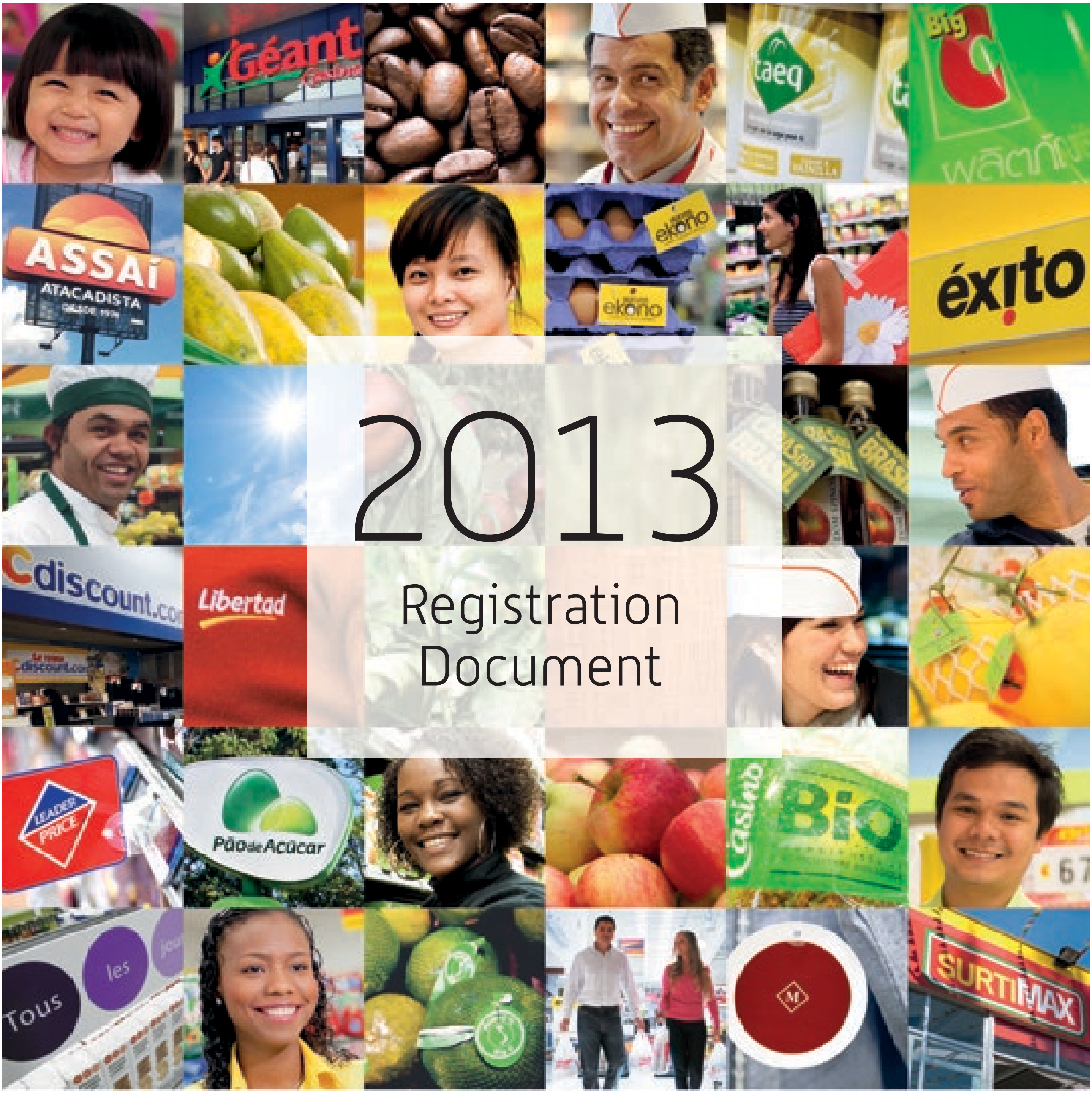
2013
Registration Document



GROUPE
Casino
NOURISHING A WORLD
OF DIVERSITY

SUMMARY

AUTORITÉ DES MARCHÉS FINANCIERS

AMF

The original French version of this translated Registration Document was filed with the Autorité des Marchés Financiers (AMF) on April 3, 2014 under number D 14-0281, in accordance with article L. 212-13 of the AMF's General Regulations. It may be used in connection with a financial transaction provided that is accompanied by an Information Memorandum approved by the Autorité des Marchés Financiers. It was prepared by the issue and its signatories assume responsibility for it.

PRESENTATION OF THE CASINO GROUP

1.1. FINANCIAL HIGHLIGHTS

CONTINUING OPERATIONS

(€ millions)	2013	2012	2011	Reported change 2013/2012	Organic change[(1)] 2013/2012
Revenue	48,645	41,971	34,361	+15.9%	+4.5%
EBITDA[(2)]	3,337	2,853	2,287	+17%	+8.3%
Trading profit	2,363	2,002	1,548	+18.1%	+10.7%
Profit from continuing operations, attributable to owners of the parent	853	1,065	577	-19.9%	
Profit from discontinued operations, attributable to owners of the parent	(2)	(2)	(9)		
Total net profit attributable to owners of the parent	851	1,062	568	-19.9%	
Underlying profit[(3)] attributable to owners of the parent	618	564	565		

(1) Based on a comparable scope of consolidation and constant exchange rates, excluding the impact of property disposals.
(2) EBITDA = Earnings before interest, taxes, depreciation and amortisation = Trading profit + depreciation and amortisation expense.
(3) Underlying profit corresponds to profit from continuing operations adjusted for the impact of other operating income and expense, non-recurring financial items and non-recurring income tax expense/benefits, see paragraph 2.1.4.

CAPITAL EXPENDITURE

(€ millions)	2013	2012	2011
Capital expenditure	1,633	1,406	1,187
France	550	602	646
International	1,083	804	540
As a % of revenue	*3.4%*	*3.3%*	*3.5%*

DEBT AND EQUITY

(€ millions)	2013	2012	2011
Equity (before appropriation)	15,426	15,201	9,383
Net debt	5,416	5,451	5,379
Net debt to EBITDA ratio	1.62 x	1.91 x	2.35 x

1.2. SIGNIFICANT EVENTS OF THE PERIOD

- On **7 January 2013**, Casino formally informed the French Competition Authority that it had acquired exclusive control of Monoprix. The first phase to review the case began on **6 February 2013** when the Competition Authority announced that the case was complete. The French Competition Authority, following this first review phase on **12 March 2013**, that the case required an in-depth Phase 2 review. On **5 April 2013**, Casino exercised its option to transfer the 50% interest in Monoprix, previously held by Galeries Lafayette, to a subsidiary of Crédit Agricole Corporate & Investment Bank. On **10 July 2013**, the Casino Group announced that it had received approval from the French Competition Authority to take exclusive control of the Monoprix Group. This approval includes provisions for 58 stores to be sold across the entire Casino Group network in France, representing less than 1% of the Casino Group's sales in France. Further to this approval, Casino announced on **24 July 2013** that it had finalised the acquisition of the remaining 50% stake in Monoprix.
- On **18 January 2013**, Casino successfully carried out a 10-year bond issue for €750 million. This new bond, which will pay a coupon of 3.311%, was significantly oversubscribed by a diversified investor base.

- On **29 April 2013**, Casino announced the successful completion of two bond placements for a total of €600 million, with €350 million added to the existing bonds maturing in 2019 and €250 million added to the existing bonds maturing in 2023. The cost of these financing facilities came to 1.990% for the operation maturing in 2019, making it possible to achieve a cost of less than 2% for the first time, with a cost of 2.788% for the 2023 maturity.
- On **27 May 2013**, the Casino Group announced that it had received a green light from the French Competition Authority allowing Leader Price to acquire 38 convenience stores in southeast France from the Norma Group. This operation was finalised on **31 July 2013**.
- On **10 June 2013**, the Casino Group announced the appointment of Mr Ronaldo Iabrudi as an executive and the Group's representative in Brazil.
- On **4 July 2013**, Casino announced that it had signed a confirmed five-year credit line for USD 1,000 million (around €770 million) with a group of 10 international banks. This line refinanced the USD 900 million facility set up in August 2011. The increase in the size of this facility and the extension of the maturity to five years have made it possible to further strengthen the Group's liquidity position, while extending the average maturity of its confirmed lines.
- On **6 September 2013**, the Casino Group, the controlling shareholder in CBD in Brazil, and Mr Abilio Diniz, as well as the other members of the Diniz family group ("AD Group"), announced that they had reached a transactional agreement, including an exchange of the shares still held by the AD Group in the Wilkes holding company and the immediate cancellation of any agreements entered into previously between the two groups (such as the Wilkes shareholders' agreement, the CBD shareholders' agreement and the conditional sales option). Mr Abilio Diniz resigned from his positions as Chairman of the Board of Directors of CBD, a member of Wilkes' Human Resources and Compensation Committee and a director of Wilkes; the AD Group's other representatives also resigned from their positions as members of CBD's Board of Directors and various Committees.
- On **9 October 2013**, Mr Jean-Charles Naouri was appointed Chairman of the Board of Directors of GPA during GPA's extraordinary general meeting.
- On **18 October 2013**, Casino announced the successful completion of a €750 million perpetual hybrid issue. The securities have a perpetual maturity and a first redemption option on 31 January 2019, based on a coupon of 4.87% until this date, with this rate to be set again every five years thereafter.
- On **28 October 2013**, the Casino Group announced that it had signed an agreement with Mutant Distribution, a subsidiary of the Les Coopérateurs de Normandie-Picardie group, concerning Leader Price's acquisition of 47 stores, primarily in southwest France, and the establishment of an affiliation partnership with the Leader Price banner under a brand licensing and supplies agreement covering nearly 90 stores in the Normandy-Picardie regions.
- On **20 December 2013**, Monoprix decided to issue €500 million of convertible bonds. This operation further strengthened Monoprix's equity capital, while providing it with long-term resources for financing its development. The convertible bonds, with a maturity of three years, were subscribed for in full by Crédit Agricole CIB, with a coupon based on +5.1% over the six-month Euribor.

1.3. BUSINESS AND STRATEGY

1.3.1. MAJOR MILESTONES IN THE GROUP'S HISTORY

The Casino banner dates back to 1898, when Geoffroy Guichard created Société des Magasins du Casino and opened the first store in Veauche in central France. Just three years later, in 1901, the first Casino brand products were launched, thus pioneering the private-label concept.

The Group expanded rapidly until the eve of the Second World War, opening more than 500 stores in ten years. It initially focused on the Saint-Étienne and Clermont-Ferrand regions and during the 1930s expanded its reach down to the Côte d'Azur. In 1939, the Group managed 9 warehouses, 20 plants and almost 2,500 retail stores.

In the 1950s, Casino embarked on a policy of diversifying its formats and its business activities. The first self-service store opened in 1948, the first Casino supermarket in 1960, the first Casino Cafétéria in 1967 and the first Géant hypermarket in 1970.

At the end of the 1970s, Casino broke into the international markets, launching a chain of cafeterias in the United States and then acquiring 90 cash & carry stores under the Smart & Final banner in 1984.

The mid-1980s marked a turning point in the Group's expansion policy. It adopted a redeployment strategy aimed at achieving critical mass to improve its resilience in an increasingly competitive retail industry.

This strategy consisted first and foremost of expanding its operations in France and refocusing on its core business as a retailer. Between 1985 and 1996, it acquired control of two retail companies in eastern and southern France, Cédis and La Ruche Méridionale. It signed partnership agreements with the Corse Distribution Group and with Coopérateurs de Normandie-Picardie. In 1992, it took over Rallye's retail business comprising hypermarkets, supermarkets and cafeterias.

The Group also launched a programme to refurbish its hypermarkets and modernise its convenience store network, with the aim of repositioning both its corporate image and the image of its banners. Casino created Spar France in 1996 and acquired a stake in Monoprix-Prisunic in 1997. It also took a majority stake in the Franprix and Leader Price banners in 1997, making it the leading retailer in Paris.

As a result of these developments, on the eve of the new millennium Casino had become one of France's leading retail groups. Leveraging its strong domestic position, the Group then decided to strengthen its international presence and embarked on an active international expansion policy.

From 1998 to 2002, it acquired a large number of retail companies in Latin America (Libertad in Argentina, Disco in Uruguay, Éxito in Colombia, GPA in Brazil and Cativen in Venezuela), Asia (Big C in Thailand, Big C in Vietnam), the Netherlands (Laurus, now Super de Boer) and the Indian Ocean region (Vindémia in Reunion, Madagascar, Mayotte and Mauritius).

It also moved into Poland and Taiwan, opening its first Polish hypermarket in Warsaw in 1996 followed by a Leader Price store in 2000, and its first hypermarket in Taiwan in 1998.

Since 2000, Casino has strengthened its presence in France in the most buoyant formats and expanded in its most promising international markets.

In France, Casino has adapted its business mix to meet changing market trends, first by strengthening its positioning in convenience and discount formats through major acquisitions.

In 2000, it acquired a stake in online retailer Cdiscount and raised its interest in Monoprix to 50%. In July 2012, the strategic agreement with Galeries Lafayette, renewed in 2003 and 2008, led to the signing of a memorandum of settlement concerning Casino's acquisition of Galeries Lafayette's 50% interest in Monoprix, with the acquisition scheduled to take place once the French Competition Authority gave its go-ahead. Since 2009, Casino has also owned 100% of both Franprix Holding and Leader Price Holding.

In addition, Casino began to develop other businesses connected with retailing, such as financial services and commercial real estate. In 2001, it joined forces with LaSer Cofinoga to create Banque du Groupe Casino. In July 2010, it signed a partnership agreement in financial products and services with Groupe Crédit Mutuel-CIC, which was scheduled to increase its interest in Banque Casino to 50%, with Casino owning the remaining 50%. In 2005, the Group's shopping centre properties were spun off into a new company, Mercialys, which was floated on the stock exchange, accounted in equity since 21 June 2013, the date of the annual general meeting at which Casino's loss of control was duly recorded.

In the international markets, Casino began to refocus its business on two core regions, Latin America and South-East Asia, to capitalise on their strong growth potential. From 2005 to 2007, the Group acquired joint control of the GPA Group in Brazil, and became majority shareholder of Éxito in Colombia and Vindémia in the Indian Ocean region. In 2010, the partnership between GPA and Casas Bahia, Brazil's leading non-food retailer, and Big C's acquisition of Carrefour Thailand (42 stores) significantly increased the Group's footprint in these two regions, which are the main pillars of its international development.

In 2006, Casino sold its Polish retailing businesses and its 50% interest in its Taiwanese subsidiary Far Eastern Géant, followed by its interest in Smart & Final in the USA in 2007. In 2009, Casino sold its 57% interest in Dutch retailer Super de Boer.

In 2010, the Venezuelan government ordered the nationalisation of Éxito hypermarkets operating in Venezuela. Casino thus sold 80% of its subsidiary Cativen to the Bolivarian Republic of Venezuela and retained the remaining 20% in order to continue providing operational support.

In 2012, Casino obtained control of GPA, the leading retailer in Brazil and the country's biggest private employer. It is now GPA's only controlling shareholder.

In 2013, Casino obtained exclusive control of the Monoprix Group, continuing the development strategy focusing on convenience formats first initiated in 1996.

1.3.2. BUSINESS AND STRATEGY

A. Group profile in 2013

Casino is a leading food retailer in France and abroad. At 31 December 2013, it operated a total of 14,056 stores in various formats.

In France, which accounts for 40% of revenue and 26% of trading profit, Casino operates 117 hypermarkets[(1)], 914 supermarkets[(1)], 619 discount stores, 8,199 convenience stores and 311 cafeterias. In the international markets, which account for 60% of revenue and 74% of trading profit, Casino operates in eight countries (Brazil, Colombia, Thailand, Argentina, Uruguay, Vietnam, Madagascar and Mauritius) and has a total of 3,539 stores in all formats. 97% of international revenue comes from Latin America and Asia, its two core international regions where it holds leadership or co-leadership positions.

In 2013, consolidated revenue totalled €48.6 billion, an increase of 15.9% on 2012, while underlying net earnings attributable to owners of the parent amounted to €618 million.

(1) Excluding international affiliates.

B. Business and strategy in France

Casino is a leading food retailer in France, with 11.7% market share(2). The Group stands out in the French retail world for its multi-format structure and its heavy weighting to convenience and discount stores. Casino also pursues a strategy of differentiating its banners to meet new customer expectations, particularly through a multi-channel approach with Cdiscount.

The French operations generated revenue of €19,492 million in 2013 and trading profit of €618 million.

The French retailing market is gradually evolving, driven by changing lifestyles and socio-demographic trends such as an ageing population, smaller families, family members leading separate lives and growing individualisation of lifestyles. This has led to a greater diversity of retail formats and concepts, a broader and more segmented product offering and more individualised contact with consumers.

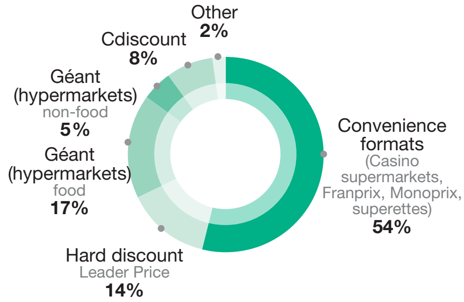
In this environment, the Group's multi-format structure and its heavy weighting to convenience and discount formats are a definite competitive advantage.

At end-2013, the Group operated a total of 10,517 stores covering all food retailing formats.

Number of stores by format (at 31 December 2013)(3)

Format/positioning	Number of stores
HYPERMARKETS	126
SUPERMARKETS	444
CITY-CENTRE SUPERMARKETS	584
CONVENIENCE (SUPERETTES AND AFFILIATES)	7,314
CONVENIENCE	885
DISCOUNT	619
OTHERS (EXCL. AFFILIATES)	512

Breakdown of French sales by format, excluding petrol (at 31 December 2013)



Casino has chosen to develop a precision retailing approach to provide a tailored response to the expectations of different consumer groups. This strategy is reflected in a targeted positioning for each banner, sustained development of private-label goods and a personalised marketing approach.

Sustained development in private-label goods

The Casino Group was a pioneer in private label products, launching its own brand as early as 1901. In 1931, it released its first advertising for private label products with the slogan "Casino, above all a great brand". In 1959, the Group began to put sell-by dates on its products, well before the regulations were introduced, and in 1984, offered a double money-back guarantee on its products (satisfied or reimbursed twice).

Since 2005, the Group has stepped up the development of its own label by expanding the offer and launching theme ranges with a focus on taste and nutrition as well as continuous innovation.

The brand's strength now lies in its competitive pricing, broad product range and ability to regularly renew its product lines. Casino brand products were sold in more than 8,000 stores in 2013. Casino private label and value-line products accounted for 45% of total volumes of FMCG and refrigerated products sold across the Group's entire network.

The Casino brand portfolio covers broad product ranges designed to meet each consumer's specific needs. The ranges include Casino Délice for gourmet food lovers, Casino Bio for consumers seeking organic products and Casino Bien Pour Vous for consumers with special dietary needs, for example gluten-free products. Club des Sommeliers covers wines and includes a range of premium products under the Club des Sommeliers Grandes Réserves label. *Tous les Jours* is a value-line label offering a range of daily basics in both food and non-food.

In 2013, a new brand for children, Les Doodingues de Casino, was added to the portfolio. The launch was supported by the development of two free games apps for smartphones, creating a Doodingues universe. The Group's private label policy also stands

(2) Source: KantarWorld Panel (formerly TNS), cumulative P12 2013.
(3) Including international affiliates (of which 9 Géant Casino hypermarkets, 34 Casino supermarkets and 80 Monoprix stores).

out for its commitment to sustainable development. Casino was the first retailer to sign the government-sponsored voluntary code of commitment to nutritional progress in 2008. It was among the first French retailers to measure the environmental impacts of its products, introducing the Casino Carbon Index in 2008 and then the Environmental Index in 2011. In 2010, Casino began to eliminate palm oil from its private-label goods, another example of its ability to meet new consumer concerns about controversial ingredients. At end-2013, 79% of Casino products no longer contained any palm oil. This initiative is shared by all the Group's banners in France.

A targeted positioning for each banner

Each banner has a different sales strategy, giving it a unique positioning much appreciated by consumers.

Casino Supermarkets

Casino Supermarkets operate in town centres or rural areas, with a total of 410 stores. They are concentrated in three main regions – the Rhone Valley, Greater Paris and south western France – which account for more than 75% of its total outlets.

Casino Supermarkets have an average selling area of 1,600 sq.m. offering mainly food products, 36.1% of which are Casino-brand goods. The banner's positioning is based on a triple commitment – fair prices, guaranteed quality and convenience.

Seven new Casino supermarkets were opened in France in 2013. Total sales amounted to €3,463 million, down 6.1% due mainly to continued price cuts, a policy introduced in the final quarter of 2012.

Monoprix

In 2013, Casino obtained exclusive control of the Monoprix Group.

Monoprix is the leading town centre retailer, with 584 stores in France at end 2013. Its expertise in town centre retailing is reflected first and foremost in its outlets. Its Monoprix banner, which has an average selling area of 1,800 sq.m. is designed to appeal to an active urban, mainly female, clientele. It stands out for its very broad and innovative offering (up to 68,000 items) in both food and non-food, with a wide range of private-label products.

Monoprix has also developed new formats:

- monop' is an ultra-convenience concept. With a selling area of 150 to 600 sq.m., these practical, welcoming stores provide a varied offering that meets basic daily needs as well as pleasure purchases. Monop' operates in busy urban areas and on motorways. Its 61 stores cater to an active urban clientele;
- monop'beauty is a store entirely dedicated to beauty and hygiene products. Aimed at men as well as women, Monop'beauty offers a broad selection of national brand products, designer brands and alternative brands that are usually sold in pharmacies;
- monop'daily combines fast food with ultra-freshness. With an average selling area of 50 to 100 sq.m., it offers a broad range of snacks, ready meals, dairy products, beverages, fruit and desserts, enabling consumers to choose a different menu every day;
- monop'station is a relatively new concept that first opened in late 2011. The stores are located in railway stations and stock the main Monop' and Monop'daily items for the convenience of travellers;
- Naturalia is the leading specialist retailer of organic products in the Paris region, with 75 outlets offering more than 6,000 items.

In 2013, Monoprix pursued an active expansion policy across all its formats, opening a total of 40 new outlets.

Monoprix's 2013 consolidated revenue (fully consolidated from 5 April 2013, 50% proportionately consolidated before that) totalled €3,561 million.

Franprix

Franprix is based mainly in Paris (since 2004) and, more recently, in the centre of large cities in the Rhone Valley and Mediterranean basin. It is an ultra-convenience format with an average selling area of 450 sq.m., offering a full range of basic food products with a balanced mix between the major national brands and the competitively priced Franprix and Leader Price labels.

Ease of access and flexible opening hours also contribute to its success.

Franprix has established itself as a powerful, differentiated concept in the Parisian convenience segment. At end 2013, it operated a total of 885 stores, including 344 franchises.

Superettes

There are five main superette banners: Petit Casino, Casino Shopping, Casino Shop, Vival and Spar.

Petit Casino is the Group's historic convenience format. It projects a friendly, welcoming image and offers an extensive range of food products including high-quality fresh produce. The banner is an integral part of local life in urban and suburban areas.

Vival operates mainly in villages and also projects a friendly, welcoming image. Alongside a food offering comprising mainly Casino brand goods, it also offers many other useful day-to-day services.

Spar operates in urban and suburban areas, offering a range of convenience food products as well as services such as photo development, bus tickets, etc.

Recognised expertise in franchising is one of the key strengths of the superette business model. The number of franchise stores has now reached more than 5,600, mainly under the Spar and Vival banners.

In 2011, two new banners were developed, Casino Shopping and Casino Shop, which have curved shelving displays and closed refrigerated displays to save energy. These new banners, which provide many services, have proved extremely popular with consumers and will be deployed mainly in urban areas. At end 2013, the Group had 161 Casino Shop stores and 14 Casino Shopping stores.

In 2013, the banner also confirmed its leadership with a contract to supply food items to service station shops. It now supplies more than 1,100 Total forecourt outlets.

