



Casino takes a major step in further integrating its Latin American operations



30 July 2015

Transaction summary

Creation of a common platform consolidating Casino's operations in Latin America

Further integration of the Group's assets in the area

Significant synergies leveraging the respective strengths of the different entities

Strong financial benefits for all Latin American subsidiaries and for the Group

- **Éxito to acquire in cash :**
 - 50% of the voting shares of GPA held by Casino, representing c.18.8% of GPA's capital. Shareholders agreements have been agreed to organize control of GPA
 - 100% of Libertad (Casino's activities in Argentina)
- **Total consideration of the transaction of €1.7bn**
 - Financed by cash on Éxito balance sheet and new debt
 - Proceeds used to deleverage Casino parent company
- **Transaction supported by the Boards of Directors of Casino, Éxito and GPA following independent experts reports**
- **Closing expected by the end of August 2015**

A transaction that meets Casino's strategic objectives

1

A major step in further integrating Casino subsidiaries in South America with the creation of a common Latin American platform

2

The Latin American platform is value creating for each of its entities through synergies and roll-out of best expertise, representing €145m full-year impact when fully ramped-up

3

Rebalancing of the group debt structure

Creation of a common platform consolidating Casino's operations in Latin America

Colombia

grupo **éxito**

#1 in Colombia
 €3.7bn sales
 537 stores

Brazil

GPA

#1 in Brazil
 €21.8bn sales*
 2,143 stores

Uruguay

Devoto 

#1 in Uruguay
 €0.6bn sales
 54 stores

Argentina

Libertad

€0.4bn sales
 27 stores

2014 combined figures**

Sales €26.5bn

EBITDA €2.0bn

A unique combination of countries and formats

Value creation through an improved integration of companies, which are leaders on their markets

Éxito to consolidate all activities of the group in Latin America

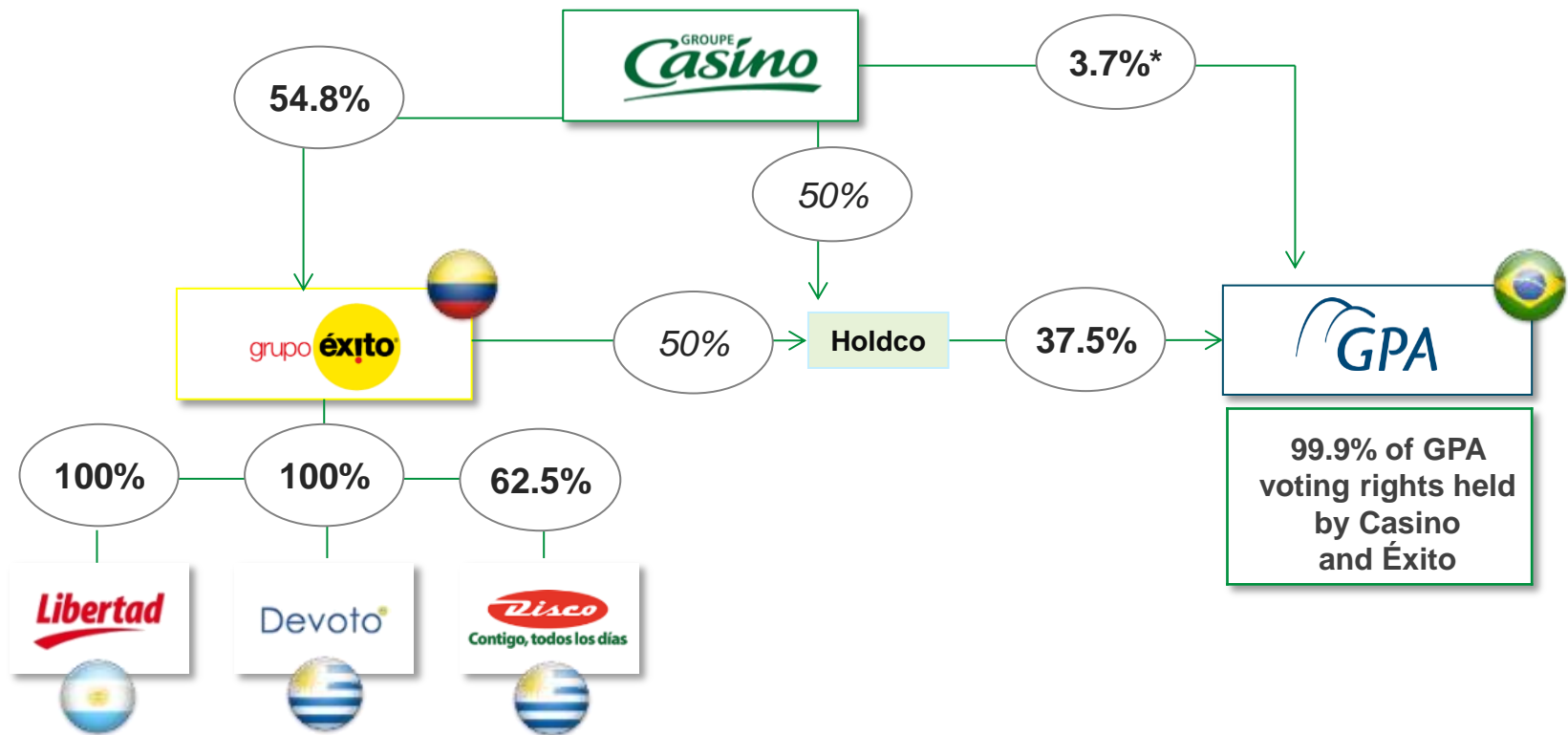
* GPA figures including Cnova on a full-year basis (2014 figures)

