in Rallye's statutory accounts
- There are no covenants on Rallye's bond documentation nor on Rallye's commercial paper program

Debt covenants are independent from stock price and rating levels, both for Casino and Rallye

Deleveraging plan is fully consistent with long-term group strategy

- Over the last 5 years, Casino has implemented an investment strategy aimed at reinforcing its leadership position in key markets (France, Brazil, Colombia and Thailand)
- After these significant investments, the disposal of non-strategic assets (e.g. Big C Vietnam) will allow the Group to enhance its financial flexibility
- In the context of the ongoing process for the sale of its operations in Vietnam, Casino Group has received expressions of interest for its publicly listed subsidiary Big C in Thailand
- The Group is taking steps towards the sale of this asset, which will be implemented in the best interest of the company and its shareholders.
- **Our priority is to use disposal proceeds to reduce net debt at Casino Holdco level**

Limited execution risk

Assets for disposal should attract significant buyer interest

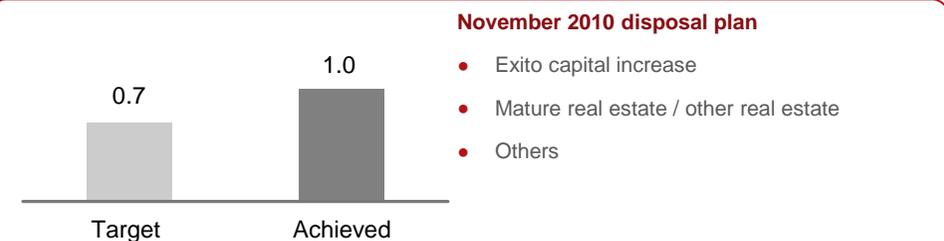
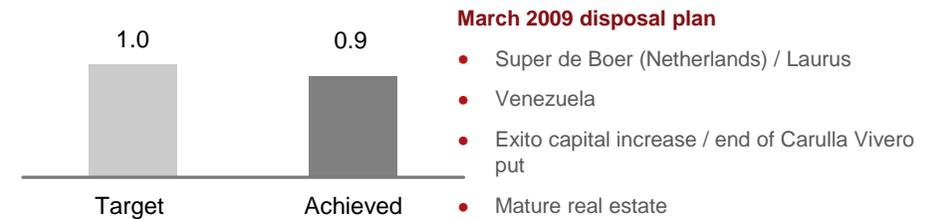
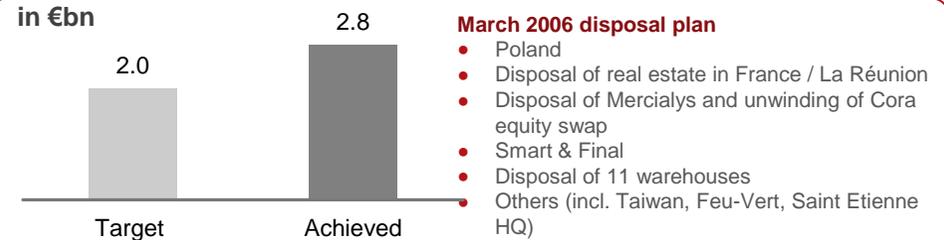
Solid track record in deleveraging plans since 2006

- **Leading Big C operations both in Thailand and in Vietnam**

- Strong brand name with a local footprint in all major cities and a significant real estate portfolio in both countries
- Co-leader on the hypermarket segment in Thailand, with 2015 sales of c.€3.4bn and a strong profitability backed by a significant contribution of real estate operations
- Second largest retailer in Vietnam, with 2015 sales of close to €600m and a profitability in line with normative industry standards, also backed by a significant contribution of real estate operations

- **Unique acquisition opportunity for an investor given high growth perspectives in both countries**

- Combined population of c.160m inhabitants with further room to grow modern retail market share
- High valuation levels on past transactions (e.g. in Vietnam: loss-making Metro Vietnam sold at a 1.3x sales multiple, Siam Makro sold at a 1.6x sales multiple)
- A number of preliminary marks of interests already received for both operations



Solid business dynamics in France and resilient international operations

Strong liquidity and ongoing deleveraging

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Conclusion

- Casino Group has solid business dynamics, with its 2015-16 performance driven in particular by the accelerating recovery of its French operations
- Casino Group's financial structure is solid, while both Casino and Rallye have a strong liquidity position and a well spread debt maturity profile while being well inside debt covenants
- Casino's planned deleveraging plan in 2016 is fully consistent with its long-term strategy and has low execution risk
- This deleveraging plan (incl. the disposal of the controlling stake in Thailand operations) will significantly accelerate net debt reduction at Casino Holdco level

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Rallye's liquidity status

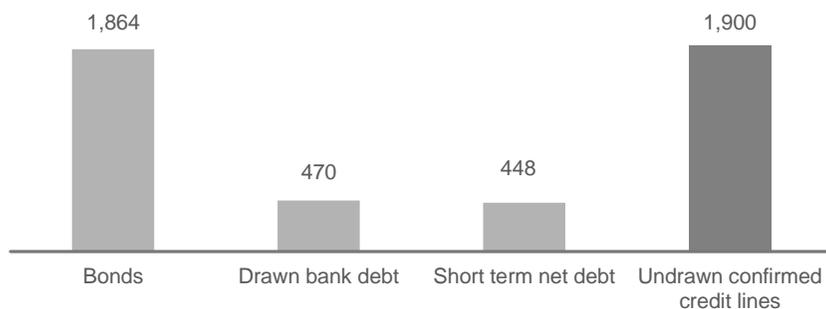
Ample liquidity position

- As of end June 2015, Rallye's net debt was made of €1,864m of bonds (average maturity of 4.0 years), €470m of drawn bank debt (average maturity of 5.2 years) and €448m of short term net debt (mainly commercial paper)
- At that same date, Rallye had €1.9bn of undrawn confirmed credit lines (average maturity of 4.9 years)