The Group now operates 7,315 superettes and continues to expand the network while actively managing its store base. The superette stores posted revenue of €1,440 million in 2013.

Leader Price

Leader Price is the Group's discount banner in France. It is aimed at price-sensitive consumers and offers an extensive food range (4,300 items), including fresh produce, frozen goods and a few core regional products.

The Leader Price stores are located in urban and suburban areas across France.

Its assortment is composed of more than 80% Leader Price private label, 10% Le Prix Gagnant value-line label and 10% national brands.

Expansion continued apace in 2013, with several Norma stores and the stores of several master franchises taken over during the year, bringing the total to 619 at end-December. On 28 October 2013, Casino announced an agreement with Mutant Distribution, a subsidiary of Les Coopérateurs de Normandie-Picardie group, for Leader Price's acquisition of 47 stores together with an affiliation partnership with the Leader Price banner covering 89 stores.

Hypermarkets

Géant Casino's positioning is based on an enjoyable, comfortable shopping experience in people-friendly stores, whose average selling area is 7,000 sq.m. compared with the market standard of about 9,000 sq.m. Géant is a popular banner with a highly competitive offering.

At end-2013, Géant Casino operated 126 hypermarkets, mainly in southern France.

Prices were cut significantly during the year, in line with the repositioning initiated in the final quarter of 2012. At the end of 2013, its price index was highly competitive according to all market research sources not only for national brands but also for private label and value-line goods.

In non-food, Géant continued to reposition its offering in the more buoyant apparel, home and leisure segments. Alongside the refocusing plan, store space is being reorganised and scaled down to improve return on capital employed.

Another key differentiating factor was the launch of Alcudia in 2008, a plan to capture the value of the Group's shopping centres through Mercialys, its dedicated shopping mall investment company *(see below for further details on Mercialys)*.

Géant Casino's revenue amounted to €4,890 million in 2013.

E-commerce

Cdiscount was founded in 1998 and became a Casino Group subsidiary in 2000. It is one of the leading French B2C e-commerce sites and enjoys strong sales growth. As a multi-specialist, Cdiscount offers 100,000 items directly across more than 40 virtual stores, organised into major universes such as leisure and culture, high-tech, IT, household equipment, personal items and apparel, travel, health and beauty, and services (financing, insurance, etc.). The range rises to more than 5.6 million items including "C'le marché", a marketplace that had attracted more than 2,800 third-party sellers by end-2013 due to the website's popularity.

Since its creation, Cdiscount has cultivated a clear positioning as a specialist in the "Best products at the best prices". Its success is underpinned not only by this attractive price positioning but also by its innovative capability, its highly competitive cost structure and its fast commercial response. Cdiscount now has over 16 million customers.

Its strong momentum was reflected in 9.7% sales growth to €1,401 million. Business volume, including the fast growing marketplace, rose by 16.2% to €1,577 million.

The Group also continued to promote synergies between Cdiscount and its banners. For example, the pick-up service introduced in 2009, enabling Cdiscount customers to collect large items (over 30 kg) from Géant hypermarkets and small items under 30 kg from the Group's other banners, now represents a key strength in this strategy. Cdiscount now has more than 15,000 pick-up points in France, including Group stores.

Alongside Cdiscount, Monshowroom is a website specialising in online fashion wear and accessories.

Other businesses

The Group has developed a number of other retail-related businesses:

› Real estate activities

The Group and related real estate activities are developed in paragraph 1.4.

› Casino Restauration

Casino Restauration was historically positioned in the fast food segment through its chain of Casino cafeterias.

In the past few years, it has been repositioning through innovative concepts such as theme restaurants (Villa Plancha), takeout foodservice (Cœur de Blé), corporate foodservice (R2C: Restauration Collective Casino) and events catering (Saveurs d'Événements).

› Banque Casino

Created in 2001, Banque Casino provides consumer finance and other financial services in Géant Casino hypermarkets, Casino supermarkets and the Cdiscount site. It has almost one million customers.

In October 2011, Banque Casino launched a bank debit card available to the general public, in partnership with MasterCard.

Banque Casino has been accounted for by the equity method in Casino's consolidated financial statements since 2012.

C. Presentation of international business and strategy

International business now accounts for the majority of the Group's sales and earnings. The Group operates in eight countries with a total of 3,539 stores. International revenue totalled €29,153 million in 2013, representing 60% of the Group total compared with 56% in 2012. The trading margin was 6% in 2013.

The portfolio of international assets has been thoroughly remodelled. Casino now operates in countries with high growth potential, large, young populations, fast-growing economies and a largely fragmented retail structure. It focuses on two core regions: Latin America and South-East Asia. Its subsidiaries hold leadership positions thanks to their long-established store banners and close-to-the-customer relations. Reflecting this momentum, the two regions both reported a buoyant performance throughout the year, with organic growth of 12.4% in Latin America and 7.1% in Asia. Casino operates in the Indian Ocean region through Vindémia.

Latin America

Casino operates in Brazil, Colombia, Argentina and Uruguay, where it has leading positions. Latin America accounted for 85% of international revenue and 84% of international trading profit in 2013. Revenue in Latin America totalled €24,731 million with a trading margin of 5.9%.

BRAZIL*

Casino has operated in Brazil since 1999, through its subsidiary Grupo Pão de Açúca. Grupo Pão de Açúcar (GPA) is a historic player in the Brazilian retail market, and over the past few years has adapted its positioning in food retailing to meet the changing consumer needs. Although hypermarkets and supermarkets still dominate, GPA now has a multi-format, multi-banner portfolio that caters to a clientele drawn from all socio-economic backgrounds. It has also been developing innovative private label goods, which are much appreciated by consumers, including Qualità, an umbrella brand for food products, and Taeq, a health and well-being range.

In 2009, GPA acquired Globex and its Ponto Frio banner, Brazil's second-largest retailer of consumer electronics and household appliances. In 2010, Globex signed an agreement with Casas Bahia, Brazil's leading non-food retailer, making GPA the unrivalled leader in consumer electronics and household appliances with a market share of more than 20%.

With these major strategic initiatives, GPA has consolidated its position as Brazil's leading retailer both in the food and consumer durable segments.

* *Company information available at www.gpari.com.br.*

In 2012, Casino became GPA's only major shareholder and GPA has accordingly been fully consolidated by Casino since 2 July 2012. At end-2013, Casino owned a 38.1% interest in GPA.

In December 2013, GPA made an initial public offering of shares in Via Varejo, its non-food retail subsidiary. Its percentage interest in Via Varejo therefore fell from 52.4% to 43.3%. As there was no change of control, this transaction had no impact on consolidated revenue, GPA keeping the majority of shares voting.

GPA now owns 52.3% of Nova.com, the subsidiary's e-commerce business. Nova Pontocom is growing very fast, delivering 29.9% organic growth excluding calendar effects in 2013, driven by changes in its pricing strategy, improved services and development of its marketplace.

At the end of 2013, GPA operated a total of 1,999 stores, with strong market positions in Brazil's two most economically buoyant states, São Paulo and Rio de Janeiro. In 2013, GPA contributed €20,110 million to Casino's consolidated revenue.

GPA's shares have been listed on the São Paulo Stock Exchange since 1995 and the New York Stock Exchange since 1997.

Hypermarkets

› Extra: 138 stores

Extra hypermarkets offer a vast range of food products as well as personal and household equipment, aiming to meet the demands of as many consumers as possible at the best prices.

Supermarkets

› Pão de Açúcar: 168 stores

Pão de Açúcar convenience supermarkets offer a broad array of high quality products. Always at the leading edge of technology, the banner also offers a range of services to meet the needs of a relatively affluent clientele.

› Extra Perto: 213 stores

Extra Perto stores are large supermarkets designed on a human scale. They provide an extensive food offering as well as a broad non-food range in modern, pleasant surroundings.

Convenience

› Minimercado Extra: 164 stores

Minimercado Extra superettes are local convenience stores with a simple, pleasant look. They offer all basic products and services, with good value for money.

Cash and carry

› Assaí: 75 stores

Assaí is an "Atacarejo" store, a booming sector in Brazil. Atacarejo is a combination of "Atacado" meaning wholesaler and "Varejo" meaning retailer. Assaí is aimed at restaurant operators and the lower income segment, offering a broad range of food products and a small selection of non-food products.

Other formats

› Ponto Frio: 398 stores

Ponto Frio is aimed mainly at the middle-income segment. It provides a broad range of household appliances and furniture, accompanied by advice and services.

› Casas Bahia: 601 stores

Casas Bahia is the leading non-food retailer in Brazil and focuses on household goods aimed at the lower income segment. It is hugely successful due to its large range of competitively priced furniture, household appliances and consumer electronics. It also owes it success to a broad geographical reach covering ten States, as well as the quality of its customer service.

COLOMBIA*

Casino has operated in Colombia since 1999 through its subsidiary Éxito, Colombia's leading food retailer. At end-2013, Éxito had 739 stores in 87 cities across the country. Most of its stores are hypermarkets and supermarkets but it also operates in the convenience and discount segments.

Éxito intends to consolidate its coverage of large cities, enter small and mid-size urban markets and develop convenience formats. It also plans to develop its Surtimax banner, specialised in discount outlets.

In 2013, 312 new stores were opened, predominantly under the convenience format and the discount format through expansion of the Surtimax franchise network.

In 2013, Éxito's revenue in Colombia totalled €3,716 million. Éxito has been fully consolidated since 1 May 2007. Casino held a 54.8% interest in its share capital at end-2013.

Éxito's shares have been listed on the Bogotá Stock Exchange since 1994.

* *Company information available at www.grupoÉxito.com.co.*

Hypermarkets

› Éxito: 85 stores

Éxito is a hypermarket banner with stores in 55 cities. Its food and non-food product offering is tailored to the needs of all segments of the Colombian population. Éxito stands out for the quality of its private-label textile range, which enjoys a very good reputation with consumers. The outlets also provide a variety of services including the "Éxito points" loyalty programme, travel and financial services (insurance).

Supermarkets: 145 stores

› Carulla

Carulla is the main supermarket banner and is renowned for its high quality.

› Pomona

Pomona supermarkets are aimed at an affluent clientele and offer targeted gourmet products. The network operates mainly in Colombia's four major cities: Bogotá, Medellín, Cali and Barranquilla.

The two supermarket banners have a joint loyalty programme called "Supercliente Carulla".

Convenience: 91 stores

› Éxito Express

Éxito Express is a new "minimarket" convenience format offering fast moving consumer goods and fresh produce, as well as a few household cleaning and textile products.

› Carulla Express

Éxito's second "minimarket" format, which also provides take-out products such as sandwiches, fresh fruit and cakes and pastries.

Discount: 415 stores

› Surtimax

Surtimax is a discount convenience format located in suburban areas. The stores offer a comprehensive range of basic products at low prices, mainly under the Surtimax private label. They are mainly food stores, but also carry some non-food lines, including a selection of textiles, household articles and cleaning products.

During 2013, Éxito developed a network of independent franchises or "Aliados".

URUGUAY

The local market leader since 2000, Casino has three store banners that enjoy high brand recognition: Disco, Devoto and Géant. These banners became Éxito subsidiaries in 2011.

Casino had a total of 54 stores in Uruguay at end-2013 generating consolidated revenue of €476 million.

Supermarkets

› Disco: 28 stores

Originally a chain of family supermarkets, Disco enjoys strong recognition throughout the country and focuses on competitive pricing. Disco stores are conveniently located and much appreciated by consumers. Its two key strengths are reflected in Disco's signature: "*Ever closer at better prices*".

› Devoto: 24 stores

Devoto was originally a family company and has continued to develop by opening large modern stores, some of which offer an extensive non-food range. With its signature "Price and quality. Always", Devoto clearly states its strong positioning focused on affordability but also on product quality and customer service.

Hypermarkets

› Géant: 2 stores

Géant offers a broad range of products at the lowest prices in the country.

ARGENTINA

Casino has been present in Argentina since it acquired Libertad in 1998. The Group developed the Libertad chain of hypermarkets and launched the Leader Price brand before creating a network of Leader Price discount stores, which was sold in 2010.

Libertad also operates other specialist retail formats, including Planet.com and Hiper Casa, as well as a chain of Apetito Fast Food restaurants.

In 2013, the Group had a total of 22 stores generating consolidated revenue of €428 million.

Hypermarkets

› Libertad: 15 stores

Libertad is the leading hypermarket chain outside the capital, operating mainly in large inland cities. It is typically the anchor store in a shopping centre.

Other: 7 stores

› Planet.com

Planet.com is a specialist electronics retailer (computers, audio, video, photography, etc.), with an average selling area of about 2,000 sq.m.

› Hiper Casa

Hiper Casa sells home and office decoration and equipment and is the Argentinian leader in this market. It is a benchmark for consumers seeking quality products and service.

Asia

The Group has operated in Asia since 1999, where it now focuses on Thailand and Vietnam.

In 2013, Asia generated revenue of €3,561 million with a trading margin of 7.4%.

The region accounted for 12% of international revenue and 15% of international trading profit.

THAILAND*

The 1999 acquisition of a stake in Big C made Casino the number-two large-surface food retailer in Thailand.

Big C enjoys the image of a powerful local banner selling products at cheap prices aligned with local tastes.

There were 559 stores at end-2013, including 119 hypermarkets. Big C operates as many shopping centres as hypermarkets, reflecting the Casino Group's aim of exporting its French "retailing and property development" dual business model to its key international markets. Big C also operates in the convenience segment with its 278 Mini Big C stores, *versus* 126 at end-2012.

In 2013, Big C generated consolidated revenue of €3,093 million.

Big C's shares have been listed on the Bangkok Stock Exchange since 1994.

At end-2013, Casino had a 58.6% majority interest in Big C.

Hypermarkets: 119 stores

Big C hypermarkets offer regular promotions and excellent value for money. They also differentiate themselves from rival banners by making shopping an enjoyable and pleasant experience (through in-store events, etc.), thereby encouraging consumers to return.

Supermarkets: 30 stores

Big C Junior was launched in 2010, with an average selling area of 4,000 sq.m.

Convenience: 278 stores

Big C operates in the convenience store segment through its Mini-Big C banner, which aims to attract an urban clientele seeking to make their daily shopping as quick and easy as possible.

Other

› Pure: 132 stores

Launched in 2008, Pure is a new store concept offering a range of 4,000 health, beauty and personal care items.

VIETNAM

Vindémia, a Casino Group subsidiary, opened the first "French-style" hypermarket in Vietnam in 1998 under the Big C banner. Vietnam is a highly promising market, with a large, young population, a fast-growing economy and substantial potential for developing modern trade.

At end-2013, Big C had 25 hypermarkets, all located in shopping centres in line with the Group's dual development model.

Big C outlets stand out for their quality of service, range of fresh produce and store price image (source: Neilsen) and the Big C Vietnam brand is recognised as a favourite with Vietnamese consumers.

There are also 10 predominantly food-oriented convenience stores offering a large number of fresh and ready-to-eat products.

In 2013, Big C posted revenue of €468 million.

Other countries

INDIAN OCEAN

The Group operates in the Indian Ocean region through its Vindémia subsidiary.

Vindémia has a very strong market position in Reunion, which accounts for more than 80% of sales, but also operates in Madagascar, Mayotte and Mauritius.

The Group has a multi-format positioning with Jumbo hypermarkets, Score supermarkets and Spar convenience stores. It now has a total of 131 outlets.

In 2013, the Group posted consolidated revenue of €862 million in the Indian Ocean region.

* *Company information available at www.bigc.co.th.*

1.4. REAL ESTATE

1.4.1. ROLLING OUT THE DUAL RETAILING AND PROPERTY DEVELOPMENT MODEL IN FRANCE AND ABROAD

The Group's expansion plan in France and abroad is based on a business model combining retailing with property. Driven by its anchor food store, the Group develops and operates shopping centres that offer consumers a place to relax and socialise and a customer experience that meets local customs and tastes.

Deployment of this dual retailing and property strategy is supported by integrated teams in each subsidiary with the requisite skills, including research, land acquisition, property development, property letting, property management, asset value enhancement and asset management.

In France, L'Immobilière Groupe Casino (IGC), a wholly owned subsidiary, holds the Group's store properties. Mercialys, a leading French retail property investor in which Casino owns a 40.2% interest, operates and captures the value of more than 60 shopping centres totalling 600,000 sq.m.

1.4.2. OPTIMISING THE PROPERTY PORTFOLIO

In 2005, the Group embarked on an active strategy to capture the value of its real estate, by spinning off its shopping centres to Mercialys, a dedicated retail real estate company and a listed company. At end-2013, Mercialys managed a portfolio worth €2.5 billion.

The Group sold its portfolio of standard office and warehouse properties in 2005 and 2006.

It has also pursued an assertive policy of turning over its food store assets, by selling properties that have reached a certain maturity to finance those with high growth potential. Two major innovative transactions took place in 2007: (i) the sale to AEW Immocommercial, a property mutual fund (OPCI), of 250 urban convenience store and supermarket properties that could no longer be extended any further, and (ii) the sale of store properties in Reunion to Immocio, another OPCI owned by the Generali group.

A further transaction was completed in 2008, comprising the sale of 42 superette, Casino supermarket and Franprix/Leader Price store properties to AEW Immocommercial and the sale of four Casino supermarket properties to another partner.

The Group pursued this policy in 2009, selling further superette, supermarket and Franprix/Leader Price store properties in France.

In 2009 and 2010, it also sold three shopping centres developed in Poland under its 2007 partnership with real estate investment fund Whitehall.

Mercialys has also refocused its portfolio, selling 103 assets between 2010 and 2013 for a total of €707 million.

Mercialys has been accounted for by the equity method since 21 June 2013, the date of the annual general meeting at which Casino's loss of control was duly recorded.
Mercialys is a listed company, http://www.mercialys.fr.

Casino Group's property portfolio at end-2013 (Group share)(4)

(€ billions)	2013	2012
France	5.2	4.4
International	2.5	2.8
TOTAL	**7.7**	**7.2**
of which store properties	5.6	5.1
of which shopping malls	2.1	2.1

The main changes in 2013 were due to the change of consolidation method for Monoprix and Mercialys in the France scope and to currency effects in the relevant countries in the international scope.

(4) Asset valuation calculated on the basis of the Group's percentage interest and 100% for controlled subsidiaries. For shopping malls, it is based on external appraisals or updates using the customary methods (discounted cash flow, yields), with specific assumptions for each country and each asset type.

1.4.3. ENHANCING THE VALUE OF EXISTING ASSETS

The dual model underpins the Group's profitable growth strategy and aims to increase the appeal of its sites in order to drive the retail business and to create a portfolio of valuable assets.

The five drivers of this strategy, based on the expertise of its local teams, are active asset management, redeveloping and optimising retail space, implementing an omni-channel strategy to adapt to changing consumer patterns, expanding forcefully in high potential countries and forging key partnerships.

In 2005, for example, Casino forged a partnership with Mercialys giving Mercialys first refusal over Casino's pipeline of retail property development or acquisition projects. The partnership resulted an in ambitious plan called "L'Esprit Voisin" designed to enhance the value of the Group's retail properties by extending the shopping malls and creating thriving sites that have their own personality and are deeply rooted in local life. From 2009 to 2013, 51 projects have been developed and then acquired by Mercialys.

In 2013, Cdiscount and Mercialys forged a partnership to create interaction between traditional and digital retailing.

In the international markets, in addition to sustained expansion, the Group has embarked on extension and value enhancement projects with the aim of redeveloping existing assets and optimising mall space.

1.4.4. OPTIMISING "NON-FLOOR" SPACE

In 2009, Casino created GreenYellow, a wholly-owned subsidiary involved in photovoltaic (PV) energy. The new venture leverages the Group's expertise in property development, construction and operation, as well as the favourable geographic location of its stores, a majority of which are in sunny regions.

GreenYellow is a leading French player in rooftop PV systems, with a current installed base of 65 MWp comprising 44 sites covering about 330,000 sq.m. of shopping centre and solar canopy rooftops. These systems save 5,250 tonnes of CO_2 a year and are sufficient to cover the annual consumption of 30,000 households. In 2014, GreenYellow plans to install a further 30 MWp of rooftop PV systems.

In 2012, GreenYellow also launched a major programme to sustainably reduce energy consumption in Casino Group stores by 25%. At the end of 2013, all Géant hypermarkets were equipped with energy efficiency solutions and their deployment is continuing in the supermarkets and international stores.

At 31 December 2013, Casino's interests in its listed companies had an aggregate market value of €8.5 billion.

Listed company	Share price at 31/12/2013	Market capitalisation (100%, in € millions)	% interest	Casino's share (€ millions)
GPA (Brazil)	BRL 104.9	8,517	38.1%	3,234
Grupo Éxito (Colombia & Uruguay)	COP 30,000	5,053	54.8%	2,771
Big C (Thailand)	THB 184	3,360	58.6%	1,961
TOTAL				**7,967**
Mercialys	€15.25	1,404	40.3%	565
TOTAL				**8,531**

1.5. SIMPLIFIED ORGANISATION CHART (AT 31 DECEMBER 2013)

Casino, Guichard-Perrachon

% interest

EUROPE

France
- 100% Distribution Casino France
- 100% Franprix Leader Price Holding
- 100% Codim 2
- 100% Casino Carburants
- 100% Floréal
- 100% Olenydys (Casino Express)
- 100% Monoprix
- 100% Naturalia France
- 99.8% Cdiscount
- 71% E-trend (Mon Showroom)
- 100% Casino Restauration
- 100% Restauration Collective Casino
- 100% L'immobilière Groupe Casino
- 100% Sudéco
- 91% Geen Yellow
- 100% Plouescadis
- 50% Banque du Groupe Casino
- 50% Geimex
- 40% Mercialys

Poland
- 100% Mayland Real Estate

Luxembourg
- 100% Casino Re

LATIN AMERICA

Argentina
- 100% Libertad SA

Colombia
- 55% Almacenes Éxito S.A.
- 100% Green Yellow Energia de Colombia

Brazil
- 99.9% Companhia Brasileira de Distribuiçao
- 62% Via Varejo
- 96% Nova Pontocom

Uruguay
- 97% Devoto Hermanos SA
- 62% Grupo Disco del Uruguay

ASIA

Thailand
- 59% Big C Supercenter PLC

Vietnam
- 100% Espace Bourbon Than Long
- 100% EB Tan Phu
- 100% EB Binh Duong
- 100% EB Can Tho
- 100% EB Vinh Ltd
- 100% EB Vinh Phuc
- 100% EB Hai Duong
- 100% EB Thanh Hoa
- 100% EB Phu Thanh
- 100% EB Nam Dinh
- 100% Espace Big C Hai Phong
- 100% Espace Big C Donh Nai
- 100% Espace Big C Anh Lac
- 100% Espace Business Hue
- 100% Viet Nhat Real Estate

INDIAN OCEAN REGION

Reunion
- 100% Vindemia

Mauritius
- 100% Sodimar

Mayotte
- 70% B.D.M.

Madagascar
- 100% S.2.M.

Listed companies: Mercialys, Almacenes Éxito S.A., Companhia Brasileira de Distribuiçao, Via Varejo, Big C Supercenter PLC

A list of consolidated subsidiaries is provided on page 151 and a table of subsidiaries and associates on page 180.