** Including Disco activities and Cnova's full operations on a 12-month basis

Further integration of the Group's assets in the region

POST TRANSACTION GROUP STRUCTURE

% of ownership



* PN shares held by Casino

Significant synergies leveraging the respective strengths of the different entities (1/2)

Margin on additional revenues

- Cash & Carry
- Textile
- Premium & Proximity

€60m

Purchasing synergies

- Food
- Non Food
- National Brands
- Private Label

€45m

Costs and Capex synergies

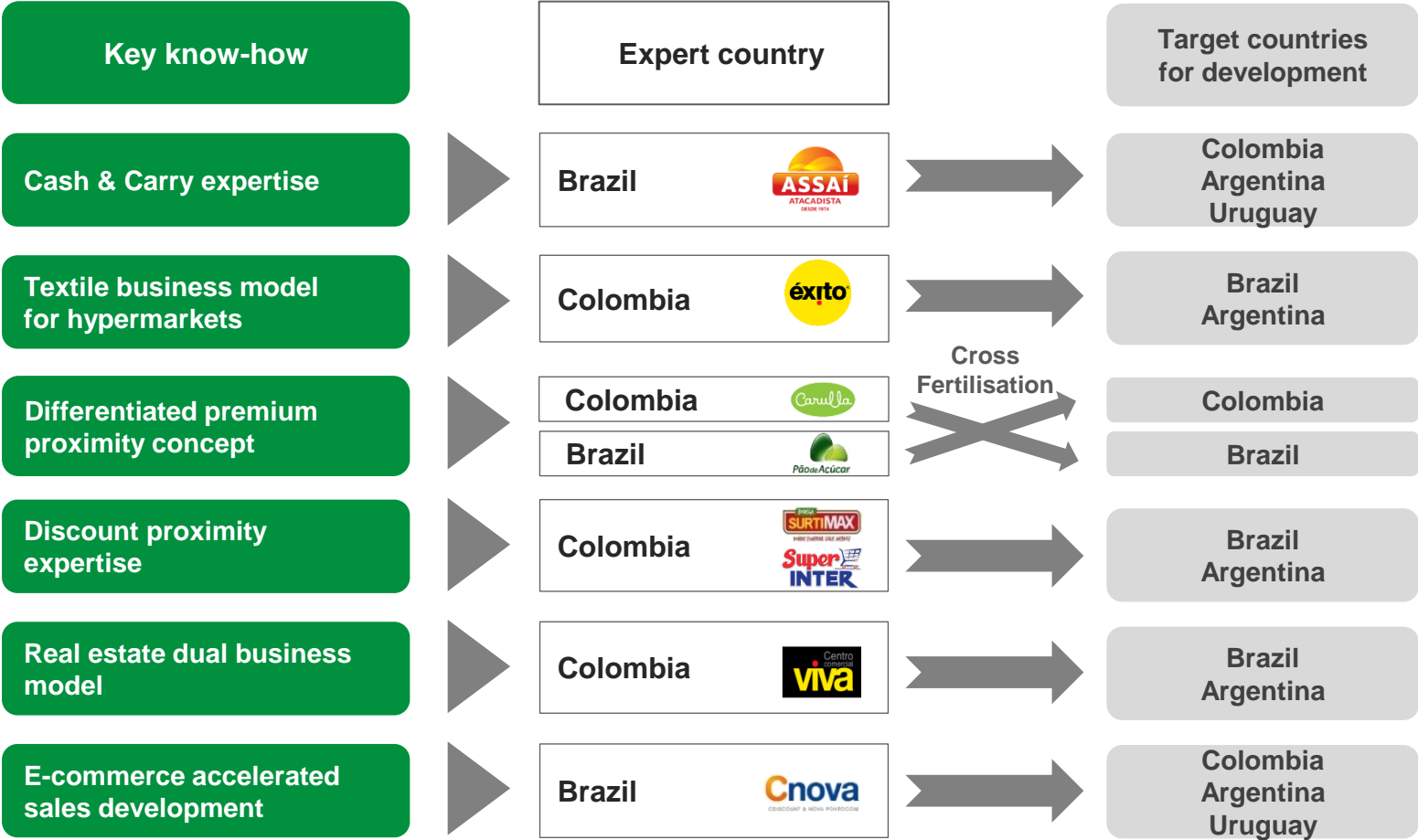
- Shared services
- Marketing
- Productivity gains
- Gains on equipment purchasing