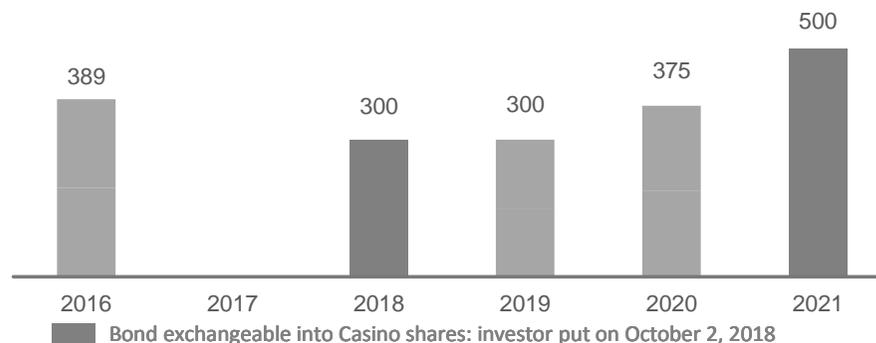
Well spread maturity

- The only debt repayments of Rallye in 2016 are its short-term debt as well as €389m of bonds maturing in November 2016
- There is no debt repayment in 2017
- There is a €350m debt repayment scheduled in 2018 (mostly a €300m bond)
- There is a €300m debt repayment scheduled in 2019 (100% bond-related)

Rallye's debt as of June 30, 2015 (in €m)



Bond redemption schedule (in €m)



Q4 2015 trading statement – key figures (1/2)

| BY SECTOR in €m | Q3 2015 / Q3 2014 change | | | | Q4 2015 / Q4 2014 change | | | |
|--------------------|--------------------------|---------------|----------------|-------------------|--------------------------|---------------|----------------|-------------------|
| | Q3 2015 | Total growth | Organic growth | Same-store growth | Q4 2015 | Total growth | Organic growth | Same-store growth |
| France Retail | 4,812 | +1.7% | +2.6% | +2.4% | 4,942 | +1.5% | +2.7% | +1.4% |
| Latam Retail | 3,206 | -15.1% | +5.2% | +2.4% | 3,705 | -14.6% | +5.7% | +1.3% |
| Latam Electronics | 978 | -44.3% | -22.8% | -24.7% | 1,286 | -36.1% | -14.8% | -15.2% |
| Asia | 914 | +5.5% | -2.9% | -4.7% | 984 | +3.0% | -2.4% | -5.3% |
| E-commerce | 775 | -7.9% | +7.7% | +7.7% | 876 | -20.3% | -8.1% | -8.1% |
| TOTAL GROUP | 10,684 | -10.7% | -0.5% | -2.1% | 11,793 | -11.2% | -0.3% | -2.7% |

Q4 2015 trading statement – key figures (2/2)

| BY BANNER | Q3 2015 / Q3 2014 change | | | | Q4 2015 / Q4 2014 change | | | |
|--|--------------------------|--------------|----------------|-------------------|--------------------------|--------------|----------------|-------------------|
| | Q3 2015 | Total growth | Organic growth | Same-store growth | Q4 2015 | Total growth | Organic growth | Same-store growth |
| Hypermarkets⁽¹⁾ | 1,237 | +0.5% | +3.5% | +3.5% | 1,258 | +0.3% | +2.7% | +2.8% |
| <i>o/w Géant Casino</i> | 1,154 | +0.7% | +3.9% | +3.9% | 1,187 | +0.5% | +3.0% | +3.0% |
| Casino Supermarkets | 874 | -2.1% | -0.5% | +0.7% | 797 | -1.4% | -0.4% | +0.0% |
| Monoprix | 961 | +4.3% | +4.6% | +2.2% | 1,127 | +3.0% | +2.8% | +0.1% |
| FP-LP | 1,042 | +2.9% | +1.6% | +1.7% | 1,096 | +1.3% | +3.3% | +1.9% |
| <i>o/w Franprix</i> | 396 | -1.2% | -0.7% | +0.6% | 423 | -3.7% | -2.5% | +0.1% |
| <i>o/w Leader Price</i> | 646 | +5.6% | +3.1% | +2.3% | 673 | +4.7% | +7.5% | +3.0% |
| Convenience & Other⁽²⁾ | 698 | +3.8% | +3.6% | +4.6% | 664 | +5.0% | +4.7% | +2.4% |
| <i>o/w Convenience</i> | 419 | +6.6% | +5.7% | +8.5% | 335 | +7.1% | +5.9% | +6.1% |
| FRANCE RETAIL | 4,812 | +1.7% | +2.6% | +2.4% | 4,942 | +1.5% | +2.7% | +1.4% |

⁽¹⁾ Including Géant Casino and mostly the activity of 4 Codim stores in Corsica

⁽²⁾ Other: mostly Vindémia and Cafeterias

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