FINANCIAL HIGHLIGHTS

2013 FINANCIAL HIGHLIGHTS

2013 financial highlights:

Continuing operations *€ millions*	**2012**	**2013**	**Reported change** *(%)*	**Organic change**[1]
Consolidated net sales	41,971	48,645	+15.9%	4.5%
Gross profit	10,844	12,445	+14.8%	
EBITDA[2]	2,853	3,337	+17%	+8.3%
Depreciation and amortisation expense	(851)	(974)	+14.4%	
Trading profit	2,002	2,363	+18.1%	+10.7%
Other operating income and expense	377	261		
Net financial expense, of which:	(499)	(719)		
Finance costs, net	*(519)*	*(635)*		
Other financial income and expense	*20*	*(84)*		
Profit before tax	1,880	1,905	+1.4%	
Income tax expense	(323)	(401)		
Share of profits of associates	(21)	21		
Profit from continuing operations	1,535	1,524	-0.7%	
Group share	*1,065*	*853*	*-19.9%*	
Attributable to minority interests	*470*	*672*	*+42.8%*	
Net profit/(loss) from discontinued operations	(2)	(2)		
Group share	*(2)*	*(2)*		
Attributable to minority interests	*0*	*0*		
Consolidated net profit	1,533	1,523		
Group share	*1,062*	*851*		
Attributable to minority interests	*470*	*672*		
UNDERLYING NET PROFIT, GROUP SHARE[3]	**564**	**618**	**+9.7%**	

(1) Based on a comparable scope of consolidation and constant exchange rates, excluding the impact of property disposals.
(2) EBITDA = Earnings before interest, taxes, depreciation and amortisation = Trading profit + depreciation and amortisation expense.
(3) Profit from continuing operations adjusted for the impact of other operating income and expense (as defined in the "Significant Accounting Policies" section of the notes to the consolidated financial statements), non-recurring financial items and non-recurring income tax expense/benefits (see appendix), see paragraph 2.1.4.

2.1. BUSINESS REPORT

- In 2013, the Group's profile was transformed in France and its international business mix enabled it to achieve a strong organic performance.
- In France, the Group's profile has been revitalised by the turnaround of Géant, the acquisitions in the convenience and discount store sectors, and the growth of e-commerce. More specifically, the Group has seen its growth profile further strengthened with the acquisition of the 50% stake held by Galeries Lafayette in the capital of Monoprix, which has been fully consolidated since 5 April 2013.
- Internationally, Brazil achieved an excellent performance, while business proved to be very resilient in Colombia and Thailand, in a less favourable macroeconomic environment.
- The Group's consolidated sales grew strongly by +15.9% in 2013.

  The currency effect was a negative -8.1%. Changes in scope of consolidation had a positive impact of +19.4%, reflecting the full consolidation of Monoprix (April 2013) and GPA (July 2012).
- France achieved growth in consolidated sales, thanks to the consolidation of Monoprix, while Mercialys was deconsolidated from 21 June 2013. On an organic basis (excluding the calendar effect), sales picked up again at the end of the year thanks to the turnaround in trends for both footfall and volumes for Géant and Casino Supermarkets. In France, the calendar effect* came to -0.7%, with a petrol effect** of -0.3%.
- Internationally, organic sales growth (+11.9% excluding petrol and calendar effects) accelerated, thanks to a sustained and steady rate of development across all the Group's international markets, set against a slowdown in inflation. The full consolidation of GPA from the beginning of the second half of 2012 significantly boosted International's contribution to the Group's revenue and trading profit, at 60% and 74% respectively.
- Trading profit rose sharply by +18.1%.
- The trading margin was 4.9%, up +9 basis points.
  - In France, the margin contracted by -54 basis points;
  - Internationally, the margin rose by +39 basis points reflecting the increase in profitability in each of the Group's main markets (Brazil, Colombia, Thailand and Vietnam).
- Net profit from continuing operations came to €1,524 million, down -0.7%, while underlying net profit, Group share is up +9.7% to €618 million.
- Lastly, financial flexibility has improved, with a net financial debt to EBITDA ratio of 1.62x.

2.1.1. FRANCE

› (40% of consolidated net sales and 26% of consolidated trading profit)

€ millions	2012	2013	Change *(%)*
France			
Casino banners excluding Mercialys	12,027	11,511	-4.3%
Monoprix	2,010	3,561	+77.2%
Franprix-Leader Price	4,279	4,356	+1.8%
France (excl. Mercialys, consolidated until 21 June 2013)	**18,316**	**19,429**	**+6.1%**
Mercialys	131	64	-51.4%
NET SALES	**18,447**	**19,492**	**+5.7%**
Casino banners excluding Mercialys	254	145	-43%
Monoprix	122	247	+101.9%
Franprix-Leader Price	163	152	-6.7%
France (excl. Mercialys, consolidated until 21 June 2013)	**539**	**544**	**+0.9%**
Mercialys	146	75	-48.9%
TRADING PROFIT	**685**	**618**	**-9.8%**
Casino banners excluding Mercialys	2.1%	1.3%	-85 bp
Monoprix	6.1%	6.9%	+85 bp
Franprix-Leader Price	3.8%	3.5%	-32 bp
France (excl. Mercialys, consolidated until 21 June 2013)	**2.9%**	**2.8%**	**-14 bp**
Mercialys	n.a.	n.a.	n.a.
TRADING MARGIN	**3.7%**	**3.2%**	**-54 BP**

* *The calendar effect measures the theoretical impact of calendar differences from one year to another on like-for-like sales growth. It therefore takes into consideration:*
- the impact of variations in days of the week from one year to another;
- the impact of differences in the timing of days with very strong variations in sales, either up or down.

** *The petrol effect measures the change in service station sales, which are usually excluded from analyses of like-for-like sales and organic sales.*

Net sales in France totalled €19,492 million in 2013, compared with €18,447 million in 2012, up +5.7% (-2.9% on an organic basis excluding petrol and calendar effect).

The **trading profit** came in lower than 2012 at €618 million. The trading margin came to 3.2%, down -54 bp in relation to 2012 and -39 bp on an organic basis. Excluding Mercialys, the trading profit was €544 million (€539 million in 2012).

Highlights by format were as follows:

- Casino banners
  - **Géant Casino** hypermarket sales totalled €4,890 million, down -6.3% on an organic basis (excluding petrol and calendar effects), reflecting the impact of significant price reductions. Géant now has a new and very competitive price positioning. The sequential improvement in sales on a same-store basis excluding calendar and petrol effects* was very strong during the year (+0.8% in Q4 2013 *vs.* -7% in Q4 2012), reflecting the impact of the improvement in footfall levels and volumes (+1.9% and +8.1% in Q4 2013). Non-food business also improved.
  - **Casino Supermarket** sales came to €3,463 million, compared with €3,687 million in 2012, down -4.4% on an organic basis (excluding petrol and calendar effects). The banner's sales show a satisfactory trend for the end of 2013, with customer footfall levels and volumes moving into positive territory during the second half of the year as a result of the price cuts rolled out. The banner is moving forward with action plans aiming to increase its appeal: quality of fresh produce, choice of food products and in-store service.
  - **Convenience** sales are down (-2.3% on an organic basis excluding calendar effect) to €1,440 million, compared with €1,480 million in 2012. The banner has continued to rapidly expand with new points of sale in high footfall areas (stations, airports, motorways, etc.). At 31 December 2013, there were 7,347 stores (including affiliates), compared with 6,546 at 31 December 2012. In addition, a new loyalty programme was deployed across the entire integrated store network. Lastly, the Group began rolling out a commercial relaunch for various integrated and franchised networks.
  - **Other businesses**, which primarily include Cdiscount and Casino Restauration, reported a +2.1% increase in sales to €1,782 million *versus* €1,746 million in 2012.

The e-commerce business (Cdiscount and Monshowroom) maintained a very strong rate of sales growth (+10.3%), driven by Cdiscount's very strong momentum (+9.7%). Cdiscount's total business volume increased by +16.1% over the year including the marketplace, which represented more than 16% of the website's total volumes at the end of December (*versus* 10% in December 2012). The marketplace's rapid development has continued, with 5.6 million offers and over 2,800 sellers. Lastly, Cdiscount is supported by a distribution network with over 15,000 pick-up points across France.
The operating margin for **Casino** banners (excluding Mercialys) came to 1.3%. The price reductions rolled out in 2013, particularly at Géant, are reflected in a successful price repositioning. They have had a very positive impact on volumes: the Group has seen market share growth in terms of volumes since the fourth quarter, for both hypermarkets and supermarkets. To a great extent, the cost cutting plans limited the impact of the price cuts rolled out.

- **Monoprix** recorded sales growth of +1.4% on an organic basis (excluding petrol and calendar effect), thanks to its continued expansion and resilient same-store sales. Expansion continued on all formats (Citymarchés, Monop', Naturalia, etc.) with 40 stores opened in 2013.
  Monoprix's total sales rose by +77.2% to €3,561 million, *versus* €2,010 million in 2012. Monoprix's operating margin is up +85 bp to 6.9%. Monoprix's contribution to earnings in France increased as a result of it being fully consolidated since 5 April 2013, combined with improvements in its margin on an organic basis.
- **Franprix-Leader Price** sales increased by +1.8% to €4,356 million, *versus* €4,279 million in 2012.
  - Leader Price recorded +5.3% growth in sales over the year. The banner rolled out a significant price repositioning at the end of the year and is now the cheapest on the market (independent panelist) for both private label and national brands. In addition, Leader Price continued moving forward with its expansion, notably acquiring 38 Norma stores in 2013.
  - Franprix sales fell by -1.8% on an organic basis excluding the calendar effect. The loyalty card has been rolled out across the network, the expansion has resumed with various formats and the banner has continued converting stores to the new concept.

Franprix-Leader Price recorded a trading margin of 3.5%, up +13 bp on an organic basis compared with 2012.

* *FMCG.*

2.1.2. INTERNATIONAL

› (60% of consolidated net sales and 74% of consolidated trading profit)

€ millions	2012	2013	Change *(%)*	Organic change(1)
Net sales	23,524	29,153	+23.9%	+11.2%
Trading profit	1,316	1,745	+32.6%	+22.7%
Trading margin	*5.6%*	*6%*	*+39 bp*	

(1) Based on a comparable scope of consolidation and constant exchange rates, excluding the impact of property disposals.

International sales surged +23.9% to €29,153 million, driven by the full consolidation of GPA from the second half of 2012. The scope effect was positive (+27.2%), while the currency effect was negative (-14.4%) for the year. Adjusted for these factors, the International business reported strong **organic sales growth** of +11.2%.

The International **trading profit** came to €1,745 million, *versus* €1,316 million in 2012, an increase of +32.6%.

The trading margin increased by +39 bp to +6%, reflecting the significant improvement in the margin in both Latin America and Asia.

International contributed 60% to Group revenue and 74% to Group trading profit, *versus* 56% and 66% respectively in 2012.

Latin America

- Brazil
- Colombia
- Uruguay
- Argentina

€ millions	2012	2013	Change *(%)*
Net sales	19,251	24,731	+28.5%
Trading profit	1,060	1,469	+38.7%
Trading margin	*5.5%*	*5.9%*	*+44 bp*

Sales in Latin America rose by +28.5% to €24,731 million from €19,251 million in 2012.

The currency effect was a negative -17.1%, whilst changes in scope of consolidation had a positive impact of +33.2%, driven by the full consolidation of GPA in the second half of 2012.

Latin America reported strong organic growth of (+12.4%), driven by a very strong same-store performance across the entire region (up +8.7% excluding petrol).

In **Brazil**, GPA posted strong organic growth of +14.7%. In the food segment, GPA Food's same-store sales rose by +10.4% (excluding calendar effect), significantly higher than inflation. The Group's banners have benefited from successful commercial operations and the rapid development of the cash & carry branch Assai. 85 stores were opened in 2013, including 59 Minimercado convenience stores and 14 Assaí stores.

In the non-food sector, Via Varejo recorded a very high level of same-store sales growth (excluding Nova Pontocom), up +10.1%, thanks in particular to the success of the various promotional operations. Once again, e-commerce (Nova Pontocom) performed very well, up +30% on an organic basis, thanks to the strengthening of services (especially free deliveries).

In **Colombia** and **Uruguay**, the Exito Group reported strong organic sales growth of +4%, supported by the continued expansion drive and the strengthening of Surtimax's market shares in Colombia. The rapid expansion has focused on discount and convenience formats, with 276 Surtimax stores opened in 2013 in connection with the rapid development of a network of affiliates ("Aliados"). On 10 February 2014, the Group announced the acquisition of 19 stores and the signing of a lease-management agreement with an option to buy 31 other Super Inter banner stores, further strengthening the Group's exposure in two key Colombian regions.

Trading profit in Latin America totalled €1,469 million in 2013, an increase of +38.7%. In Brazil, the cash & carry margin continued to rise, and synergies between Casas Bahia and Ponto Frio continued. Colombia reported a very satisfactory performance for all formats.

Asia

- Thailand
- Vietnam

€ millions	2012	2013	Change *(%)*
Net sales	3,407	3,561	+4.5%
Trading profit	241	264	+9.5%
Trading margin	*7.1%*	*7.4%*	*+34 bp*

Sales in Asia increased by +4.5% to €3,561 million, *versus* €3,407 million in 2012. The currency effect was a negative -2.6%. On an organic basis, growth was a sustained +7.1%, driven by the continued expansion in both Thailand and Vietnam.

In **Thailand**, Big C reported growth of +3.7%. Organic growth was buoyant at +6%, despite the slowdown in consumption and the political unrest seen at the end of the year, notably reflecting the success of the innovative sales initiatives and the sustained expansion drive. 212 stores were opened in 2013 (compared with 129 in 2012), including 153 Mini Big Cs, 41 Pure stores, 6 hypermarkets with adjacent shopping malls and 12 supermarkets.

Vietnam delivered further strong sales growth of +15% on an organic basis, set against the backdrop of an improving macroeconomic climate. Four hypermarkets with adjacent shopping malls were opened during the year.

Trading profit in Asia rose by +9.5% to €264 million, driven by Thailand with its excellent trading margin.

2.1.3. 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 year ended 31 December 2013 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the European Union on the date of approval of the financial statements by the Board of Directors and mandatory as of the reporting date.

These standards can be consulted on the website of the European Commission at the following address: http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm.

The significant accounting policies set out below have been applied consistently to all periods presented, after taking account of or with the exception of the new standards and interpretations (see note 1.1.1 to the consolidated financial statements).

Main changes in the scope of consolidation and their related impacts

- After part of the capital was put on the stock market by the shareholders, GPA's interest in Via Varejo dropped from 52.4% to 43.3% at the end of December 2013. Without any change of control, this operation did not have any impact on consolidated sales. In addition, the change in GPA's direct interest in Nova Pontocom, from 43.9% to 52.3%, also had no impact on consolidated sales.
- On 21 June 2013, the date of the General Meeting during which Casino's loss of control was noted, Mercialys was deconsolidated. Since this date, its results have been consolidated using the equity method.
- The Monoprix Group has been fully consolidated in the Casino Group's accounts since 5 April 2013, when the acquisition of 50% of Monoprix's securities is presumed to have taken place.
- As in 2012, changes in scope generated significant levels of non-recurring income, with €551 million recorded under other operating income and expense on the income statement (*versus* €672 million for the previous year).
- Since 1 February 2013, Casino has fully consolidated (through Franprix-Leader Price) various franchises and particularly the DSO, Cafige and Guerin sub-groups. Franprix-Leader Price's scope has also changed, with the NORMA stores fully consolidated since 31 July 2013.

Net sales

Consolidated net sales for the year rose by +15.9% to €48,645 million *versus* €41,971 million in 2012.

Main currency effects

The currency effect was a negative -8.1%.

Main scope effects

Changes in the scope of consolidation had a positive impact of +19.4%, primarily reflecting the full consolidation of Monoprix since 5 April 2013, as well as the gaining of control over GPA and its full consolidation since 2 July 2012.

A detailed review of sales growth is presented above, in the sections on French and International operations.

Trading profit

Trading profit rose by +18.1% to €2,363 million *versus* €2,002 million in 2012.

The currency effect was a negative -10.3%. Changes in scope of consolidation had a positive impact of +17.6%, reflecting the full consolidation of Monoprix and GPA.

Adjusted for these factors, trading profit was up +10.7% on an organic basis.

A detailed review of trading profit is presented above, in the sections on French and International operations.

Operating profit

Other operating income and expense showed a net income of €261 million for the year, compared with €377 million of income for 2012.

The €261 million of net income for 2013 primarily included:

- €58 million in capital gains on asset disposals;
- €551 million in net income related to scope operations (notably the revaluation at fair value of the previously held interest in Mercialys and Monoprix);
- €79 million in net impairment of assets;
- €148 million in provisions and charges for restructuring;
- €86 million in legal and risk provisions and charges, and others.

(See Note 8 – Other operating income and expenses in the notes to the consolidated financial statements)

After other operating income and expense, operating profit amounted to €2,625 million, up +10.3% from €2,379 million in 2012.

Profit before tax

Profit before tax rose by +1.4% to €1,905 million in 2013, compared with €1,880 million in 2012, after deducting net financial expenses of €719 million for the period, compared with a net expense of €499 million in 2012, with the following breakdown:

- €635 million in net finance costs, up from €519 million in 2012;
- €84 million of other net financial expenses, compared with €20 million of other net financial income for 2012.

Net profit, Group share

Income tax expense came to €401 million, compared with €323 million in 2012. The effective tax rate was 21.1%. Excluding non-recurring items, the underlying tax rate was 28.8% *versus* 32.3% in 2012.

The **Group's share in income of associates** came to €21 million, compared with losses of €21 million in 2012.

Minority interests represented €672 million in 2013, compared with €470 million in 2012. In 2013, excluding non-recurring items, underlying profit attributable to minority interests came to €636 million, with this increase primarily due to the full consolidation of GPA, including the company Via Varejo.

In 2012, excluding non-current items, underlying profit attributable to minority interests came to €415 million.

In light of these factors, **net profit from continuing operations, Group share** came to €853 million in 2013, compared with €1,065 million for 2012.

Underlying net profit from continuing operations, Group share (as defined after) amounted to €618 million in 2013, *versus* €564 million in 2012, up +9.7%.

Total net profit, Group share fell by -19.9% to €851 million from €1,062 million in 2012.

Cash flows

Cash flow rose by +23.6% to €2,025 million from €1,639 million in 2012.

Change in working capital was a positive €444 million for 2013, *versus* €194 million for 2012, notably reflecting the favourable change in working capital for international goods and the effective management of inventories in France.

In 2013, **capital expenditure** amounted to €1,633 million, a contained increase over the 2012 level of €1,406 million given the full consolidation of GPA and Monoprix. In France, capital expenditure continued to be controlled and focused mainly on the convenience stores. Internationally, capital expenditure was driven by scope effects in Brazil and by expansion.

Acquisitions and changes in scope of consolidation amounted to €1,334 million for the period (€603 million in 2012), primarily resulting from the acquisition of 50% of Monoprix, the acquisition of FPLP master franchises and the deconsolidation of Mercialys.

Financial position

At 31 December 2013, the Group's **net financial debt** totalled €5,416 million, compared with €5,451 million at 31 December 2012. The Group has continued to improve its debt ratios, with a net financial debt to EBITDA ratio[1] of 1.62x (*versus* 1.91x at end-2012).

Equity came to €15,426 million at 31 December 2013, compared with €15,201 million at 31 December 2012.

The average maturity of the Group's bond debt was extended to 4.8 years (*versus* 4.5 years at 31 December 2012), reflecting the impact of a €750 million bond issue with a 10-year maturity in January 2013, as well as two bond placements in April 2013, for a total of €600 million, with a maturity of six years and 10 years.

2.1.4. APPENDIX: RECONCILIATION OF REPORTED NET PROFIT TO UNDERLYING NET PROFIT

Underlying profit corresponds to profit from continuing operations adjusted for the impact of other operating income and expense (as defined in the "Significant Accounting Policies" section of the notes to the consolidated financial statements), non-recurring financial items and non-recurring income tax expense/benefits.

Non-recurring financial items include fair value adjustments to certain financial instruments whose market value may be highly volatile. For example, fair value adjustments to financial instruments that do not qualify for hedge accounting and embedded derivatives indexed to the Casino share price are excluded from underlying profit.

Non-recurring income tax expense/benefits correspond to tax effects related directly to the above adjustments and to direct non-recurring tax effects. In other words, the tax on underlying profit before tax is calculated at the standard average tax rate paid by the Group.

Underlying profit is a measure of the Group 's recurring profitability.

€ millions	2012	Adjustments	2012 (underlying)	2013	Adjustments	2013 (underlying)
TRADING PROFIT	**2,002**		**2,002**	**2,363**		**2,363**
Other operating income and expense	377	(377)	0	261	(261)	0
OPERATING PROFIT	**2,379**	**(377)**	**2,002**	**2,625**	**(261)**	**2,363**
Finance costs, net	(519)	0	(519)	(635)	0	(635)
Other financial income and expense, net[1]	20	(24)	(4)	(84)	88	4
Income tax expense[2]	(323)	(155)	(478)	(401)	(97)	(499)
Share of profits of associates	(21)	0	(21)	21	0	21
NET PROFIT FROM CONTINUING OPERATIONS	**1,535**	**(556)**	**979**	**1,524**	**(270)**	**1,254**
Attributable to minority interests[3]	*470*	*(55)*	*415*	*672*	*(36)*	*636*
Attributable to owners of the parent	**1,065**	**(501)**	**564**	**853**	**(234)**	**618**

(1) Other financial income and expense, net is stated before the impact of discounting tax liabilities in Brazil (€22 million expense in 2012 and €25 million expense in 2013), foreign exchange losses on USD receivables due from the Venezuelan government (€2 million expense in 2012 alone), changes in the fair value of Total Return Swaps on GPA, Big C shares, forwards and calls (€48 million income in 2012 and €63 million expense in 2013).
(2) Income tax expense is stated before the tax effect of the above adjustments and non-recurring income tax expense/benefits.
(3) Non-controlling interests are stated before the above adjustments.

(1) EBITDA (earnings before interest, taxes, depreciation and amortisation) = trading profit + amortisation and depreciation expense.

2.2. PARENT COMPANY BUSINESS REVIEW

2.2.1. BUSINESS

Casino, Guichard-Perrachon, parent company of the Casino Group, is a holding company. Its activities consist of defining and implementing the Group's development strategy and coordinating the businesses of the various subsidiaries, acting jointly with their respective management teams. The Company also manages a portfolio of brands, designs and models licensed to the subsidiaries. In addition, it manages the Group cash pool in France and is responsible for overseeing the proper application of Group legal and accounting rules by the subsidiaries.

In 2013, the Company had net revenue of €133 million *versus* €172 million in 2012, corresponding mainly to trademark and banner licence fees and management fees received from subsidiaries. Substantially all of its net revenue is derived from the French subsidiaries.

The Company does not have any specific research and development activities.

2.2.2. FINANCIAL REVIEW

The financial statements are prepared in accordance with French generally accepted accounting principles as approved by the decree of 22 June 1999, and with all CRC standards published after that date.

The accounting principles and policies applied to prepare the financial statements are substantially the same as those used in the previous year.

These principles and policies are described in the notes to the financial statements, which also include a detailed analysis of the main balance sheet and income statement items, as well as movements during the year.

At 31 December 2013, the Company had total assets of €18,773.7 million and equity of €7,929.6 million.

Non-current assets amounted to €17,354.0 million (including €16,165.0 million in equity investments).

Total debt stood at €9,301.7 million *versus* €8,835.5 million at 31 December 2012. Net debt stood at €7,201.3 million *versus* €5,634.6 million in 2012, representing 90.8% of equity. Details of debt and financial liabilities are provided in note 13 to the parent company financial statements. No debt is secured by collateral over the Company's assets. At 31 December 2013, the Company had confirmed undrawn bank lines totalling €2,250.1 million.

As required by article L. 441-6-1 of the French Commercial Code (*Code de commerce*), the following table shows a breakdown of trade payables by due date at the year-end:

(€)	1 to 30 days before the due date		31 to 60 days before the due date		61 to 90 days before the due date		More than 91 days before the due date		Past due		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Trade payables											**44,015,978.52**	**60,598,051.38**
Accounts payable	9,624,595.38	12,937,534.76	79,959.91	278,687.96	28,944.79	18,132.43			762,762.31	5,694,995.10	10,496,262.39	18,929,350.25
Bills payable	1,172,755.84	1,128,379.21	197,896.34	110,465.55							1,370,652.18	1,238,844.76
Invoices not yet received											32,149,063.95	40,429,856.37
Amounts due to suppliers of non-current assets											**200,588.72**	**493,171.78**
Accounts payable	63,346.14	425,123.58		865.00							63,346.14	425,988.58
Bills payable	48,236.16	39,945.06	35,296.35						2,686.93	19,917.39	86,219.44	59,862.45
Invoices not yet received											51,023.14	7,320.75

Operating profit for the year came to €4.0 million *versus* €25.6 million in 2012.