€40m

- **Total run-rate synergies of c.€145m, representing 0.5% of combined sales**
- **Split between geographies:**
 - **55%** of estimated synergies will directly benefit to GPA
 - **45%** of estimated synergies will directly benefit to Éxito

A committee composed of Éxito and GPA top managers will be set up to implement the identified synergies

Significant synergies leveraging the respective strengths of the different entities (2/2)



Financial parameters of the transaction

Acquisition by Éxito of 50% of GPA voting shares

€1.39bn

Transaction price of 100R\$/share, representing:

A premium of +20,6% on 3-month average share price

Acquisition by Éxito of 100% of Libertad (Argentina)

€0.26bn⁽¹⁾

Enterprise value of USD270m

Implied EV/Sales 2014 of 0.55x

Total

€1.65bn

- The transaction is financed by cash on Éxito balance sheet and by loans committed by the three major Colombian banks (Bancolombia, Banco de Bogota, Davivienda) and Citigroup with an estimated average cost of 6.8%⁽²⁾

⁽¹⁾ Including an estimated cash position of \$20m for Libertad

⁽²⁾ Partial refinancing envisaged post closing

Strong financial benefits for all parties



Topline

Enhanced growth potential thanks to cross fertilization opportunities

EPS impact

Neutral when factoring run-rate synergies

Accretion higher than 5% before synergies, c. 30% EPS impact post synergies

Synergies to enhance EPS

Balance sheet impact

Deleveraging of parent company

Optimized balance sheet structure

Neutral

Group debt structure to be significantly rebalanced

<i>As of end of FY2014 in €bn</i>	Before operation	After operation
Parent company⁽¹⁾	(7.55)	(5.90)
International subsidiaries	1.73	0.08
Total	(5.82)	(5.82)

- Rebalancing of debt structure consistent with strong FCF generation of LatAm subsidiaries
- Sustainable and optimized balance sheet at Éxito level post transaction (consolidated financial net debt of Éxito post transaction close to zero), leaving ample room for growth opportunities
- Casino parent company⁽¹⁾ significantly deleveraged (€1.7bn)

Indicative timetable

**29
July**

- Casino Board members approve the transaction
- Éxito independent Board members approve the transaction

**30
July**

- Transaction announcement

**18
August**

- Éxito Extraordinary General Meeting

**By end
of August**

- Transaction closing

**No Condition Precedent at the exception of Éxito Extraordinary General Meeting
Transaction to be executed in a timely manner**

Rothschild, Ondra and DC Advisory advised Casino on this transaction



- Éxito will comment the operation during the presentation of its half-year results at 4pm (CEST / Paris)
 - Dial-in details: + 70 66 34 65 60 - code 83373602



- Casino will comment the operation at 5pm (CEST / Paris)
 - Dial-in details: + 33 1 72 00 09 86 – no access code required

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