The Company had net financial revenue of €453.3 million *versus* €383.5 million in 2012. The figure mainly includes:

- €617.7 million in income from equity investments *versus* €577.6 million in 2012;
- a cash balance of €50.1 million arising from the renegotiation of the TRS on 7,812,900 GPA preferred shares, a cash balance of €42.6 million arising from the renegotiation of the forward agreement on 5,813,200 GPA shares and a cash balance of €77.8 million arising from the transfer by novation of 54 interest rate swaps for a total nominal amount of €5,780.0 million to Casino Finance;
- €6.5 million loss relating to the sale of treasury shares;
- €19.5 million provision for amortisation of bond redemption premiums;
- €7.2 million provision for impairment of Geant Argentina shares;
- €19.2 million reversal of provision for impairment of Geimex shares;
- €11.2 million net reversal of provision for foreign exchange losses;
- €101.0 million net provision for loss related to the GPA TRS and Forward.

Profit before tax and non-recurring items therefore amounted to €457.3 million *versus* €409.1 million in 2012.

Net non-recurring loss amounted to €110.7 million *versus* €127.5 million in 2012. It mainly comprised expenses totalling €77.2 million related to (i) obtaining control of GPA and defending the Group's interests in Brazil and (ii) acquiring control of Monoprix.

Profit before tax came to €346.5 million *versus* €281.5 million in 2012.

As the parent company of the French tax group, Casino, Guichard-Perrachon recorded a tax benefit of €85.4 million in 2013, corresponding to the tax saving arising from netting off the profit and losses of the companies in the tax group. After taking this benefit into account, net income for the year was €432.0 million compared with €412.7 million in 2012.

2.2.3. NON-DEDUCTIBLE EXPENSES

In accordance with the disclosures required by Articles 223 *quater*, *quinquies*, 39-4 and 39-5 of the French General Tax Code (*Code général des impôts*), no non-deductible expenses were incurred during the year.

2.2.4. DIVIDENDS

Including retained earnings brought forward from prior years and the transfer to legal reserve, the sum available for distribution comes to €3,437,199,818.83. The Board is recommending a dividend of €3.12 per share.

Private shareholders resident in France for tax purposes will be entitled to claim 40% tax relief on their dividends, in accordance with Article 158-3, paragraph 2, of the French Tax Code (*Code général des impôts*).

The dividend will be paid as of 14 May 2014. Dividends on any Casino shares held by the Company on that date will be credited to retained earnings.

Dividends paid over the last three years are as follows:

Year	Number of shares	Dividend per share	Dividend eligible for 40% tax relief	Dividend not eligible for 40% tax relief
2010	110,668,863(1)	€2.78	€2.78	-
2011	110,646,652(2)	€3.00	€3.00	-
2012	112,674,802(3)	€3.00	€3.00	-

(1) Including 36,958 shares held by the Company.
(2) Including 21,030 shares held by the Company.
(3) Including 64,841 shares held by the Company.

The following table shows the total dividend payout (in € millions) and the payout rate (as a percentage of net profit), over the past five years:

Year	2008	2009	2010	2011	2012
Total payout	284.2	292.2	307.5	331.9	337.8
Payout rate (% of net profit)	57.2	49.4	55.9	58.4	31.8

By law, any dividends which have not been claimed within five years of their payment date will lapse and become the property of the French State, in accordance with articles L. 1126-1 and L. 1126-2 of the French Public Property Code (*Code général de la propriété des personnes publiques*).

2.3. SUBSIDIARIES AND ASSOCIATES

The business performance of the main subsidiaries and controlled companies is discussed on pages 3 to 22.

A list of consolidated companies is provided on pages 151 to 155.

Information on Casino, Guichard-Perrachon's subsidiaries and associates is provided on pages 180 to 182.

2.3.1. INVESTMENTS MADE IN 2013

In 2013, the Company acquired and created companies in France with the following direct and indirect interests:

Casino, Guichard-Perrachon

Acherna (100%), Alpax Participations (100%), Damap's (99.75%), Investeur 103 (100%), Kéran (72.59%) and Mapic (10%).

Distribution Casino France Group

Canephore (100%), Kigeki (100%), Loen (100%), Magnydis (100%) and Majaga (99.98%).

Franprix-Leader Price sub-group

2 RD (100%), A.L.B. (100%), Aimedis (100%), Alfordis (100%), Andis (100%), Anecydis (100%), Aquipain (100%), Balmadis HD (100%), Barpadis HD (100%), Beka (100%), Belriv Angers (100%), Belriv Cholet (100%), Belriv Distre (100%), Belriv Olonne (100%), Belriv (100%), Bigadis HD (100%), Birodis HD (100%), Bladis HD (100%), Blamines HD (100%), Bodis (100%), Borderdis HD (100%), Bourdis (100%), Bouscadis HD (100%), Cadaujadis HD (100%), Cafige (100%), Camelis (100%), Capudis (100%), Carbondis HD (100%), Casteldis DS (100%), Centralefi (100%), Chandis (100%), Cidis (100%), Ciedis HD (100%), Ciubdis HD (100%), Clerc Distribution Grenoble (100%), Cornebadis HD (100%), Covipain (100%), Crequi Cuvier Distrib (100%), Cugnadis HD (51%), Derrydis (100%), Di-Dax (100%), Dinnat (100%), Discountal (100%), Discroix HD (100%), Disram (100%), Distol (100%), Distri Sud-Ouest (90%), Distrial La Rochelle (100%), Distribon (100%), Distribution Poitou Charente (100%), Districhel (100%), Distrigo (100%), Distrival (100%), DSO (51%), Eaudis HD (100%), Élysée Marbeuf Distribution (100%), Établissements Mesnil (100%), Établissements Vion (100%), EURL Distri Service (100%), Evidis (100%), Faurdis (100%), Feldis (100%), Fimeri HD (100%), Fumedis HD (100%), Gailladis HD (100%), Graudis HD (100%), Guetal Distribution (100%), HDRIV (100%), Honodis (100%), Izondis HD (100%), Jean Dom (100%), Jondis HD (100%), Kemadis (100%), Lafi Expertise RH (100%), Lafi Services (100%), Langodis HD (100%), Launadis HD (100%), Lavaudis HD (100%), LD Aunis Saintonge (100%), LD Charente Maritime (100%), LD La Trache (100%), LD Saujon (100%), Lea St Honoré (100%), Leader Champigny (100%), Leader Chaumontel (100%), Leader Clay (100%), Leader Distribution Cosne sur Loire (100%), Leader Melun (100%), Leader Price Cholet (100%), Leader Price Indre et Loire (100%), Leader Price Loiret (100%), Leader Price Sanolisa Holding (100%), Leader Thiais (100%), Leaderdis (100%), Liser SARL (100%), Lormodis HD (100%), Ludis (100%), Lymer SAS (100%), Magodis (100%), Maréchal Distribution Franprix (100%), Maredis (100%), Marendis HD (100%), Meuiner Distribution (100%), Mille Couleurs (100%), Montdis (100%), Moudis HD (100%), Nano Boutique 1 (100%), Nano Boutique Holding (100%), NFL Distribution (100%), Noradis (100%), Olondis HD (100%), Orgeval Express (100%), Oussedis HD (100%), Peri Distribution (100%) Polygondis HD (100%), Pyrsan (100%), Raspail Distribution (100%), Rivedis HD (100%), RLPG Barbezieux (100%), RLPG Boulangerie (100%), RLPG Bourgueil (100%), RLPG Châteauroux (100%), RLPG Châtillon-sur-Indre (100%), RLPG Confolens (100%), RLPG Développement (100%), RLPG Gémozac (100%), RLPG Jardres (100%), RLPG Joue les Tours (100%), RLPG Le Blanc (100%), RLPG Ruffec (100%), RLPG Saint Jean d'Agenais (100%), RLPG Saint-Benoit (100%), RLPG Tours (100%), RLPG Vouillé (100%), Ropidis (100%), Sanodis (100%), Saugnadis HD (100%), SI2M (100%), Sirflor (100%), Sivan (100%), Sobay HD (100%), Sobepal HD (100%), Sobo HD (100%), Soborde HD (100%), Socar HD (100%), Socastel HD (100%), Socharles HD (100%), Socodis (100%), Socogem (100%), Sodan HD (100%), Sodesbals HD (100%), Sodias (100%), Sodiban (100%), Sodicler SARL (100%), Sodicma SARL (100%), Sodip (100%), Sodipa HD (100%), Sodisaint Do SARL (100%), Sodiscar HD (100%), Sogi 15 SAS (100%), Sogir HD (100%), Sojodis (100%), Solandes HD (100%), Solescar HD (100%), Soliac HD (100%), Solibou HD (100%), Solimoux HD (100%), Somedard HD (100%), Somidis (100%), Somur HD (100%), Sondis (100%), Sopa HD (100%), Sopor HD (100%), Soreole HD (100%), Sotarn HD (100%), Soville HD (100%), Sovivo (100%), St Bruno Chorier – SBC (100%), Steed (100%), Teldis (100%), Tierdis (100%), Tomadis (100%), Triomphe Expansion (100%), Vaubalex (100%), Vaugirennes Distribution (100%), Villedis HD (100%), Vindis (100%), Viry Distribution (100%), Voltadis (100%), Weber (100%), Wilsondis (100%) and Xadis (100%).

Codim 2 subgroup

Drive Furiani (100%).

GreenYellow Group

Csol 1 (100%), Csol 2 (100%), Csol 3 (100%), Green Yellow Participations 17 (100%) and Holding d'Exploitation de Centrales Photovoltaïques 17 (100%).

Intexa Group

Intexa Patrimoine (100%).

L'Immobilière Groupe Casino Group

CEDF (100%) and SCI Clodomir (100%).

Monoprix Group

A+B (99.75%), Aux galeries de la Croisette (100%), Barnatole de Sébastopol (99.75%), Baton Campagne (100%), Beauty Monop' (100%), Beauty Monop' plus (100%), Bio Antony (99.95%), Bio le Chesnay (99.95%), Bio saint Maur (99.95%), Carre Royaldis (100%), Dailymonop' (100%), Dailymonop' plus (100%), FAHM (100%), Galeries de Colombes (100%), La Gerboise (100%), Label Bio (100%), LRMD (100%), Monop' (100%), Monop Store (100%), Monoprix Exploitation (100%), Monoprix Joinville (100%), Monoprix SA (100%), Naturalia France (100%), Noyondis (100%), Pain Compose (100%), SCI 67 rue de Pologne (100%), SCI des Grands Immeubles Modernes (96.58%), SCI des Parkings de Villeneuve la Garenne (80%), SCI Girard Chapelle (100%), SMC & Cie (100%), SMFI (100%), SNC Distribution des Belles Feuilles (100%), SNC Samada (100%), Société immobilière du 159 rue de Courcelles Paris (100%), Société immobilière du 97 faubourg Saint Antoine (100%), Société immobilière du Monoprix d'Abbeville (100%), Société immobilière et foncière de Toulouse (100%), Société immobilière Herrmann Frères (100%), Société immobilière Iberia (100%), Somar Cézanne SNC (100%) and Somitap (55.20%).

Plouescadis Group

Alcudia Morlaix (100%), Alcudia Pessac (100%), SCCV Grand Marché (100%) and SCCV Sacré-Coeur (100%).

2.3.2. SHAREHOLDER PACTS

The Company is party to several shareholder pacts. Details of the main pacts are as follows:

Monoprix

Casino and Galeries Lafayette signed a memorandum of settlement on 26 July 2012 concerning Galeries Lafayette's sale of its 50% interest in Monoprix to Casino no later than 30 October 2013. The acquisition took place at end-July 2013 after approval from the French Competition Authority.

Franprix-Leader Price

Call and/or put options have been granted on shares in a large number of companies that are not wholly-owned by the Group. The options, certain of which are linked with shareholder pacts, are exercisable for varying periods up to 2032 at a price based on the operating profits of the companies concerned (see notes 30.4 and 34.2 to the consolidated financial statements).

Almacenes Exito (Colombia)

Casino obtained a controlling interest in Almacenes Exito S.A. in May 2007 and has been party to a shareholder pact since 17 December 2007. The pact set outs voting rules for appointing directors and for certain other decisions, the rules on selling shares and other customary clauses.

On 29 June 2011, Almacenes Exito S.A. took over joint control of the Uruguayan operations under the Disco and Devoto banners and has a seat on their boards. In December 2011 Almacenes Exito S.A. and Casino exchanged call and put options on the non-controlling interests in Grupo Disco del Uruguay and Devoto Hermanos S.A., expiring on 31 August 2021, which are themselves subject to a put option granted by Casino to the founding Uruguayan families, expiring on 21 June 2021 (see below).

Disco Uruguay Group (Uruguay)

In conjunction with Casino's September 1998 acquisition of a stake in Grupo Disco del Uruguay, a shareholder pact was signed with the founding families. The pact expired in September 2008 and the family shareholders continue to benefit from put options granted by Casino, exercisable until 21 June 2021. These put options are described in note 16 the parent company financial statements and note 34.2 to the consolidated financial statements.

As described above, Casino sold its majority interests in Grupo Disco del Uruguay and Devoto Hermanos S.A. to Almacenes Exito S.A. on 29 September 2011, giving Almacenes Exito S.A. joint control. On the terms described above, Casino and Almacenes Exito S.A. exchanged call and put options on the non-controlling interests in Grupo Disco del Uruguay and Devoto Hermanos S.A. held by the Uruguayan founding families.

Grupo Pão de Açúcar (GPA)

After the May 2005 and November 2006 revisions to their partnership agreements, Casino and the family of Abilio Diniz were bound by a shareholder pact giving them joint and equal control of their joint holding company Wilkes and of GPA until 2012.

Under the pact, Casino exercised its right to take exclusive control of GPA in summer 2012. Jean-Charles Naouri was therefore appointed Chairman of the Wilkes Board of Directors. Casino was also entitled to appoint three new directors of GPA and had a majority of the seats on the Board.

In accordance with the shareholder pact between Casino and the Diniz family, Abilio Diniz remained Chairman of GPA.

In August 2012, the Diniz family exercised their first put option and sold 1 million ordinary Wilkes shares to Casino.

On 6 September 2013, Casino and the Diniz family decided to put an end to the agreements between them and Jean-Charles Naouri became Chairman of GPA's Board of Directors, which now has twelve members.

2.3.4. PLEDGED ASSETS

Assets pledged by the Company or companies in the Group do not represent a material percentage of the Group's fixed assets (€263 million representing 0.9% of non-current assets).

2.3.5. RELATED-PARTY TRANSACTIONS

The Company has relations with all its subsidiaries in its day-to-day management of the Group. These relations are described on page 23.

As a result of the Group's legal and operational organisation structure, various Group companies may also have business relations or provide services to each other.

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

The Statutory Auditors' special report on regulated agreements signed between the Company and (i) the Chairman and Chief Executive Officer, (ii) a director, or (iii) a shareholder owning more than 10% of the Company's voting rights, or in the case of a corporate shareholder the company controlling that shareholder, and which were not entered into on arm's length terms is presented on page 183.

Details of related-party transactions can be found in note 36 the consolidated financial statements.

2.4. SUBSEQUENT EVENTS

2.4.1. EVENTS THAT OCCURRED BETWEEN THE YEAR END AND THE DATE ON WHICH THE BOARD OF DIRECTORS SIGNED OFF THE FINANCIAL STATEMENTS

2.4.1.1. Further step forward for the Group's e-commerce activities

On 15 January 2014, the Group announced the launch of three new sites under the Cdiscount brand in Thailand, Vietnam and Columbia. These activities will supplement the sites already in place in its international subsidiaries, eventually making it possible to build up a strong position in various markets where e-commerce is starting to develop.

2.4.1.2. Exito further strengthens its leading position in Colombia

On 10 February 2014, Exito, a Casino subsidiary, announced that it had signed an agreement to acquire and manage 50 stores from the Colombian banner Super Inter. In 2014, Exito will acquire 19 stores and sign a lease-management agreement for the remaining 31 stores, which Exito has an option to buy that may be exercised in 2015. Super Inter is an independent chain based in the Cali and Café regions. In 2013, its net sales are expected to represent around USD425 million. This operation will enable Exito to consolidate its leading position in the retail sector in Colombia. It will also generate new growth for Exito on the rapidly developing discount format, through a banner that will dovetail effectively with Surtimax.

The transaction will be financed from Exito's cash position and will have a positive impact on Exito's net profit as of the first year. The finalisation of the transaction is still dependent on approval from Colombia's competition authorities.

2.4.2. EVENTS THAT HAVE OCCURRED SINCE 17 FEBRUARY 2014, THE DATE ON WHICH THE BOARD OF DIRECTORS SIGNED OFF THE FINANCIAL STATEMENTS

2.4.2.1. Successful bonds tender offer

On 28 February 2014, Casino bought back €214 million of bonds due April 2016 and €336 million of bonds due February 2017 following the tender offer launched on 21 February 2014.

This tender offer, together with the new 10-year bond issue of €900 million launched on Friday 21 February, enables to extend the average maturity of Casino's bond debt to 5.4 years to the transaction day from 4.8 years as of end of December 2013.

2.4.2.2. Signature of a €1.2 billion 5-year confirmed credit facility

On 28 February 2014, Casino also announced the signing of a €1.2 billion 5-year confirmed credit facility with 18 banks. This transaction strengthens the group's liquidity and extends the average maturity of Casino's confirmed lines from 2.6 years as at end of December 2013 to 4.3 to the transaction day.

2.5. OUTLOOK AND CONCLUSION

At the end of 2013, the Casino Group's profile had been significantly transformed, with a stronger portfolio of banners and an excellent geographical mix. Over time, the Casino Group has focused its development on the sectors and formats offering the best fit with current consumption trends.

In 2014, the Casino Group will continue rolling out and accelerate this strategy across all its markets, and plans to deploy its discount banners, further strengthen its positioning on premium formats, continue expanding in the convenience sector and develop its e-commerce operations for non-food.

For 2014, the Casino Group has set itself the following objectives:

- returning to positive organic growth for net sales in France;
- continuing to achieve strong organic growth for net sales internationally;
- achieving further organic growth in the trading profit;
- continuing to improve the financial structure.

2.6. SHARE CAPITAL AND SHARE OWNERSHIP

2.6.1. SHARE CAPITAL

As of 31 December 2013, the share capital amounted to €173,051,921.43 divided into 113,105,831 shares each with a par value of €1.53.

As of 31 January 2014, the share capital amounted to €173,053,985.40 divided into 113,107,180 shares each with a par value of €1.53.

2.6.2. TREASURY SHARES – AUTHORISATION TO TRADE IN THE COMPANY'S SHARES

On 22 April 2013, the shareholders authorised the Board of Directors to purchase shares of the Company in accordance with the provisions of Articles L. 225-209 *et seq.* of the French Commercial Code (*Code de commerce*) notably for the following purposes:

- to maintain a liquid market in the Company's shares through market-making transactions carried out by an independent investment services provider acting in the name and on behalf of the Company under a liquidity contract that complies with a code of ethics approved by the French securities regulator (*Autorité des Marchés Financiers*);
- to allocate shares (i) on exercise of stock options granted by the Company pursuant to Articles L. 225-177 *et seq.* of the French Commercial Code (*Code de commerce*), (ii) to an employee stock ownership plan governed by Articles L. 3332-1 *et seq.* of the French Labour Code (*Code du travail*) or (iii) in connection with share grants governed by Articles L. 225-197-1 *et seq.* of the French Commercial Code (*Code de commerce*);
- to allot shares upon exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for shares;
- to keep shares for subsequent delivery in payment or exchange for shares of another company in accordance with market practices approved by the French securities regulator (*Autorité des Marchés Financiers*);
- to cancel shares and reduce the share capital in order to increase earnings per share;
- to implement any other market practices authorised in the future by the French securities regulator (*Autorité des Marchés Financiers*) and, generally, to carry out any transaction allowed under current legislation.

The shares may be purchased, sold, transferred or exchanged by any method, including through block trades or other transactions carried out on the regulated market or over-the counter. The authorised methods include the use of any derivative financial instruments traded on the regulated market or over-the-counter and of option strategies, on the basis authorised by the competent securities regulators, provided that the use of such instruments does not significantly increase the shares' volatility. The shares may also be used for stock lending transactions in accordance with Articles L. 211-22 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*).

The maximum authorised purchase price is €100 per share.

The use of this authorisation may not have the effect of increasing the number of shares held in treasury to more than 10% of the total number of shares outstanding. When shares are purchased under a liquidity contract, the number of shares taken into account to calculate the 10% limit is the number of shares purchased less the number of shares sold under the liquidity contract throughout the term of the authorisation.

Transactions carried out in 2013 and until 31 January 2014

Liquidity contract

In February 2005, Casino mandated Rothschild & Cie Banque to implement a liquidity contract to ensure a wide market and regular quotations for its shares. The contract complies with the Code of Conduct of the *Association Française des Marchés Financiers* (AMAFI) approved by the French securities regulator (*Autorité des Marchés Financiers*) on 1 October 2008. Casino allocated 700,000 ordinary shares and the sum of €40 million to the liquidity account. A total of 1,889,464 shares were purchased in 2013 at an average price per share of €78.15, and 1,889,464 shares were sold at an average price of €78.26. At 31 December 2013, the liquidity account held no shares and €84.9 million.

From 1 January to 31 January 2014, a total of 358,117 shares were purchased at an average price per share of €81.43, and 84,117 shares were sold at an average price of €82.96. At 31 January 2014, the liquidity account held 274,000 shares and €62.8 million.

Other stock transactions

In 2013, to cover any stock option, share ownership or share grant plans, the Company purchased 40,624 shares at an average price of €72.14 through an investment services provider acting on behalf of the Company on an arm's length basis.

No shares were cancelled in the twenty-four months from 1 February 2012 to 31 January 2014.

No other treasury share transactions were carried out between 1 January and 31 January 2014.

Summary of stock transactions

The table below shows details of treasury shares bought and sold between 1 January and 31 December 2013, and between 1 January and 31 January 2014, together with the number of treasury shares held by the Company:

	Number of shares	% of capital represented by total number of shares held
Number of shares held at 31 December 2012	**64,841**	**0.06**
Number of shares purchased under a liquidity contract	1,889,464	
Number of shares sold under a liquidity contract	(1,889,464)	
Shares purchased	40,624	
Shares sold	0	
Shares cancelled	0	
Shares grants	(96,155)	
Number of shares held at 31 December 2013	**9,310**	**N/M**
Number of shares purchased under the liquidity contract	358,117	
Number of shares sold under the liquidity contract	(84,117)	
NUMBER OF SHARES HELD AT 31 JANUARY 2014	**283,310**	**0.25**

At the year-end, the Company owned 9,310 shares (purchase cost: €0.67 million) with a par value of €1.53. Based on closing prices at 31 December 2013 (€83.77), their market value totalled €0.78 million.

At 31 January 2014, the Company owned 283,310 shares (purchase cost: €22.87 million) with a par value of €1.53. Based on closing prices at 31 January 2014 (€76.55), their market value totalled €21.69 million.

The treasury shares are allocated to the following purposes:

- 274,000 shares to the liquidity contract;
- 9,310 shares to cover stock option plans, employee share ownership plans or share grant plans for Group employees and executive officers.

On 31 December 2013, Germinal SNC, an indirectly wholly-owned subsidiary, held 928 ordinary shares.

At the Annual General Meeting of 6 May 2014, shareholders will be asked to renew the authorisation for the Board of Directors to purchase Company shares pursuant to Article L. 225-209 of the French Commercial Code (*Code de commerce*), notably for the following purposes:

- to maintain a liquid market in the Company's shares through market-making transactions carried out by an independent investment services provider acting in the name and on behalf of the Company under a liquidity contract that complies with a code of ethics approved by the French securities regulator (*Autorité des Marchés Financiers*);
- to allocate shares (i) on exercise of stock options granted by the Company pursuant to Articles L. 225-177 *et seq.* of the French Commercial Code (*Code de commerce*), (ii) under an employee stock ownership plan governed by Articles L. 3332-1 *et seq.* of the French Labour Code (*Code du travail*) or (iii) in connection with share grants governed by Articles L. 225-197-1 *et seq.* of the French Commercial Code (*Code de commerce*);
- to allot shares upon exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for shares;
- to keep shares for subsequent delivery in payment or exchange for shares of another company in accordance with market practices approved by the French securities regulator (*Autorité des Marchés Financiers*);
- to cancel shares and reduce the share capital in order to increase earnings per share;
- to implement any other market practices authorised in the future by the French securities regulator (*Autorité des Marchés Financiers*) and, generally, to carry out any transaction allowed under current legislation.

The shares may be purchased, sold, transferred or exchanged by any method, including through block trades or other transactions carried out on the regulated market or over-the counter. The authorised methods include the use of any derivative financial instruments traded on the regulated market or over-the-counter and of option strategies, on the basis authorised by the competent securities regulators, provided that the use of such instruments does not significantly increase the shares' volatility. The shares may also be used for stock lending transactions in accordance with Articles L. 211-22 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*).

The maximum authorised purchase price will be €120 per ordinary share.

The use of this authorisation may not have the effect of increasing the number of shares held in treasury to more than 10% of the total number of shares outstanding. Based on the number of shares outstanding on 31 January 2014, less the 284,238 shares held in treasury at that date, and assuming that the shares held in treasury are not cancelled or sold, the maximum limit is 11,026,480 shares. The maximum amount that may be invested in the share buyback programme is therefore €1,323.17 million. When shares are purchased under a liquidity contract, the number of shares taken into account to calculate the 10% limit is the number of shares purchased less the number of shares sold under the liquidity contract throughout the term of the authorisation.

This authorisation will be valid for a period of eighteen months.

The Company may not use this resolution and continue its share buyback programme in the event of a public offer for the Company's shares or other securities or a public offer initiated by the Company.

At the Annual General Meeting of 22 April 2013, the shareholders renewed their authorisation for the Board of Directors to reduce the share capital by cancelling treasury shares for a period of 26 months until 21 June 2015.

2.6.3. SHARE CAPITAL AUTHORISED BUT NOT YET ISSUED

At their Annual General Meeting of 22 April 2013, the shareholders granted the Board of Directors various authorisations to increase the share capital for the purpose of raising funds in the market, if necessary, to finance the Group's future growth and improve its financial position, as well as to make share grants to Group employees and officers.

These authorisations are summarised in the table below:

Transactions	Maximum amount	Terms and conditions	Date of authorisation	Term	Expiry
Capital increase by issuing shares or securities carrying rights to new or existing shares of the Company or existing shares of any company in which it directly or indirectly owns more than 50% of the share capital or to debt securities, with pre-emptive rights in the case of new share issues	€80 million(1) (2)	with PE(*)	22 April 2013	26 months	21 June 2015
Capital increase by issuing shares or securities carrying rights to new or existing shares of the Company or existing shares of any company in which it directly or indirectly owns more than 50% of the share capital or to debt securities, without pre-emptive rights in the case of new share issues	€35 million(1) (2)	without PE(*)	22 April 2013	26 months	21 June 2015
Capital increase by issuing shares or securities carrying rights to new or existing shares of the Company or existing shares of any company in which it directly or indirectly owns more than 50% of the share capital or to debt securities by means of an offering as referred to in Article L. 411-2 II of the French Monetary and Financial Code (*Code monétaire et financier*), without pre-emptive rights in the case of new share issues	10% of the share capital a year(1)	without PE (*)	22 April 2013	26 months	21 June 2015
Capital increase by capitalising reserves, earnings, share premiums or other capitalisable sums	€80 million(1)	-	22 April 2013	26 months	21 June 2015
Capital increase by issuing shares or share equivalents to pay for contributions in kind made to the Company comprising shares or share equivalents	10% of the share capital(1)	without P (*)	22 April 2013	26 months	21 June 2015
Capital increase by issuing shares or share equivalents in the event of a share exchange offer initiated by Casino, Guichard-Perrachon for the shares of another listed company	€50 million(1) (2)	without PE(*)	22 April 2013	26 months	21 June 2015
Capital increase by issuing shares to employees who are members of an employee share ownership plan provided by the Company or related companies	3% of the total number of shares outstanding on 22 April 2013 (*i.e.* 3,383,009 shares)	without PE(*)	22 April 2013	26 months	21 June 2015
Stock option grants to employees and officers of the Company and related companies	2% of the total number of shares outstanding on 22 April 2013 (*i.e.* 2,255,339 shares)	without PE(*)	22 April 2013	26 months	21 June 2015
Share grants of new or existing ordinary shares to employees and officers of the Company and related companies	1% of the total number of shares outstanding on 22 April 2013 (*i.e.* 1,127,669 shares)	without PE(*)	22 April 2013	26 months	21 June 2015

(*) PE = pre-emptive subscription rights.
(1) The aggregate par value of the shares which may be issued, immediately or in the future, pursuant to the above authorisations, may not exceed €80 million, adjusted for any redemption premium above par. The aggregate of the debt securities which may be issued, immediately or in the future, pursuant to the above authorisations, may not exceed €2 billion or its equivalent value in other currencies or monetary units based on a basket of currencies.
(2) The amount of debt securities that may be issued, immediately or in the future, pursuant to this authorisation, may not exceed €2 billion or its equivalent value in other currencies or monetary units based on a basket of currencies.

None of these authorisations have been used other than the authorisation to make share grants. The Board of Directors made share grants totalling 91,936 shares in 2013 (see section 2.9.4 on page 66).

None of these authorisations is due to expire and no resolutions will therefore be proposed with a view to their renewal at the Annual General Meeting of 6 May 2014.

The Board is also authorised to reduce the share capital by cancelling treasury shares held, up to a maximum of 10% of the share capital outstanding on the date of cancellation in any 24 month period. This authorisation, which was not used during the year, was given for a period of 26 months at the Annual General Meeting of 22 April 2013, *i.e.* until 21 June 2015.

2.6.4. STOCK EQUIVALENTS

Options to purchase new shares

Since 1990, the Group has introduced several stock option plans for officers and employees. Details of all stock option plans that expired in 2013 and those valid at 31 January 2014 are shown below. No executive officers have received stock options.

Grant date	Initial exercise date	Expiry date	Original number of grantees	Subscription price (€)	Number of options granted	Number of options exercised	Number of options cancelled or lapsed	Number of options outstanding at 31 January 2014(1)
7 December 2007	7 June 2011	6 June 2013	576	74.98	54,497	17,374	37,123	0
14 April 2008	14 October 2011	13 October 2013	415	76.72	434,361	137,252	297,109	0
5 December 2008	5 June 2012	4 June 2014	633	49.02	109,001	26,238	35,475	47,288
8 April 2009	8 October 2012	7 October 2014	33	49.47	37,150	17,425	6,725	13,000
4 December 2009	4 June 2013	3 June 2015	559	57.18	72,603	43,720	22,494	43,720
29 April 2010	29 October 2013	28 October 2015	33	64.87	48,540	43,805	4,735	43,805

(1) Number of options granted at inception less those exercised and those cancelled when the grantees left the Company.

Share grants

Share grants made by the Company are allotted from treasury shares held.

Details of the various plans outstanding at 31 January 2014 are shown in the table on page 67.

2.6.5. POTENTIAL NUMBER OF SHARES

The potential number of shares at 31 January 2014 is as follows:

Number of shares at 31 January 2014	113,107,180
Stock options	147,813
TOTAL NUMBER OF POTENTIAL SHARES	**113,254,993**

The number of shares could therefore be increased by 0.13%, representing 0.13% potential dilution of the existing share base.

2.6.6. CHANGE IN SHARE CAPITAL OVER THE LAST FIVE YEARS

From 1 January 2007 to 29 February 2012		Number of shares issued/cancelled		Increase/(decrease) in share capital *(€)*		Share capital *(€)*	Total number of shares in issue		
		Ordinary	Preferred	Par value	Premium		Ordinary	Preferred	Total
2009	Share grants	77,169	-	118,068.57	(118,068.57)	172,026,818.37	97,846,360	14,589,469	112,435,829
	Conversion of preferred non-voting shares into ordinary shares(1)	12,505,254	(14,589,469)	(3,188,848.95)	3,188,848.95	168,837,969.42	110,351,614	-	110,351,614
	Stock options	9,373	-	14,340.69	529,881.24	168,852,310.11	110,360,987	-	110,360,987
2010	Stock options	281,725	-	431,039.25	15,892,922.48	169,283,349.36	110,642,712	-	110,642,712
	Absorption of a subsidiary	46	-	70.38	1,948.34	169,283,419.74	110,642,758	-	110,642,758
	Share grants	51,550	-	78,871.50	(78,871.50)	169,362,291.24	110,694,308	-	110,694,308
	Cancellation of shares	(25,445)	-	(38,930.85)	(1,698,089.04)	169,323,360.39	110,668,863	-	110,668,863
2011	Stock options	105,332	-	161,157.96	5,941,798.41	169,484,518.35	110,774,195	-	110,774,195
	Share grants	378,450	-	579,028.50	(579,028.50)	170,063,546.85	111,152,645	-	111,152,645
	Cancellation of shares	(505,993)	-	(774,169.29)	(35,799,044.60)	169,289,377.56	110,646,652	-	110,646,652
2012	Stock options	8,474	-	12,965.22	421,017.89	169,302,342.78	110,655,126	-	110,655,126
	Stock dividend payments	2,019,110	-	3,089,238.30	123,751,251.90	172,391,581.08	112,674,236	-	112,674,236
2013	Stock options	195,756	-	299,506.68	13,601,365.05	172,691,087.76	112,869,992	-	112,869,992
	Absorption of a subsidiary	209	-	319.77	8,404.27	172,691,407.53	112,870,201	-	112,870,201
	Share grants	235,630	-	360,513.90	(360,513.90)	173,051,921.43	113,105,831	-	113,105,831
2014	Stock options	1,349	-	2,063.97	72,036.33	173,053,985.40	113,107,180	-	113,107,180

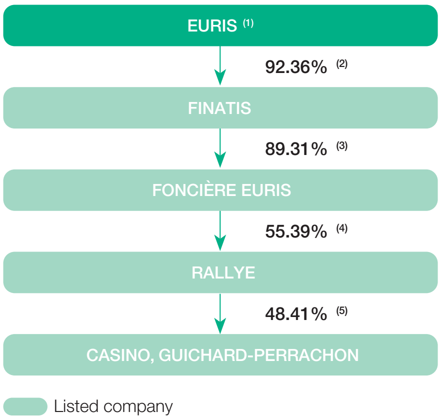
(1) On the basis of 6 ordinary shares for 7 non-voting preferred shares.

2.6.7. OWNERSHIP OF SHARE CAPITAL AND VOTING RIGHTS

At 31 December 2013, a total of 156,356,999 voting rights were attached to the 113,095,593 ordinary shares with voting rights in issue. The difference between these two figures is due to the fact that certain registered shares carry double voting rights (see "Voting rights" on page 263). It also reflects the fact that Casino shares held directly or indirectly by the Company are stripped of voting rights.

Taking account of the gain or loss of double voting rights by some shareholders since 1 January 2014 and the number of treasury shares, a total of 156,052,086 voting rights were attached to the 112,822,942 ordinary shares with voting rights in issue as of 31 January 2014.

Casino, Guichard-Perrachon is controlled, directly and indirectly, by Euris. The diagram below shows the Company's position within the Group as of 31 January 2014:



(1) Euris is controlled by Jean-Charles Naouri.

(2) 92.38% of the voting rights.

(3) 93.13% of the voting rights.

(4) 70.54% of the voting rights.

(5) Held directly or indirectly, excluding treasury shares, by Rallye and its subsidiaries representing 59.62% of voting rights.

The tables below show the ownership of share capital and voting rights as of 31 December 2011, 2012 and 2013, and as of 31 January 2014:

	Ordinary shares		Voting rights[1]	
31 December 2011	**Number**	**%**	**Number**	**%**
Public	53,331,883	48.2	58,667,473	36.6
• *Registered*	*6,669,761*	*6.0*	*12,005,351*	*7.5*
• *Bearer*	*46,662,122*	*42.2*	*46,662,122*	*29.1*
Rallye Group[2]	55,250,595	49.9	98,060,168	61.2
Employee share ownership plan	2,063,216	1.9	3,385,784	2.1
Treasury stock	958	0.0	0	0.0
TOTAL	**110,646,652**	**100.0**	**160,113,425**	**100.0**

	Ordinary shares		Voting rights[1]	
31 December 2012	**Number**	**%**	**Number**	**%**
Public	55,376,748	49.1	60,216,308	38.6
• *Registered*	*5,998,774*	*5.3*	*10,838,334*	*7.0*
• *Bearer*	*49,377,974*	*43.8*	*49,377,974*	*31.7*
Rallye Group[2]	55,250,596	49.0	92,408,193	59.3
Employee share ownership plan	1,981,123	1.8	3,280,097	2.1
Treasury stock	65,769	0.1	0	0.0
TOTAL	**112,674,236**	**100.0**	**155,904,598**	**100.0**

	Ordinary shares		Voting rights[1]	
31 December 2013	**Number**	**%**	**Number**	**%**
Public	57,120,891	50.5	60,879,061	38.9
• *Registered*	*4,861,662*	*4.3*	*8,619,832*	*5.5*
• *Bearer*	*52,259,229*	*46.2*	*52,259,229*	*33.4*
Rallye Group[2]	54,750,596	48.4	93,033,535	59.5
Employee share ownership plan	1,224,106	1.1	2,444,403	1.6
Treasury stock[3]	10,238	0.0	0	0.0
TOTAL	**113,105,831**	**100.0**	**156,356,999**	**100.0**

31 January 2014	Ordinary shares Number	%	Voting rights[(1)] Number	%
Public	56,844,990	50.3	60,570,898	38.8
• *Registered*	*4,824,268*	*4.3*	*8,550,176*	*5.5*
• *Bearer*	*52,020,722*	*46.0*	*52,020,722*	*33.3*
Rallye Group[(2)]	54,750,596	48.4	93,033,535	59.6
Employee share ownership plan	1,227,356	1.1	2,447,653	1.6
Treasury stock[(3)]	284,238	0.3	0	0
TOTAL	**113,107,180**	**100.0**	**156,052,086**	**100.0**

(1) Rights to vote in Annual General Meetings, which are not the same as the voting rights published under France's disclosure threshold rules. When the monthly disclosures of total voting rights and shares are made, the number of voting rights is calculated, in compliance with Article 223-11 of the AMF's General Rules and Regulations, on the basis of all the shares carrying voting rights, including shares held in treasury, whose voting rights may not be exercised in Annual General Meetings. The difference between voting rights exercisable in general meetings and theoretical voting rights is not material at 0.18%.

(2) At 31 December 2013, Rallye SA held 23.63% of the share capital representing 30.76% of the voting rights directly, and 24.78% of the share capital representing 28.74% of the voting rights indirectly via four subsidiaries which own over 5% of the share capital and/or voting rights: Cobivia with 8.05% of the share capital and 9.43% of the voting rights, Alpétrol with 5.91% the share capital and 8.55% of the voting rights, Habitation Moderne de Boulogne with 4.15% of the share capital and 5.94% of the voting rights and Genty Immobilier et Participations with 6.67% of the share capital and 4.83% of the voting rights.
At 31 January 2014, Rallye SA held 23.63% of the share capital representing 30.82% of the voting rights directly, and 24.78% of the share capital representing 28.80% of the voting rights indirectly via four subsidiaries which own over 5% of the share capital and/or voting rights: Cobivia with 8.5% of the share capital and 9.45% of the voting rights, Alpétrol with 5.91% the share capital and 8.56% of the voting rights, Habitation Moderne de Boulogne with 4.15% of the share capital and 5.95% of the voting rights and Genty Immobilier et Participations with 6.67% of the share capital and 4.83% of the voting rights.

(3) Casino held 928 ordinary shares through Germinal SNC, an indirectly wholly-owned subsidiary.

Through the Group's employee share ownership plan and its various mutual funds, Group employees owned 1,224,106 shares on 31 December 2013, representing 1.08% of the share capital and 1.56% of the voting rights.

On 31 December 2013, the Company conducted a survey of holders of bearer shares. The survey identified 43,046 shareholders or nominees, together holding 52,253,544 shares, representing 46.20% of the share capital.

The number of Casino shareholders is estimated at about 48,000 (source: survey of identifiable holders of bearer shares carried out on 31 December 2013, and shareholders' register).

To the best of the Company's knowledge, no shareholder other than those listed above holds over 5% of the Company's share capital or voting rights.

Between 1 January 2013 and 31 January 2014, no shareholders disclosed a notifiable interest to the AMF.

As of 31 December 2013, 7,512,144 registered shares had been pledged by their holders. The table below shows details of shares pledged by the Rallye Group to secure various credit facilities:

Beneficiary	Date of initial pledge	Expiry date	Conditions for release of pledge	Number of shares pledged	% of share capital pledged
Mediobanca	January 2013	January 2018	(1)	2,900,978	2.56
Rabobank	July 2007	January 2017	(1)	2,424,769	2.14
HSBC	June 2012	January 2016	(1)	1,887,889	1.67
Other banks [(2)]	May 2008	January 2019	(1)	271,182	0.24
TOTAL				**7,484,818**	**6.61**

(1) On repayment or maturity of the facility.
(2) Initial pledge date and expiry date are the earliest and latest respectively for credit facilities currently in place.

To the best of the Company's knowledge, there are no shareholder pacts involving the Company's shares.

On 31 December 2013, Casino shares held directly by members of the Board of Directors represented 0.03% of the share capital and voting rights in annual meetings. On the same date, 48.44% of the share capital and 59.53% of the voting rights were controlled directly or indirectly by these members.

On 31 January 2014, Casino shares held directly by members of the Board of Directors represented 0.03% of the share capital and voting rights in annual meetings. On the same date, 48.44% of the share capital and 59.64% of the voting rights were controlled directly or indirectly by these members.

The following table presents transactions disclosed to the Company by directors and related parties from 1 January 2013 to 31 January 2014:

Date	Shareholder	Financial instrument	Purchase/sale	Number	Maximum *(€)*
23 January 2013	Foncière Euris, director	Other types of financial instrument (call options)	Sale	100,000	250,000.00
23 January 2013	Foncière Euris, director	Other types of financial instrument (put options)	Sale	100,000	130,000.00
23 October 2013	Matignon Sablons, company related to Foncière Euris, director	Shares	Sale	7,544,289	629,948,131.50
23 October 2013	Genty Immobilier et Participations, company related to Foncière Euris, director	Shares	Purchase	7,544,289	629,948,131.50
23 December 2013	Foncière Euris, director	Other types of financial instrument	Other: equity swap giving Foncière Euris exposure to the stock market performance of Casino shares.	500,000	40,500,000.00
23 December 2013	Cobivia, company related to Foncière Euris, director	Shares	Sale	500,000	40,500,000.00
23 December 2013	Michel Savart, permanent representative of Euris, director	Shares	Sale	307	25,563.89
15 January 2014	Foncière Euris, director	Other types of financial instrument (call options)	Sale	37,387	176,467.00
15 January 2014	Foncière Euris, director	Other types of financial instrument (put options)	Sale	250,000	1,162,500.00

2.7. RISK FACTORS AND INSURANCE

Risk management is an integral part of the day-to-day operational and strategic management of the business and is organised at several levels (for further details, see "Chairman's report on internal control and risk management" as of pages 226 to 234 of this Registration Document).

The Group has reviewed the main risks that could have a material impact on its operations, financial position or results. These risks are described below.

2.7.1. MARKET RISKS

The Group has set up an organisation to oversee its financial risks (liquidity, currency and interest rate risks) and where appropriate manage them on a centralised basis. The Corporate Finance Department, which reports to the Group Chief Financial Officer, is responsible for managing these risks and has the necessary expertise and tools to fulfil this task. The Corporate Finance Department operates on the main financial markets according to guidelines that guarantee the highest levels of efficiency and security. A regular reporting system has been set up, allowing Group management to sign off on the policies followed, which are based on strategies approved in advance by management.

Interest rate risk

Detailed information about interest rate risk is provided in note 33.2.1 to the consolidated financial statements. The Casino Group uses various financial instruments to manage interest rate risk, particularly swaps. Although these instruments are not always eligible for hedge accounting, they all form part of the Group's interest rate risk management policy, which is based on dynamic management of debt. This means monitoring and where necessary adjusting its hedging ratio according to projected movements in interest rates, with the aim of managing its exposure to the risk of changes in interest rates and optimising its cost of debt.

An analysis of sensitivity to interest rate risk is provided in note 33.2.1 to the consolidated financial statements.

Currency risk

Information about currency risk is provided in note 33.2.2 to the consolidated financial statements.

Due to its geographical diversification, the Group is exposed to translation risk. In other words, its balance sheet and income statement, and consequently its financial ratios, are sensitive to movements in exchange rates upon consolidation of the financial statements of its foreign subsidiaries outside the euro zone. At 31 December 2013, International represented 60% of revenue, 68% of EBITDA and 74% of trading profit. Currency effects on these three aggregates were, respectively, -8.1%, -9.2% and -10.3%.

The Group is also exposed to transaction risk on transactions denominated in currencies other than the euro. The Group's policy for operational currency risk is to hedge highly probable budgeted exposures, which mainly involve purchases made in a currency other than its functional currency and particularly purchases in US dollars. Substantially all budgeted purchases are hedged using forward currency purchases with the same maturities as the underlying transactions.

An analysis of the sensitivity of net exposure (after hedging) to currency risk is provided in note 33.2.2 to the consolidated financial statements.

Liquidity risk

The breakdown of debt and confirmed lines of credit by maturity and currency is provided in note 33.4 to the consolidated financial statements, together with additional information concerning debt covenants which, if breached, would trigger early repayment obligations.

The Group's liquidity position appears to be very satisfactory. Upcoming repayments of short-term financial liabilities and seasonal working capital requirements are comfortably covered by cash, cash equivalents and undrawn confirmed bank lines.

The Group's policy is to continuously monitor and forecast its liquidity position in order to ensure that it always has sufficient liquid assets to settle its liabilities as they fall due, in either normal or impaired market conditions.

Most of the Group's debt is carried by Casino, Guichard-Perrachon. Financing is managed by the Corporate Finance Department. The main subsidiaries (GPA, Big C Thailand, Monoprix and Exito) also have their own sources of financing.

The Group's loan and bond agreements include the usual covenants and default clauses, including *pari passu*, negative pledge and cross-default clauses.

Casino, Guichard-Perrachon's loan agreements contain a mandatory acceleration clause in the event of a change of control of the Company.

In addition, some bond issues made by Casino, Guichard-Perrachon contain an acceleration clause at the investors' discretion should its long-term senior debt rating be downgraded to non-investment grade due to a change of majority shareholder.

At 31 December 2013, the covenants related to the main types of debt carried by the parent company were as follows:

Covenant	Financing subject to covenant
Consolidated net debt(2) to consolidated EBITDA(1) may not exceed 3.5	€1.2 billion syndicated credit facility USD 1 billion credit facility Bilateral credit lines totalling €150 million
Consolidated net debt(2) to consolidated EBITDA(1) may not exceed 3.7	Bilateral credit lines totalling €50 million Alaméa €300 million loan

(1) EBITDA (earnings before interest, taxes, depreciation and amortisation) = trading profit plus operating depreciation and amortisation.
(2) Net debt as defined in the loan agreements may differ from net debt recognised in the consolidated financial statements (see note 1, section 1.4.29). It corresponds to borrowings and financial liabilities less cash and cash equivalents, as increased or reduced by the net impact of fair value hedges of debt with a positive or negative fair value.

The Group complied with these ratios at 31 December 2013.

Most of the Group's other loan agreements contain financial covenants and mainly concern the GPA and Big C Thailand subsidiaries.

- GPA's financial covenants are as follows:

Covenant	Financing subject to covenant
Net debt(2) may not be higher than equity(3)	All bond issues (€1,106 million)
Consolidated net debt to EBITDA may not exceed 3.25	
Equity to total assets must be equal to or more than 0.3	BNDES financing for €96 million
EBITDA to net debt must be equal to or more than 0.35	

(1) All GPA's covenants refer to consolidated data.
(2) Debt less cash, cash equivalents and receivables.
(3) Consolidated equity (including non-controlling interests)

GPA complied with these ratios at 31 December 2013.

- For Big C Thailand, all drawn bank lines (€450 million) and undrawn bank lines (€221 million) are subject to financial covenants (net debt to EBITDA and net debt to equity), which were complied with at 31 December 2013.

In addition, as regards Banque du Groupe Casino, liquidity risk is monitored as part of the liquidity policy of CMCIC Group (50% joint owner with Casino Group). The assessment of the bank's liquidity is therefore based on CMCIC Group standards and alert ratios, as well as regulatory ratios.

The main objectives of liquidity risk management are:

- to secure funding through monthly projections of cash surpluses and requirements based on a comparison of commitments received and customer loan forecasts;
- to gradually bring the bank into line with the new Basel III liquidity requirements by extending the duration of transactions to guarantee a better match between asset and liability flows.

The bank's capital ratio, at 14%, is well above the current regulatory minimum as well as the minimum requirement set by its control authority. The bank will therefore have no difficulty in meeting the stricter Basel III requirements in this area.

Commodity risk

Given the nature of its business, the Company is not exposed to any material commodity risk.

Equity risk

Detailed information about equity risk is provided in note 33.5 to the consolidated financial statements. The Group uses equity derivative instruments (*e.g.* total return swaps, forwards, calls) with the aim of building a synthetic exposure to the shares of its listed subsidiaries (see note 9.2 to the consolidated financial statements). The Group has no significant interests in listed companies other than its subsidiaries or treasury shares and, under its ongoing treasury management policy, does not invest in money market instruments that are exposed to equity risk.

Credit and counterparty risk

The Group is exposed to various aspects of counterparty risks in its operating activities, its short-term investment activities and its interest rate and currency hedging instruments. It monitors these risks using several objective indicators and diversifies its exposure by dealing with the least risky counterparties (based mainly on their credit ratings and their reciprocal commitments with the Group).

As regards customer credit risk, Group policy consists of checking the financial health of all customers applying for credit. Customer receivables are regularly monitored and the Group's exposure to the risk of bad debts is not material.

Receivables past due but not impaired can vary substantially in length of time overdue depending on the type of customer, *i.e.* private companies, consumers or public authorities. Impairment policies are determined on an entity-by-entity basis according to customer type. The Group believes that it has no material risk in terms of credit concentration.

Credit risk on other financial assets – mainly comprising cash and cash equivalents, available-for-sale financial assets and certain derivative financial instruments – is limited and corresponds to the risk of failure by the counterparty to fulfil its obligations. The maximum risk is equal to the instruments' carrying amount. The Group's cash management policy consists of investing cash and cash equivalents with first-class counterparties and in investment-grade instruments.

2.7.2. OPERATIONAL RISK

Competition risk

The Group operates in highly competitive markets. In France, which is a mature market, competition is particularly intense. In International, the Group is leader in most of its markets and is faced with competition from international and local operators seeking to strengthen their positions. The Group may therefore be forced to cut prices to protect its markets shares, which could have a negative impact on its results. The competitive environment and its trends are monitored and taken into account at country and banner level, mainly through pricing grid-management systems and promotional or loyalty campaigns, as well as by identifying and carrying out development or asset arbitrage transactions.

Risks related to product quality, conformity and safety

Guaranteeing product safety and complying with health and safety standards in the stores is an important issue and can have significant impact on the Group's reputation and financial performance, and could even involve liability.

From product specifications to store operations, an end-to-end system ensures that the Group sells safe, healthy, quality products. The Group Quality Department coordinates the action of the various local Quality Departments, which are responsible for guaranteeing quality standards of private label products and for ensuring that all products sold are safe for the consumer. This action includes best practices and procedures (quality and product safety policy, traceability procedure, supplier audits, crisis management, product withdrawal and recall, etc.), which have led to the implementation of a Group Quality Charter, circulated to all entities in 2012.

Geographical risk

Part of the Group's business is exposed to risks and uncertainties arising from trading in countries that could experience or have recently experienced periods of economic or political instability, particularly in Latin America and Asia. In 2013, international operations accounted for 60% of consolidated revenue and 74% of consolidated trading profit. The occurrence of such risks could have an influence on the Group's business operations and, potentially, its financial position as well as the value of its underlying assets, particularly goodwill. A breakdown of goodwill by business and geographical segment is provided in note 14.1 to the consolidated financial statements and goodwill impairment losses are disclosed in note 18.2.1. The Group draws up action plans and implements measures to mitigate the impacts of these risks and to ensure continuity of operations.

Natural catastrophe risks

The Group may be exposed to natural catastrophes in all its countries of operation, which may have direct or indirect impacts on its operations, its assets and its employees and potential consequences on the Group's financial position. The Group draws up action plans and implements measures to prevent the impacts of these risks and to ensure continuity of operations. Further information in provided on page 57 "Adapting to climate change".

Risks associated with sales methods

The Group's banners in France have affiliate and franchise networks. These represented almost 60% of sales outlets at 31 December 2013, corresponding mainly to supermarket networks (including Leader Price) and convenience store networks. In International, Surtimax in Colombia is the only banner with a franchise network. 269 of the 415 Surtimax stores are franchises. The Group is therefore exposed to image risk, should the franchisee fail to comply with the Group's practices, standards or values, and to a payment default risk. Each of the networks monitors its franchisee/affiliate relations, including regular discussions and support for commercial advisers. The credit risk is managed by each of the networks and amounts outstanding are monitored on an ongoing basis.

Risks related to trademarks and banners

The Group owns substantially all of its trademarks and is not dependent on any specific patents or licences, except for the Spar trademark which is licensed to the Group for the French market. The licence was renewed for ten years in 2009. In France, 930 stores were operated under this trademark, including 714 franchises.

Furthermore, although the Group has a preventive policy of protecting all its trademarks, it does not believe that an infringement would have a material impact on its operations or results.

Supplier and merchandise management risk

The Group is not dependent on any specific supply, manufacturing or sales contracts. Casino deals with over 30,000 suppliers.

For example, the Group has its own logistics network in France (approximately 900,000 sq.m. spread among 22 sites) managed by its Easydis subsidiary. The network spans the entire country and delivers regularly to the Group's various banners, with the exception of Monoprix and Franprix-Leader Price, which have their own logistics network.

Information systems risk

The Group is increasingly dependent on shared information systems for the production of costed data used as the basis for operating decisions. Security features are built into systems at the design phase and procedures are in place to constantly monitor systems security risks.

However, an information systems failure would not have any material or prolonged impact on the Company's operations or results.

Industrial and environmental risks

In 2002, Casino Group's commitment to sustainable development prompted it to set up a dedicated organisational framework. In 2009, due to the growing internationalisation of its business, the Group signed up to the United National Global Compact. A Group CSR department was set up in 2010 to foster its corporate social responsibility approach in both its French and international subsidiaries, the main aim being to accelerate the implementation of CSR commitments in all its subsidiaries. CSR officers have been appointed in all subsidiaries throughout the world and they meet on a regular basis.

Environmental risks and management procedures are described in the Environmental Report below. The Group's service station business is subject to regular, strict controls. The Group operates 273 service stations in France, 84 in Brazil and 20 in Colombia. A ground pollution prevention plan has been implemented in France including surveys of underground facilities and water. All underground facilities are monitored. Service stations in the international subsidiaries are also monitored and controlled.

Risks related to non-renewal of leases and real estate assets

Casino has standard commercial leases on its supermarket and convenience store premises but has no assurance that they will be renewed on expiry.

The owners could have other plans for the premises on expiry of the lease, which could prompt them not to renew the Company's lease despite the high amount of compensation for eviction they would have to pay. However, commercial leases are governed by strict legislation as regards term, termination, renewal and rent indexation, which limits what owners can impose.

Given the very few disputes caused by non-renewal of commercial leases, the risk is not considered to be in any way material.

As regards property development, where the Group is the project owner, specifications are drawn up by experts in accordance with the prevailing regulations and the functional and operational objectives set for each project.

More generally, the Group's real estate portfolio is monitored regularly to ensure its proper use.

2.7.3. LEGAL RISKS

Compliance risk

The Group is mainly subject to regulations governing the management of facilities open to the public and listed facilities.

Certain Group businesses are governed by specific regulations, and more particularly Banque du Groupe Casino (banking and consumer finance), Sudéco (real estate agency), Floréal and Casino Carburants (service stations), Mercialys (listed REIT-style property company), L'Immobilière Groupe Casino (property company) and GreenYellow (photovoltaic energy production).

In addition, administrative consents are required to open new stores and extend existing ones. International subsidiaries may be subject to similar requirements under local legislation.

In the various countries where the Group operates, expansion *via* acquisitions may be subject to approval from the relevant competition authorities and the Group could be required to sell certain outlets in return. For example, in the case of the Monoprix acquisition, the French competition authority gave its approval subject to the Group selling 58 stores across France. These stores represent a total retail area of about 21,000 sq.m. and less than 1% of the Group's revenue in France.

Tax and customs risk

The Group is subject to periodic tax audits in France and its various other host countries. Provision is made for all accepted reassessments. Contested reassessments are provided for on a case-by-case basis, according to estimates taking into account the risk of an unfavourable outcome. Casino, Guichard-Perrachon and seven of its main subsidiaries in France are under audit for the years 2011 and 2012. The Groupe doesn't anticipate any significant impact on its financial statements. Concerning tax risks related to GPA, see Note 28.2 to the consolidated financial statements.

Claims and litigation

In the normal course of its business, the Group is involved in various legal or administrative claims and litigation and is subject to audits by regulatory authorities. Provisions are set aside to cover these proceedings when the Group has a legal, contractual or constructive obligation towards a third party at the year-end, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

Information on claims and litigation is provided in notes 28 and 35 to the consolidated financial statements.

As of the Registration Document filing date, the Company is not and has not been involved in any other governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Company is aware) during a period covering at least the previous 12 months which may have, or have had in the recent past, material negative effects on the financial position or profitability of the Company and/or the Group.

- As regards Geimex, a company owned on a 50/50 basis by the Casino Group and the Baud family that owns the international rights to the Leader Price brand, the disputes between the two shareholders mainly concern Casino's disposal of Leader Price Polska in 2006 and the Baud family's Swiss activities. Commercial and criminal litigation between the parties is still pending.
- As regards Globex Utilidades SA, in June 2009, GPA, through one of its subsidiaries, acquired the controlling block in Globex Utilidades SA, a leading company in the retail market for electronics and home appliances, under the "Ponto Frio" banner. The former majority shareholder (Morzan Empreendimentos) initiated an arbitration proceeding with the International Chamber of Commerce on 30 May 2012 considering that GPA and its controlling shareholders, including Wilkes (GPA's head holding company), as well as Casino, Guichard-Perrachon and three of its other sub-holding companies, had failed to comply with the contractual terms regarding payment of the portion payable in GPA shares. Morzan Empreendimentos is seeking damages of approximately BRL 160 million (around €62 million).

  At this stage, the arbitration board is being formed. In any event, neither GPA nor its controlling shareholders believe the claim is founded. In addition, aside from GPA and Wilkes, which are parties to the share sale agreement, none of the other defendants can be bound by the provisions of the agreement.
- On 6 September 2013, a settlement agreement was reached between the Group and Mr Abilio Diniz, under the terms of which both parties agreed to put an end to all the legal actions and other proceedings concerning their partnership in Brazil, and particularly in their capacity as shareholders of Wilkes and CBD. The agreement also provides for cancellation of the put option (7.3%) granted by Casino. In exchange, the Group has tendered 19,375,000 GPA preferred shares in consideration for the 19,375,000 Wilkes shares owned by Abilio Diniz.

2.7.4. INSURANCE – RISK COVERAGE

General policy

As in previous years, the main objective of the Group's insurance policy in 2013 was to continue to protect its assets, customers and employees.

The Insurance Department, which reports to Group Finance, is responsible for:

- managing centralised insurance programmes covering all French operations (including Mercialys, where Casino is the reference shareholder);
- identifying and quantifying insurable risks;
- ensuring that the subsidiaries comply with prevention measures recommended by the insurance company's technical departments, particularly those related to facilities open to the public;
- implementing and monitoring insurance policies and/or self-insurance;
- overseeing insurance brokers' claims management.

The Group is assisted by international brokers specialising in major risks and also uses the services of insurers specialising in industrial risks.

The Insurance Department oversees the local insurance programmes taken out by foreign subsidiaries where they are not covered by the Group's global master policies.

Assessment of insurance cover requirements and related costs

Self-insurance and insurance budget

To smooth its insurance costs whilst controlling risks, the Group continued to self-insure a large proportion of its high-frequency claims in 2013, mainly but not exclusively for property damage and liability.

In addition to the application of low traditional deductibles, self-insurance also includes deductibles per claim capped by underwriting year. These capped deductibles mainly concern major risks such as property damage, business interruption and liability. They are pooled at Group level by all subsidiaries insured under the Group's global insurance programme.

As well these deductibles, the Group continues to reinsure a portion of its property damage risk through its Luxembourg-based captive reinsurance company, which is consolidated by the Group and managed locally in compliance with the regulations. A stop loss policy is taken out to protect the captive reinsurer's interests by capping its commitment and transferring the financial cost to the insurance market above a certain level of claims.

Deductibles (mainly concerning high-frequency claims) are managed and monitored by insurance brokers and overseen (depending on the type and amount of claim) by the Group as well as the insurers under their contractual policy obligations.

For 2013, including the Brazilian subsidiary, the Group's insurance budget (premiums and deductibles), excluding group death and disability plans, totalled an estimated €93 million, representing 0.19% of 2013 consolidated net revenue.

Summary of insurance cover

The insurance cover described below summarises the main policies valid during 2013 and as of the date of this report. It cannot in any way be considered as permanent. It may be changed at any time to take account of changing risks, developments in business operations, the claims environment and the Group's choices to take account of insurance market capacity, available cover and rates.

Property damage and business interruption

This policy is designed to protect the Group's assets.

It is a "named exclusion" policy (*i.e.* it covers all losses except those explicitly excluded) based on cover available in the insurance market.

Insured risks include but are not limited to fire, explosion, natural disasters, subsidence, electrical damage and business interruption.

The maximum sum insured is €220 million per claim for major claims (fire and explosion), including direct damage and business interruption. There are certain sub-limits for named risks, including natural events, subsidence and theft. The Group's property damage/business interruption policy was renewed on normal terms and conditions when it expired on 1 July 2013, with all previously insured risks covered.

On the date of this document, no major and/or significant claims had occurred in 2013 likely to change the terms and conditions of existing insurance policies, or the total insurance premiums and/or deductibles currently in place.

Liability

Liability insurance covers the Group for all losses that might be incurred due to bodily injury, damage to property or consequential loss suffered by third parties caused by the Group's products sold or delivered, technical facilities and equipment, buildings, store operations and services rendered.

The current policy is also a "named exclusion" policy with a sub-limit of €75 million for product withdrawal costs and for employer's liability for occupational accidents and illness.

Most of the Group's premises are classified as facilities open to the public. Insurance of the related risks requires careful management given the involvement of third parties.

Other insurance required by law

In light of the Group's business activities, it also has the following insurance cover:

- motor insurance;
- damage to works (pre-financing of claims under the ten-year warranty);
- construction insurance (ten-year warranty);
- specific liability insurance (building owners' association or property manager, travel agency, bank).

Other insurance

The Group has also taken out various other policies given the risks involved, including:

- a worldwide transport and import policy to cover domestic and international transport of goods;
- a comprehensive contractor liability insurance programme to cover damage to buildings under construction, redevelopment, extension or refurbishment.

Risk prevention and crisis management

The Group's risk prevention policy, particularly with regard to property damage, which has been in place for several years now, is based on:

- regular audits of high value facilities by the insurers' technical departments, mainly covering hypermarkets, shopping centres and warehouses;
- joint monitoring of the audit and prevention reports for each facility by the technical departments of both the Group and its insurers;
- monitoring of the protection in place at each facility according to need and priorities (*e.g.* sprinklers, safety and security installations, etc.);
- monitoring risk mapping, including natural events and SRCC (strike, riot, civil commotion) risks, both in France and abroad.

The Group has for several years maintained and pursued a preventive approach to product risk upstream of the sales outlets, both for private-label and branded goods.

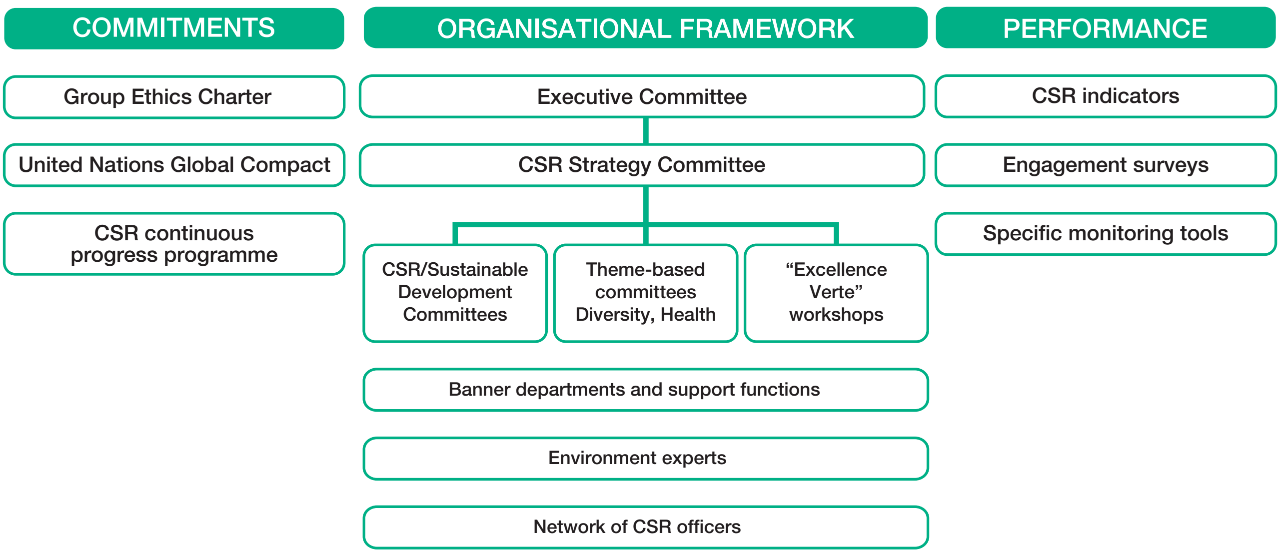
In the event of a crisis or major claim, it also has the technical and advisory resources to take swift action as required to protect its people, safeguard its assets and, wherever possible, ensure continuity of business and customer service.

2.8. ENVIRONMENTAL AND EMPLOYMENT REPORT - CORPORATE SOCIAL RESPONSIBILITY (CSR)

2.8.1. PRESENTATION OF CASINO GROUP'S CSR POLICY

Organisation

In 2002, the Casino Group's commitment to sustainable development prompted it to set up a dedicated organisational framework. In 2009, with the growing internationalisation of its business, the Group signed up to the United Nations Global Compact, giving fresh impetus to its historical approach. In order to roll out and provide guidance for its CSR continuous progress programme across all its subsidiaries in France and abroad, a **Group CSR Department** was set up in 2010 with the aim of accelerating implementation of Casino's CSR commitments in all its subsidiaries.



The **CSR Strategy Committee** is made up of ten members, including seven from the Executive Committee. It is tasked with approving the Group's main CSR priorities with due regard for the principles of the Global Compact and the scope of the ISO 26000 standard, as well as monitoring their implementation throughout the Group. Casino has established a **network of CSR officers** in each of the French and international subsidiaries. The network is led by the CSR Department and the CSR/sustainable development committees, which meet regularly. In France, there is also a **network of environmental experts and diversity officers**.

The following committees assist in deploying the CSR policy:

- Human Resources Steering Committee;
- Scientific Committee on Nutrition and Health;
- Quality Committee for France;
- Sustainable development and CSR monitoring and coordination committees, set up in France and internationally, within Grupo Exito in Colombia, GPA in Brazil, Libertad in Argentina and Vindémia in the Indian Ocean region.

Continuous progress programme

A core pillar of its CSR policy, the Group's "CSR Spirit" continuous progress programme covers 15 priorities focusing on five areas of responsibility.

Committed employer
- Help young people enter the workforce
- Promote diversity
- Provide growth opportunities for employees

Responsible retailer
- Act in the interest of consumers' health
- Encourage environmentally-friendly consumption

Trusted partner
- Strengthen ethical social compliance
- Support local production channels
- Promote the CSR initiatives of SMEs

Local Corporate Citizen
- Develop foundation programmes
- Promote the revitalisation of town centres and rural areas
- Develop solidarity partnerships

Environmentally-proactive Group
- Increase energy efficiency
- Reduce and recover waste
- Promote biodiversity
- Reduce greenhouse gas emissions

This approach dovetails perfectly with the nine commitments of the Group's Ethics Charter, which refers explicitly to the principles enshrined in the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

Casino's commitments under the charter include supporting an effective employee relations process based on respect for the staff representative bodies and a constructive social dialogue (commitment 6), encouraging the professional development of all employees regardless of their level of training (commitment 5) and promoting dialogue between Group entities and stakeholders in order to "take account of their diverse expectations, needs and lifestyles".

The Ethics Charter and endorsement of the United Nations Global Compact has reaffirmed the Group's aim of respecting and promoting human rights among all its international subsidiaries and suppliers and helping to stamp out all forms of forced or compulsory labour and child labour within its areas of influence.

Dialogue with stakeholders

For many years now, the Group has endeavoured to maintain regular, constructive dialogue with local and national stakeholders in all its host countries. The focus is on open, productive dialogue, with a view to developing or jointly establishing innovative projects and partnerships.

Dialogue takes place *via* various means, depending on the stakeholders, both at business unit and Group level.

At Group level, to create a more structured dialogue and better understand their expectations, stakeholders are invited to participate in CSR Strategy Committee meetings on key issues.

In 2013, these meetings focused on the analysis of the Group's CSR challenges, the carbon impact of operations and the impact of raw materials on deforestation. Also during the year, roundtable discussions were held between the Group Human Resources Department and ten stakeholders recognised for their expertise in diversity. The Group CSR Department takes part in the work of the Global Social Compliance Program (GSCP), France's *Initiative Clause Sociale* (ICS) and *Entreprises pour les Droits de l'Homme*, and the ILO's Global Business and Disability Network, of which Casino is a founding member (see section 2.8.4). The Group also dialogues regularly with socially responsible investment players such as rating agencies and ethical investment funds.

In France, the Group is a member of various specialist associations such as ORSE (Observatory for Corporate Social Responsibility), AFOIT (the French Association for the ILO), the Parenthood Observatory and the National Network of Enterprises for Equality of Opportunity in Education. It also works with a number of associations, in addition to non-governmental organisations requesting its participation, that address environmental issues, such as the city of Saint-Étienne's Pôle Éco-Conception et Management du Cycle de Vie, Perifem, Éco-Systèmes, Éco-Emballage, Corepile, and Recylum. In 2013, regular discussions were held with various stakeholders on the impact of deep-sea fishing.

The international subsidiaries also build constructive dialogue with numerous stakeholders. In Brazil, GPA is a member of the Ethos Institute and supports the work of the Akatu Institute, which conducts information and engagement initiatives on responsible consumption. In Argentina, Libertad supports the national CSR institute IARSE, and Grupo Exito in Colombia works with various national stakeholders, including the regulatory authority *Superintendencia de Industria y Comercio* (SIC).

Examples of identified stakeholders:

Stakeholder	Key dialogue methods
Employees	• Internal newsletters, intranets • Alert, counselling and mediation unit • In-house opinion surveys
Employee representatives	• Regular dialogue with the staff representative organisations • Company agreements
Shareholders, investors and rating agencies	• Corporate websites • Annual reports, Registration Documents and Communications on Progress • Letters to shareholders, roadshows • Annual General Meetings
Customers	• Banner and product websites • Social media • Customer service • Consumer surveys
Students and young graduates	• Websites • Partnerships with schools • Participation in job fairs
Suppliers	• SME Relations Officer in the central purchasing organisation (since 2000) • SME forums
Public and local authorities	• Partnerships with public authorities (ministries and national government agencies)
NGOs and associations	• Ongoing dialogue with local, national and international associations (responding to requests and surveys, meeting with NGOs, etc.) • Participation in roundtables

Socially responsible investment indices

Casino Group is included in several socially responsible investment (SRI) indices: FTSE4GOOD, Vigeo Eurozone 120, Ethibel, Dow Jones Sustainability Index World and Europe and the ECPI EMU Ethical Equity Index. In addition, Exito is included in the Dow Jones Sustainability Emerging Markets Index. These indices comprise the best-ranked companies on social, environmental and governance criteria.

The Group also regularly wins awards for its CSR initiatives. The accolades picked up in France in 2013 included the Human Capital Award for its youth employment policy, the CSR Challenges Award for the introduction of its environmental index and the 2013 Diversity Award.

Reporting scope

The subsidiaries' key CSR indicators are published each year in the social and environmental activity and performance report, which is available on the Group's website at www.groupe-casino.fr. International subsidiaries GPA and Grupo Exito, both of which have signed up to the Global Compact, also publish an annual CSR/Sustainable Development report compliant with the Global Reporting Initiative (GRI) format. The reports are available on their websites at www.gpari.com.br and www.grupoexito.com.co. Libertad joined the Global Compact in 2013 and will publish its first Communication on Progress in 2014. Big C Thailand includes CSR data in its business reports and, in France, Monoprix publishes a sustainable development report.

Unless otherwise specified, the employee relations, social and environmental data presented below concerns all entities under the operational control of the Casino Group or any of its majority-held subsidiaries, in France and abroad. Data concerning affiliates, franchises and business leases are not included. Reporting is on a fully consolidated basis (data included at 100%).

The scope of CSR reporting is the same as the Group's financial reporting:

- "France" comprises the Casino, Monoprix, Cdiscount, Franprix and Leader Price banners and their support functions (logistics, purchasing, human resources, etc.);
- "Latin America" encompasses the GPA, Libertad SA, Grupo Exito and Disco Devoto entities;
- "Asia/Indian Ocean" comprises the Big C Thailand, Big C Vietnam and Vindémia entities; and
- "Group" includes the consolidated data.

The main changes in the reporting scope for employee information (section 2.8.2) relate to the integration of Via Varejo in GPA and the inclusion of Mayotte, Mauritius and Madagascar in Vindémia. These changes partly explain the differences between the 2012 and 2013 data.

In addition, Mercialys publishes its own social and environmental report as part of its Registration Document and is therefore not included in the data presented below.

The Casino Group operates mainly in France and in emerging markets. Each subsidiary implements local policies and initiatives in compliance with the Group's CSR policies. However, there are major economic, social and cultural differences between each country. These differences are the reason for substantial variances in certain indicators, depending on the geographic region of operations. In addition, the definition of certain social indicators may vary in accordance with local regulations or practices. More information on extra-financial data reporting methods is available on Casino Group's website at www.groupe-casino.fr/en/our-commitments.html.

2.8.2. A COMMITTED EMPLOYER

Principles and general data

Casino is a major employer in France and in most of the countries where it operates, notably in Brazil and in Colombia, where it is the country's largest private employer. The Group's total headcount rose by more than 3% in 2013, due to the opening of new stores. At end-2013, women represented 52% of the workforce and 40% of all employees were under 30.

Employees

(number on permanent/fixed-term contracts at 31 December)	Group 2012	Group 2013	France	Latin America	Asia/Indian Ocean
Total including:	318,599	328,995	71,129	218,562	39,304
Women		170,783	42,656	105,529	22,598
Men		158,212	28,473	113,033	16,706
Aged under 30		133,299	18,477	92,835	21,987
Aged 30 to 50		162,818	35,849	110,577	16,392
Aged over 50		32,878	16,803	15,150	925

Each business unit's human resources department is responsible for drawing up its policy in line with the common core defined by Group HR. This is based on developing a shared economic, social and environmental performance culture, creating synergies and tools to improve people management and respecting the subsidiaries' identity and culture.

Human resources policies are built on the basis of regular dialogue with employee representatives:

- in France, Casino maintains dialogue with the four representative trade union organisations, 1,000 staff representative bodies and 5,500 elected representatives. An agreement signed in 2009, and renewed for 2012-2016, sets out the terms and conditions governing social dialogue within Casino and the career path of staff representatives.

  Another dozen or more agreements and action plans are in place, covering disability employment (Monoprix, Casino, Cdiscount), gender equality (Casino, Franprix, Leader Price, Cdiscount) and health and safety in the workplace. The outcomes of these agreements are monitored and the results are presented annually to the trade union organisations. Agreements have also been signed on intergenerational issues at the Casino, Vindémia, Franprix and Leader Price subsidiaries and action plans have been implemented at Monoprix;
- in the international subsidiaries, social dialogue is led by the various human resources departments, in compliance with Group principles and in line with local practices. In Colombia and Brazil, Grupo Exito and GPA have implemented collective bargaining agreements with the trade union organisations covering issues that include working practices and compensation.

To assess the workplace atmosphere and identify employee concerns, the Group conducts employee surveys on specific topics and internal and external opinion polls. Systems are also in place to enable employees to express their opinions and make suggestions.

- in France, Casino implemented action plans in 2013 based on the findings of a survey conducted in 2012 to gauge check-out employees' perception of their working conditions. Monoprix carried out an in-house survey to assess employee perception and engagement in relation to disability and diversity policies;
- outside France, Grupo Exito in Colombia participated in the Great Place to Work survey in 2012, which led to the deployment in 2013 of programs to improve employee well-being and work-life balance. The subsidiary also introduced a dedicated phone number and e-mail address for employee suggestions. Similar systems have been adopted by Libertad in Argentina.

New hires/terminations	Group 2012	Group 2013	France	Latin America	Asia/Indian Ocean
New hires on permanent contracts	65,842	90,482	7,337	72,035	11,110
Terminations for economic reasons	246	76	49	27	0

The difference between 2012 and 2013 is partly due to changes in the reporting scope.

In France, terminations for other reasons amounted to 3,724 in 2013. This covers all other terminations due to the employee's behaviour, such as walking out, repeated absence, professional misconduct, incompatibility with superiors, theft and unfitness for the job.

Combating all forms of discrimination and promoting diversity

Casino Group has been committed to combating all forms of discrimination since 1993. The Group believes that diversity drives financial performance and therefore pursues an assertive policy of recruiting a wide variety of profiles and promoting professional equality at all levels and in all corporate processes. Action is taken in a wide variety of areas, including discrimination on the grounds of social background, gender, disability, age (young people and seniors), ethnic background, sexual orientation, religion and union participation.

- In France, the Group has a network of some 50 diversity officers who relay its policy. The main banners – Casino, Monoprix, Cdiscount, Franprix and Leader Price – have all signed France's Diversity Charter. Casino, a signatory since 2004, also signed the first agreement on the promotion of equal opportunities, non-discrimination and diversity in 2005. In 2009, the Group was the first retailer to obtain the Diversity Label awarded by Afnor Certification to companies pursuing an exemplary policy. The label was renewed in May 2012 for a period of four years. In 2013, the Group stepped up its efforts to eliminate discrimination on the basis of sexual orientation by signing the LGBT Commitment Charter, pledging to ensure equal rights and treatment for all employees regardless of their sexual orientation. A managers' guide has also been prepared and distributed to dispel stereotypes and preconceptions and clarify the behaviour expected of managers.
- In Brazil, GPA's diversity policy focuses on three main topics – disabled employment, the integration of young people *via* apprenticeships and gender equality. Grupo Exito employs people in difficulty *via* its "vulnerable populations" programme and, in Asia, Big C is implementing policies that focus on integrating young people and the disabled.

Main initiatives in support of disability integration

All entities are involved in implementing the Group's disability policy. In 2013, the Group had 6,921 disabled employees (fixed-term and permanent contracts), an increase of 22.5% from 2012. As a founding member of the ILO's Global Business and Disability Network, the Group continued to participate in its deployment during the year.

- In France, the Group's actions form part of its equal opportunities and anti-discrimination policy and are enshrined in the "Handipacte" programme. Since 1995, Casino has developed an assertive disability employment policy and has pursued action plans through its fifth collective agreement, which covered the period 2011-2013 and provided for the integration of 180 disabled employees and 180 disabled interns. Under the agreement, Casino has taken on 191 disabled interns and hired 241 disabled people. In 2013, Cdiscount adopted an agreement on disabled employment and Casino signed its sixth agreement. The proportion of disabled employees in the Casino workforce was 11.43% in 2012, *versus* 10.71% in 2011. Monoprix achieved its target of hiring 180 disabled people between 2011 and 2013 and has signed a fourth agreement for 2014-2016.

	Group 2012	Group 2013	France(1)	Latin America(2)	Asia/Indian Ocean
Number of disabled employees at 31 December (permanent and fixed-term contracts)	5,635	6,921	4,108	2,367	446

(1) Excluding Franprix and Leader Price.
(2) Excluding Disco Devoto.

- All of the Group's international subsidiaries have programmes to support the disabled. In 2013, Big C Thailand was recognised by the Ministry of Labour for exceeding the legislated quota by 26% by employing 330 disabled people in its hypermarkets. GPA and Grupo Exito continued to deploy their dedicated programmes in Brazil and Colombia respectively and Argentina's Libertad is a member of CEC, an association of companies committed to supporting the disabled.

Main initiatives to support young people, particularly from disadvantaged backgrounds

At 31 December 2013, more than 40% of the Group's employees were under 30 and 9.9% were over 50.

The Group undertakes initiatives to help young people find jobs, particularly those who are poorly qualified or from underprivileged backgrounds. Employing people locally through partnerships and concrete commitments is part of the Group's community investment process.

- In France, the Department responsible for promoting diversity and solidarity pursued its initiatives during the year, in line with the priorities established in the 1993 national partnership agreement with the Ministry for Urban Development, which was renewed in 2013.
  - The main aim of the agreement is to provide jobs to poorly qualified people and to help young graduates from underprivileged backgrounds gain access to management positions. As a result, Casino has signed an agreement with the French national employment agency and its local employment offices, pledging to recruit within a store's immediate catchment area whenever possible and to promote local employment. This commitment was strengthened in 2012, when Casino undertook to take on 850 new hires and 150 students on work/study contracts and to offer 500 internships for the period 2012-2014, as part of a national commitment by French companies to hire people from priority areas. In 2013, the Group signed the *Entreprises et Quartiers* Charter, launched by the Ministry for Urban Development to support employment and business initiatives in priority areas. It also stepped up its partnerships with the French Civic Service Agency and the Business Network for Equal Opportunities in Education by opening its doors to around 100 middle school students from disadvantaged neighbourhoods to give them greater insight into the jobs available in the retailing sector.

- This commitment to young people is also reflected in the Group's active involvement in work/study programs. At 31 December 2013, its workforce included more than 1,850 students on work/study contracts. In 2013, the Group set up a website dedicated to youth employment (www.alternance-stages-casino.fr) and organised, for the second year in a row, a special day for Casino banner apprentices and their mentors.
- To ensure the effective transmission of knowledge and skills to the next generation, the Group's subsidiaries (Casino, Franprix, Leader Price, Vindémia and Cdiscount) have signed "intergenerational contracts" or introduced action plans aimed at supporting the sustainable integration of young people and keeping older employees in their jobs. In particular, Casino is committed to: ensuring that 60% of permanent new hires are young people and maintaining the percentage of employees under 26 above 11%; deploying a tailored orientation programme that includes the appointment of a contact person to facilitate the integration of young employees; and setting up a system to help young people on work/study contracts find accommodation.

- Outside France, GPA's commitment to young people is reflected in several initiatives, including the "First Job" programme, which is intended specifically for those aged over 16 with no previous work experience. More than 10,540 participants joined the programme in 2013. Employing 3,236 apprentices at end-2013, GPA has increased its sources of local recruitment by developing free training programmes for disadvantaged youths to help them become check-out operators, call centre agents, bakers or pastry makers. More than 1,130 young people have benefited from this training to date. Since 2010, GPA has also been implementing a programme to increase the number of older employees in its workforce. As a result, 7% of the workforce was 50 or over in 2013, *versus* 4.4% in 2012. In Argentina, Libertad takes part in a programme called "Programa Primer Paso", in partnership with the Cordoba provincial government, which aims to give young people their first work experience. Vindémia also undertakes initiatives to help young people from underprivileged neighbourhoods to find jobs. Big C in Vietnam regularly organises job fairs and has signed an agreement with the Technical and Vocational Training Department to take in students from vocational schools. Big C in Thailand participates every month in career fairs at local universities to present its various professions.

Promoting gender equality

The Group aims to enhance the gender diversity of its teams at every level of the organisation through an assertive policy on all gender equality issues. Thanks to the initiatives undertaken since the first agreement was signed with employee representatives in 2005, the percentage of women managers has increased significantly. In 2013, the Group came 32nd on a list presented by France's Ministry for Women's Rights, which ranked the stock exchange's SBF 120 companies in accordance with the proportion of women among their managers.

	Group 2013	France	Latin America	Asia/Indian Ocean
% of women managers	38%	39%	24%	50%

- In France, the Group was the first retailer to receive the Equal Opportunity Employer Label, which is awarded by a joint committee led by France's Ministry for Women's Rights and Afnor Certification. Bestowed for a three-year period, the label attests to its commitment to gender equality. The Group has been implementing an innovative and assertive gender equality policy since 2002 and signed its first agreement on this topic with employee representatives in 2005 to strengthen its commitment. In 2008, measures were introduced to ensure equal pay for equal work during the mandatory annual collective bargaining rounds. As a result of these measures, which included setting aside an annual budget for the closure of any unjustified gaps, no pay variances of more than 5% were revealed by the analysis carried out at Casino in 2010. A signatory since 2008 of the Working Parents Rights Charter created by the Parenthood Observatory, the Group has implemented various initiatives to help employees find a healthy work/life balance. In 2010, Casino carried out an initial diagnostic study with Terrafemina among women managers and supervisors in France, to identify priority areas for improvement in its gender equality action plans. The findings served as the basis for the gender equality agreement signed with employee representatives in 2011, which covers hiring, training, compensation, career development, work/life balance and parenthood, as well as awareness and communication initiatives. Also in 2011, the Group created its "C'avec elles" women's network, which now brings together more than 500 female and male managers. In 2012, a survey was conducted among check-out employees at Casino supermarkets, Géant Casino hypermarkets and Franprix stores to gauge their expectations in terms of work organisation, training programs, career development and individual and collective recognition and rewards. The findings were subsequently used to develop appropriate action plans. In 2013, the Group signed a framework agreement with the Ministry for Women's Rights, pledging to continue its efforts to increase the percentage of women in its corporate governance bodies.
- The international subsidiaries also deploy targeted initiatives and strive to increase the proportion of women in their organisations. GPA, for example, is taking corrective action to remedy the unjustified pay gaps identified between men and women. It has also introduced measures to support working parents, by giving employees a discount card for children's products, for example, or extending paid maternity leave to six months instead of the legislated four months – a measure that has benefited more than 6,900 employees in three years. Grupo Exito in Colombia has appointed a woman to its Executive Committee and Libertad in Argentina has three women on its Management Committee. Big C in Vietnam also undertakes specific initiatives to promote women to manager or assistant manager positions.

Promoting professional and social development

Since its very beginnings, Casino has been committed to the professional and social development of its employees, which contributes to its operating performance. To nurture a management culture that embodies the Group's values and therefore helps to achieve this objective, a purpose-designed model has been introduced to assess managerial behaviour and attitudes. Known as LIDERS, an acronym for leadership, innovation, decision, engagement, responsibility and synergies, the model has already been deployed in France and certain other host countries and is used during managers' annual skills appraisals.

Working hours

Working hours comply with the laws applicable to each business unit and with local regulations in each host country. They range from 35 hours a week in France to 48 hours in Colombia. In Vietnam, Big C staff have worked 44 hours a week since 2011, compared with the legal work week of 48 hours. This voluntary reduction in working hours was not accompanied by a decrease in salary.

The vast majority (92%) of the Group's employees are on permanent contracts, with fixed-term contracts used primarily to replace employees on leave or to back up permanent teams during peak periods.

	Group 2012	Group 2013	France	Latin America	Asia/Indian Ocean
% of employees on permanent contracts	90%	92%	93%	95%	78%

In France, full-time employees account for 71% of the workforce on average. Casino has made arrangements enabling employees to switch from part-time to full-time work if they wish. A total of 879 employees took up this option in 2013. Employees, particularly check-out staff, can also increase their working hours from part-time to full-time by performing more than one job function. At end-2013, a total of 692 employees had switched from part-time to full-time work using this method, *versus* 573 a year earlier. In the international subsidiaries, full-time employees represented 90% of the workforce.

Absenteeism, a business management indicator, is monitored in all Group entities.

In 2013, total absences amounted to around 23,150,000 hours, of which one-half related to accidents or illnesses and the other half primarily to maternity and paternity leave.

	Group 2013	France(1)	Latin America(2)	Asia/Indian Ocean
Number of hours of absence due to on-the-job accidents and occupational or other illnesses	12,310,927	7,105,062	4,234,564	971,301

(1) Excluding Cdiscount.
(2) Data for GPA, excluding Via Varejo, Nova.com and part of GPA Food.

Compensation policy

The Group's executive compensation policy is based on benchmark studies of salaries in the industry carried out by external consultancy firms and on the principle of internal fairness. Industry benchmarking mainly concerns managerial positions and arduous jobs and is regularly carried out by Group subsidiaries both in France and internationally. Compensation policies are managed by the human resources department of each business unit and are tailored in accordance with job type, employee status and local issues. Annual performance appraisals are carried out to manage employees' career development and determine performance-related compensation. In addition, the Group has implemented a performance assessment model common to managers of the various subsidiaries. It is structured around a variable component based on Group targets, individual quantitative and qualitative targets and managerial behaviours.

This "managerial attitudes and behaviours" assessment model is used in almost all the French subsidiaries and has been adapted to the specific local environment by Libertad, Big C Vietnam and Grupo Exito. It ensures that targets are not achieved at the expense of the defined managerial principles and helps to strengthen a people culture shared by all employees.

Most of the Group's business units provide their employees with a range of benefits in addition to their salary. These benefits may include reductions on in-store purchases (Grupo Exito, GPA, Vindémia, Libertad and Disco Devoto) and financial assistance in the form of supplementary pension schemes, healthcare coverage or life insurance.

The principles applied to executive compensation are presented in section 5.2.

Vocational trainings

Training is one of the key pillars of employee development and employability. In line with Group targets, the business units have teams or departments dedicated to certain specific business lines, which organise internal training for employees.

	Group 2012	Group 2013	France	Latin America	Asia/Indian Ocean
Total number of training hours	3,630,955	4,536,405	337,869	3,292,996	905,540

In France, more than 23,500 (Casino and Monoprix) employees received some form of training in 2013.

The in-house Campus Casino training centre provides a broad spectrum of training programmes developed to meet all of the Group's skills enhancement needs.

Among the programmes developed by Campus Casino:

- the "Capital DIF" programme continued for the fourth year in a row. Designed to enable employees to use their statutory training entitlement (DIF) during working hours, the programme comprises 24 training courses and 20 e-learning modules for managers. More than 6,500 requests for training were fulfilled in 2013 as part of this programme;
- a total of 136 employees benefited from "Key Retailing Skills", a 70-hour training programme designed to improve the employability of staff members with gaps in their basic knowledge. This has been supplemented by online training that enables employees to perfect their French spelling and grammar skills before sitting an exam to obtain the Voltaire Certificate, with 50 employees participating in 2013;
- thanks to the "EX et CO" programme, 52 employees were able to validate their on-the-job work experience in 2013.

In international subsidiaries, dedicated training departments provide induction training for new hires and continuous training for career development purposes. Individual training plans are therefore developed as part of specific programmes, such as "Cycle of People" at GPA. Big C Vietnam has its own internal training unit for the butchery trade and created a vocational training certificate in baking in 2013. Big C Thailand has set up the "Big C Academy", which provides onsite training in the Company's various business lines, as well as "E-Academy" for online training.

Grupo Exito has deployed over 100 training programmes for all employee categories, both in the stores and at head office.

Improving health and safety in the workplace

The Group is actively committed to improving the physical and mental health and safety of its employees. The human resources department of each subsidiary is responsible for implementing action plans in this area.

- In France, a Health & Safety department was set up in 2007 to oversee the action plans and identify risks specific to the Group's business activities. Casino includes risk prevention in its social dialogue process and has negotiated three agreements setting out the objectives, means of action and expected results: an agreement to implement a programme to prevent psychosocial risks; an agreement on health & safety in the workplace; and an agreement on arduous work, which was also signed in 2012 by Franprix, Leader Price and Cdiscount. The Group has implemented a participative accident prevention programme called "Cap Prévention" at Casino and "ACTEA" at Cdiscount. In 2013, this participative approach covered all Casino hypermarkets and supermarkets, Casino warehouses and Cdiscount. A committee has been also been set up to improve workstation ergonomics. In addition, employee awareness initiatives are conducted throughout the year and include "Heart of Health" days, which cover issues such as blood tests, smoking and nutrition. Vindémia has carried out a study to assess the hardship of its workstations and developed an appropriate action plan, while Leader Price is implementing a three-year psychosocial risk prevention plan.

	Casino[(1)] 2013	Monoprix 2013	Cdiscount 2013
Lost-time incident frequency rate	39	37	28
Lost-time incident severity rate	1.9	1.3	0.85
Number of occupational illnesses	180	34	4

(1) Excluding the Mercialys and Mercialys Gestion companies (see 2.8.1. Reporting scope) and CODIM.

The above indicators are not available on a comparable basis for all Group entities. The Group has therefore decided to publish the following annual indicator:

	Group 2012	Group 2013	France	Latin America	Asia/Indian Ocean
Number of work-related accidents resulting in at least one lost day	8,587	9,528	4,050	5,130	348

The difference between 2012 and 2013 is due to changes in the reporting scope.

- All international subsidiaries also have programmes to protect the health and safety of their employees. In Brazil, GPA optimises its in-store procedures and equipment to make them more ergonomic and reduce the arduousness of certain tasks. It also conducts initiatives to improve employee health and nutrition and has enabled 1,000 employees to benefit from the expert advice of a nutritionist. Grupo Exito focuses on training programmes for employees and contractors in high-risk jobs and Libertad provides its employees with training in the prevention of workplace accidents, first aid, and health and safety. In Thailand, Big C has introduced health training for employees as part of its Safety Training Centre.

2.8.3. A RESPONSIBLE RETAILER

As expressed in its corporate by-line, Casino aims to "nourish a world of diversity" by providing quality products that are affordable for everyone, whilst enabling its customers to be more responsible consumers. It has set out two priorities as part of its CSR continuous progress programme: promoting consumer health through a balanced diet and encouraging customers to consume in a more eco-friendly way.

Food is a key health issue in today's society and a major concern for the Group, which addresses it through a product policy combining safety, nutritional balance, health, pleasure and respect for the environment.

Supporting consumer health

Product quality and safety

Product quality and safety are top priorities for the Group across all its private-label ranges. From product specifications to store operations, an end-to-end system ensures that the Group sells safe, healthy products of the highest quality. The Group Quality Department coordinates ongoing discussions with the various local quality departments, which are responsible for guaranteeing the quality standards of private-label products and for ensuring that all products sold are safe for the consumer. These discussions relate primarily to best practices and procedures in such areas as product safety and quality policies, traceability procedures, supplier audits, crisis management, and product withdrawals and recalls. They have led to the implementation of a Group Quality Charter, circulated to all entities in 2012.

Both inside and outside France, suppliers are audited every year to ensure that all manufacturers of private-label goods meet the regulatory requirements in terms of product safety, as well as the Group's internal standards. Checks are also performed throughout the year on private-label items.

- In France, shared management tools are developed with food manufacturers to ensure compliance with specifications and effective product tracking, and a similar approach is being tested in Brazil. Audits are regularly conducted in the Group's warehouses to ensure that procedures are in place and good practice guides are followed. All Casino warehouses are now "IFS Logistics"-certified.
- In Brazil, GPA introduced a "Quality from the Source" programme several years ago to improve the quality and traceability of fruits and vegetables by controlling pesticide use and product transport and storage conditions right across the supply chain. The programme was extended to meat in 2013. A quality improvement programme was also initiated in 2013 to assess suppliers of manufactured products and encourage them to obtain internationally recognised certification from an outside organisation.

Measures are taken to address consumer concerns about certain controversial ingredients, such as palm oil, aspartame and bisphenol A. This may involve replacing the ingredient with an alternative, as was the case with palm oil in Casino-brand food products. Lastly, to meet customer expectations, dedicated Committees meet regularly to adjust products to demand or to anticipate product risks.

Improving products' nutritional balance

A pioneer in the private-label concept, the Group has developed numerous initiatives since 2005 to improve the nutritional balance of its Casino-brand products, one of the Group's leading private labels, created in 1901. Group subsidiaries draw on the expertise of the Casino brand to develop their own private labels.

To improve the nutritional quality of private-label goods and promote better nutrition in general, the Group set up a Health & Nutrition Committee in 2010.

Among its projects, the Committee is working on the impact of endocrine disruptors present in some materials that come into contact with food, such as phthalates and bisphenol A. The Group's health and nutrition approach was initiated in 2005 and consolidated in 2008 with the signature of a charter of voluntary commitments to nutritional progress with the French Health Ministry as part of the National Health and Nutrition Plan.

- For Casino brands, the main initiatives involved: improving products' nutritional value by reducing their salt, fat or simple sugar content or substituting certain fats with more nutritional alternatives; introducing more legible nutrition labelling; informing consumers; and developing a range of health foods. To provide consumers with better information, a "Group 2" nutrition labelling system was introduced for private-label products and now covers 76% of Casino-brand food items. In compliance with new regulations, all Casino-brand food products will now carry a label that provides nutrition information per 100 grams, as well as per portion. Many products also carry nutritional advice, recipes and ideas for balanced meals prepared by dietary experts and nutritionists. *"Casino Bien pour Vous!"* (Casino is good for you!) is a private-label range that offers products designed to meet specific consumer needs, such as gluten-free foods. Leader Price has developed the *"Fine Ligne"* range of products, which are low in salt, sugar and fat, and the "Leader Price Bébé" and "Leader Price Kids" ranges, developed with the help of experts in child nutrition.
- The international banners have taken a similar approach and sell own-brand health and well-being ranges, such as *"Taeq"* in Colombia and Brazil, which deliver greater nutritional benefits. Exito has introduced a new nutrition labelling system on 1,900 items, following a nutritional analysis of its private-label products, and Big C Vietnam has deployed a voluntary nutrition labelling system on all Big C-brand food items.

Encouraging more eco-friendly consumption

To promote more eco-friendly consumption among its customers, the Group has developed several initiatives to reduce the environmental impact of the products it sells. They include optimising and reducing packaging, developing more environmentally friendly product ranges, providing environmental information on food products, and carrying out communication campaigns that encourage consumers to return used items for recycling.

Optimising product packaging

Reducing packaging is a priority for the Group's private labels, which focus – right from the design phase – on lighter packaging solutions that are easier to sort and recycle.

- The Casino brand opts for materials certified by the Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC) or for innovative packaging solutions such as Tetra Recart whenever possible, without comprising product protection. The improvements made since 2006 have saved more than 7,600 tonnes of packaging materials, including around 1,500 tonnes in 2013.
- Outside France, 58.7% of the cardboard used for product packaging by the "Taeq" and "Qualità" brands sold in Brazil by GPA were FSC-certified in 2013, *versus* 56% in 2012. GPA has also implemented a circular economy programme known as "Novo de novo", which involves collecting product packaging in stores so that it can be recycled and reused to make packaging for GPA's private-label products. The traceability of the cardboard collected is guaranteed throughout the process. In Colombia, Grupo Exito is helping suppliers of Carullo and Exito-brand food and household items to reduce their product packaging.

Offering more environmentally friendly products

To help customers achieve more eco-friendly consumption, the Group sells 7,425 products that are certified environmentally responsible[(1)].

- In France, the Group offers a wide range of AB-certified organic products, including more than 963 private-label items (of which 391 Casino Bio, 140 Leader Price Bio and 432 Monoprix Bio), as well as products that have benefited from good farming and rearing practices and no post-harvest treatments, *via* the "Terre et Saveur" brand, which comprises 118 items. The Group also supports responsible fishing. Following a decision in 2007 to end the sale of orange roughy and blue ling, the Casino banners decided in 2013 to stop selling the deep-sea fishes scabbard and grenadier. They also offer products that carry the Marine Stewardship Council (MSC) ecolabel. To reduce and limit its impact on biodiversity and deforestation, the Casino banners focus on selling products bearing the EU Ecolabel and garden furniture and paper products that are PEFC or FSC-certified, which guarantees that they are sourced from sustainably managed forests.
- Outside France, GPA carries more than 1,180 organic products, including 330 under the "Taeq" brand. This represents more than 30% of the items on offer, exceeding the commitment made by GPA in its Pact for Nature. Big C Vietnam has launched its "Huong vi Big C" range of products from farming and rearing techniques that comply with Vietnamese Good Agricultural Practices (VietGAP). In Colombia, Grupo Exito is deploying a certification programme to promote good farming practices among its fruit and vegetable suppliers, with 20 more joining the programme each year.

Educating customers about responsible consumption

To educate both customers and suppliers, the Group conducts in-store information and awareness campaigns, focusing primarily on responsible consumption, food waste, and the recycling of used products such as light bulbs, batteries and small electrical items.

In France, a wide-reaching information campaign on responsible consumption was conducted in more than 2,500 stores with the help of the GoodPlanet Foundation. The campaign included a customer information booklet, an internal radio ad and a forum for suppliers.

To make customers aware of the environmental impact of their consumption, Casino pioneered carbon labelling on its own-brand products in 2008. As a result, 600 products in almost 7,000 stores in France now carry a carbon index. This is gradually being replaced by an environmental index that includes two additional criteria, in compliance with the recommendations issued by Afnor working groups. The new index, developed in association with suppliers, includes greenhouse gas emissions, water use and water pollution impact across the product's entire life cycle. At end-2013, it was available on 357 products, of which 330 Casino and 27 Monoprix, *versus* 311 in 2012. This approach gives the Group a better understanding of each product's environmental impact, enabling it to inform and educate consumers and encourage suppliers to implement improvement measures.

As part of the French Agricultural Ministry's National Pact to Combat Food Waste, which has been signed by the Group, the Casino and Monoprix banners have implemented various customer awareness initiatives, including a guide to preventing food waste available in Monoprix stores.

(1) For a precise definition, see the information on reporting methods available at www.groupe-casino.fr.

Also during the year, Casino pursued its "Together, Let's Recycle More and Better" campaign, supported by the European Union's LIFE+ programme, and set up waste-sorting initiatives with its main suppliers, while Monoprix conducted a WEEE collection campaign and partnered Paris's fifth Recycling Party.

The international banners regularly conduct customer awareness campaigns on various topics, such as reusable plastic bags and the recycling of used products. GPA, for example, has launched a campaign that encourages customers to bring their used telephones and batteries to its stores for recycling.

Lastly, to encourage more responsible consumption and reduce household waste, Group Casino has undertaken to reduce the number of disposable plastic bags provided in its stores.

- In France, the number of free bags given out by Casino has fallen 93% since 2008, thanks to the assertive measures taken to promote reusable bags in all stores. In addition, Franprix has been providing bags made from compostable bioplastics since 2012 for its unpackaged fruits and vegetables.
- The international subsidiaries are deploying a growing number of initiatives to promote reusable bags over disposable bags, including in-store information and loyalty programme incentives. Libertad is implementing a programme called "Cero bolsas plàsticas", Big C Vietnam offers recyclable bags, and Grupo Exito gives customers who opt for reusable bags extra points on their loyalty card.

Listening to customer expectations and concerns

- In France, all of the banners carry out customer surveys and organise store visits by specialised service providers. The questionnaires address a wide variety of issues that could affect customer satisfaction, from store cleanliness and service quality to the range of products on offer. Customer service at Casino is supported by an integrated call centre that manages all types of customer requests. Reports are prepared monthly and sent to the relevant stores or departments, such as purchasing and marketing. In 2013, Casino's toll-free number was used for almost half of all contacts and the number of queries recorded was nearly 15% lower than in 2012. Customer complaints primarily related to product quality, followed by in-store service.
- Outside France, GPA has set up a system enabling customers to express their concerns, suggestions and comments, and Via Varejo has conducted a satisfaction survey among 306,900 consumers as part of its quality improvement process. In Colombia, Exito regularly carries out surveys to gauge customers' satisfaction with their in-store experience and the average score exceeds 4 out of 5. Customers of Big C Thailand can submit complaints and make suggestions on a store-by-store basis *via* a dedicated page on the banner's website.

2.8.4. A TRUSTED PARTNER

As a retailer, the Group's social responsibility approach is not limited to internal practices, but also takes into account the risks and issues involved in its supply chain. CSR policies deployed to take into account social and environmental impacts aim to strengthen the Group's social ethics policy, which mainly concerns suppliers of the Group's private-label goods based in counties considered as at risk, to support local production and to encourage CSR initiatives in SMEs.

Strengthening the social ethics policy

In 2002, the Group introduced its social ethics policy for private-label suppliers, aiming to help improve the social conditions at production facilities where the Group's products are manufactured. This policy is steered by the Group's CSR Department, and is underpinned by:

- the Supplier Ethics Charter: it is essential for suppliers to embrace this charter if they seek to be listed by the Group for the purchase of their products. By signing the Charter, which is modelled on the Group Ethical Charter, suppliers acknowledge the supremacy of the principles set out in the Universal Declaration of Human Rights and the ILO Declaration relative to Fundamental Principles and Rights at Work. They undertake to comply with national regulations regarding the minimum working age, refusal of forced labour and abusive disciplinary practices, non-discrimination, freedom of association and the right to collective bargaining, working hours, compensation and health and safety, and commit to complying with the eight requirements of the Ethics Charter, in particular the ban on child labour and forced labour. Signing the Charter also means agreeing to undergo audits to check that these commitments are observed;
- an annual audit programme: each year, some 100 production facilities are audited to ensure that they comply with the requirements set out in the Supplier Ethics Charter. The programme is planned and managed by the Group CSR Department and mainly targets countries with a high risk of violations of human rights and working standards. Audits are regularly carried out in China, India and Bangladesh. The audits are performed by independent specialist firms based on the standards drawn up by France's *Initiative Clause Sociale* (ICS), of which Group Casino has been a member since 2000. The audited production facilities are given a rating, which can result in Group Casino ending its relationship with the supplier;

- support for suppliers through corrective action plans: an audit report is drawn up after each audit and, if necessary, a corrective action plan is developed, which the production facility undertakes to implement within a given time frame, failing which they will be downgraded. Aware that the audits are a necessary step but don't go far enough, the Group's local offices play a crucial role in helping suppliers and their production facilities to better understand expectations and implement any potential corrective action plans. Internal and external follow-up audits are carried out to ensure that the corrective actions are implemented;
- analysis and monitoring of audit programme results: the results of the campaign, carried out by Group's CSR Department, are presented to the Social Ethics Committee, which includes two members of the Executive Committee. In 2013, 179 ICS social audits were carried out (including 65 by Monoprix), 64% of which were initial audits and 36% of which were follow-up audits. 25% of the audits were in Bangladesh, and 57% were in China. An analysis of the ICS audit results is published in the ICS annual report (www.ics-asso.org). Since 2003, a total of 901 audits have been carried out (excluding Monoprix). This programme allows the Group to define the strategic objectives of the social ethics policy and the actions required.

To take into account the special situation in Bangladesh, the Group audited 100% of preferred production facilities for private-label goods in the country, while reinforcing safety checks. It put in place systematic, unannounced pre-listing audits and stricter inspections on safety conditions in production facilities. These audits were complemented by fire drills, put in place by an outside company, to verify real evacuation conditions at production facilities and the standard of fire-safety-team training. Seven production facilities were involved in this initiative. An outside company was also used to provide training for merchandising teams on safety conditions in production facilities. Finally, even though Casino did not work with the Rana Plaza workshops that collapsed, in July 2013 Global Sourcing signed up to the Accord on Fire and Building Safety, in order to support this collective and collaborative initiative to help improve safety conditions in factories.

To assist the proper application of this process, the CSR department is carrying out regular awareness campaigns for purchasing teams and local offices, as well as suppliers who are presented with the ethics charter.

The Group supports the application of standardised and strict standards at national and international levels. Since 2000, it has been part of the *Initiative Clause Sociale*, which involves 19 retail banners that share a code, audit methodology, and joint data base for audit results. At international level, Casino supports the work carried out by the Global Social Compliance Program (GSCP) to align standards.

International subsidiaries are drawing up ethical charters for local suppliers: GPA takes part in the local *Brazilian initiative Associação Brasileira do Varejo Têxtil* (ABVTEX), which carries out audits on suppliers and sub-contractors in the Brazilian apparel sector based on 13 evaluation topics, with 18 requirements including a ban on child labour and forced labour. This initiative includes an undertaking to comply with the ABVTEX charter and an audit programme. Grupo Exito drew up a new supplier code of conduct with stronger ethical, transparency and good governance dimensions. Libertad, which signed the United Nations Global Compact in 2013, introduced an ethical charter for local suppliers.

With a view to addressing the issue of human rights in its businesses more cogently, Casino has joined the EDH (*Entreprises pour les Droits de l'Homme*) association, enabling it to identify business-specific risks and to discuss them with other international groups. Casino has supported and taken part in drawing up a training module on human rights in the workplace and realising the Guide to Evaluating Risks Associated with Human Rights.

Supporting SMEs in their CSR processes

Casino, which in 2010 signed the government sponsored *Pacte PME* designed to foster the growth, efficiency and expansion of the SME sector, has maintained close relationships with its suppliers (farmers, cooperatives, SMEs) right from its creation due to the nature of its operations.

In order to strengthen the ability of local PMEs to address CSR issues, especially environmental challenges, the Group's Quality Department has collaborated with the Purchasing and Marketing departments to launch several initiatives to help suppliers to:

- use fewer pesticides and develop production, cultivation and livestock husbandry practices that are more environmentally friendly and respect animal welfare, by supporting farmers that supply the *Terre et Saveurs* brand;
- obtain official labels for the *Casino Avenir* range products, including European Ecolabel (the official European label delivered in France by Afnor), *NF Environnement* (the French ecolabel), FSC and PEFC;
- obtain the AB and European label for Casino, Leader Price and Monoprix organic products;
- evaluate the environmental impact of products and allow areas for optimisation to be identified. (See the Responsible Retailer section);
- limit the impact of product packaging by including a packaging optimisation condition in the specifications for Casino products. (See the Responsible Reseller section). The Group also encourages the use of recycled or FSC certified packaging.

In 2013, the Group organised a supplier forum on responsible consumption in partnership with the Goodplanet Foundation. The forum involved 80 companies and launched two awards programmes to highlight the best CSR initiatives from its suppliers. It also repeated the Simplex forum, bringing together local suppliers for private-label goods in the Group's main host countries (Brazil, Colombia, Thailand) for a week-long training program.

Outside France, GPA in Brazil rolled out its "Quality from the Source" program. It involves 615 suppliers of fruit, vegetables and eggs, and aims to help them improve their environmental practices, limit and control the use of pesticides, reprocess waste water and ensure full product traceability. In Colombia, Grupo Exito organised for the fifth straight year a competition for 5,500 suppliers to reward the best sustainable development programme and highlight the best environmental initiatives. All the workshops in Grupo Exito's clothing subsidiary have received environmental management training.

In its logistics chain, the Group has encouraged good CSR practices through two key initiatives:

- in France, the logistics subsidiary introduced a scorecard in 2011, which includes CSR criteria to assess its 120 main transport providers;
- in Brazil, GPA set up its TOP LOG programme in 2005, which aims to improve the quality performance of its suppliers' logistics chain. More than 170 suppliers are involved in the programme and around 50 of them have obtained TOP LOG certification, awarded when the performance targets set have been reached.

For sub-contractors (service providers, etc.), Casino assesses their policies and actions to combat discrimination and promote diversity in line with commitments of the Diversity Label.

Supporting local production channels

Most of the Group's supplies are sourced locally from small producers or SMEs in the countries where it operates. The Group helps local suppliers to make their production and logistics processes, manufacturing standards and administrative management more professional, enabling them to expand their business beyond their commercial relationship with Casino.

Actions implemented include Casino continued promotion of local producers through the *Le Meilleur d'ici* concept designed to stock and promote products produced within 80 km of stores. This range is sold by 441 outlets, including 339 Casino supermarkets and 102 Casino hypermarkets in France. With the *Terre et Saveurs* and *Club des Sommeliers* brands, Casino France supports local supply sources by developing partnerships with farmers, livestock breeders and fisheries, and signing agreements with the lamb and beef industries. To support milk producers, Casino sold *Lait des Monts du Forez* milk in 2013, allowing 65 milk producers, left in economic and financial difficulties following the closure of a cheese manufacturer, to find new outlets for their products. Franprix also continued to promote milk producers in the Lot valley area of France and expanded its offer of local products within the Franprix market place. Casino continued to support artisanal fishing with the deployment of the *La Criée* concept: partnerships were developed in the ports of Lorient, Concarneau, Port-en-Bessin, Cherbourg, Fécamp, Granville, Les Sables d'Olonne, Arcachon and Saint-Jean-de-Luz. A daily distribution system was specifically put in place to offer customers the catch of the day in different shops.

Outside France, banners are committing to supporting local producers. Grupo Exito reached out to more than 110 small fruit and vegetable producers in different regions of Colombia and offered more than 120 different suppliers the possibility of joining the EAFIT programme, for quality and supply chain training. GPA continued to support the *Caras do Brasil* programme, which enables cottage industry cooperatives to sell their products to 82 Pão de Açúcar stores. This banner is also promoting small suppliers of organic products. Vindémia promotes local products under the *Nou la fé* range in Reunion Island.

2.8.5. ENVIRONMENTAL COMMITMENT

General environmental policy

Casino Group adopted a formal environmental policy in 2003 and subsequently reaffirmed its commitment by signing the United Nations Global Compact and adopting the Group CSR policy, which includes four environmental priorities. To prevent and control the environmental risks inherent in Casino's business, the Environment Department, which reports to the CSR Department, oversees the environmental priorities, spreads good practices, and monitors action plans.

It pursues a continuous progress approach to the Group's environmental performance. In France, this approach is based on a network of environmental officers, "Green Excellence" workshops and a collaborative platform enabling workshop members to share and publish best practices for environmental protection in their business. In international subsidiaries, the environmental approach is the responsibility of CSR departments and operational teams. The environmental policy is tailored to each business activity and unit in order to take into account local constraints and needs.

The priorities identified by the Group are:

- reducing greenhouse gas (GHG) emissions;
- improving energy efficiency;
- reducing and recycling waste;
- protecting the biodiversity of ecosystems.

Sustainable construction and certification

Given the number and diversity of the Group's facilities and stores worldwide, Group Casino encourages its subsidiaries to pursue a certification approach whenever this adds value. In France, the Group's energy subsidiary GreenYellow's 502 sites are ISO 50001 certified. Four warehouses are ISO 14001 certified, a shopping centre is BREEAM certified and eight shopping centres have obtained Label V certification by Ecocert Environnement. Outside France, three Pão de Açúcar stores are LEED certified (Leadership in Energy and Environmental Design), the North American green building rating system. In Vietnam, the Green Square shopping centre obtained LEED GOLD and LOTUS SILVER certification, the green building standards developed by the Vietnam Green Building Council (VGBC) and recognised by the World Green Building Council and the Construction Ministry in Vietnam.

Raising awareness

To raise employee awareness of environmental issues, the Group's various internal media such as the intranet and the Regards quarterly newsletter regularly report on topics such as waste management, preservation of natural resources, energy saving, biodiversity and food waste.

In 2013, employee awareness campaigns focused particularly on sorting used products and waste and combating food waste. The Group committed to reducing food waste throughout the year by deploying initiatives involving stores and warehouses, especially through its partnership with the French Food Bank Federation (see section 2.8.6), and the *Choisir, c'est Agir* campaign carried out with the Goodplanet Foundation to mark World Environment Day (see section 2.8.3). Franprix implemented its FranTrix charter for employees to promote environmental workplace practices, while Casino got its teams behind the customer benefits of collection points for used products such as batteries, ink cartridges and light bulbs by renewing its "Together, let's recycle more and better" operation. In international subsidiaries, Grupo Exito trained some 1,000 employees to improve store-waste sorting, with all proceeds paid into the Fondation Exito, while Libertad carried out a consumer campaign to promote environmental practices. Vindémia participated in the "Two nights for Reunion, let's turn off the lights" campaign and published a practical guide on environmentally-friendly behaviour.

Reducing greenhouse gas (GHG) emissions to combat climate change

Tonnes CO_2 equiv.	Group 2012(1)	Group 2013(2)	France	Latin America	Asia/Indian Ocean(2)
GHG Scope 1 = direct emissions from combustion (gas and fuels) and refrigerants	1,420,000	1,280,000	480,000(3)	630,000	170,000
GHG Scope 2 = indirect emissions from energy consumption (electricity, steam, heating, cooling)	820,000	940,000	90,000	260,000	590,000

Detailed information about the scopes covered: the overall coverage rate is 87% of sites for energy and 80% for coolants (excluding air conditioning).
(1) Excluding Sudeco, Disco Devoto, operations in Mayotte, Mauritius, Madagascar. Partial data for Via Varejo.
(2) Excluding Sudeco, Disco Devoto, operations in Mayotte, Mauritius, Madagascar.
(3) Excluding CODIM.

Measuring greenhouse gas emissions

As part of the internationalisation of its businesses, the Group standardised carbon-reporting practices in its subsidiaries in 2012, the base year used by the Environment Department to track greenhouse gas emission reduction plans.

The Group's subsidiaries carry out a greenhouse gas emission inventory for scopes 1 and 2 every year to track the effectiveness of reduction plans, using this methodology.

The main emissions sources in the Group's operational area are:

- refrigerant (leaks from cooling systems);
- fuel combustion required for the transport of goods;
- energy consumption at Group buildings.

Reducing greenhouse gas emissions

The Group encourages its subsidiaries to prioritise the reduction of direct emissions.

The Group's key objective is reducing greenhouse gas emissions from coolant leaks, such as HFCs, which contribute significantly to global warming, in line with the United Nations Environment Programme. Measures introduced by subsidiaries involve reinforcement of containing circuits in existing facilities and deploying refrigerating pilots that work with low-global-warming potential coolants (hydrocarbons, CO_2, NH_3). In order to identify the technical solutions best suited to safety conditions, the climate and regulations in host countries, the Group organises experience sharing from pilots carried out in its subsidiaries. In France, some ten supermarkets generate cold with CO_2 systems, and Casino Shopping tested a pilot glycol and water refrigeration system that made it possible to reduce the initial refrigerant charge, as expressed in CO_2 equivalent, by 74%. In Brazil, GPA is testing CO_2 cooling systems at two pilot installations.

To reduce GHG from goods transportation, the Group is prioritising action plans to reduce the mileage travelled by trucks and optimise their load factors through partnerships designed to pool upstream and downstream transport capacities (back and front hauling or pooling). In France, the Group is developing a multi-modal strategy, using waterway transport to deliver to Franprix stores in Paris, and using stackable handling solutions to improve the load factor of its trucks. The Citygreen programme uses transport solutions that meet the most demanding air and sound pollution standards. In Colombia, Grupo Exito is improving the load factors of its trucks with colour codes to encourage optimised load capacities both in terms of surface area and height. Big C Vietnam delivers to its stores in the centre and north of the country using waterways. GPA in Brazil is continuing to develop its Backhauling programme, launched in 2006, with 17% of suppliers involved in 2013.

Improving the energy efficiency (see below) of the Group's stores has helped reduce the GHG impact of electricity consumption, with carbon performance depending on the carbon intensity of electricity in each country.

Lastly, in France the Group carries out carbon audits upstream of construction operations to estimate greenhouse gas emissions linked to the design and construction of a building and to choose the lowest-emitting construction materials and processes. A policy of locating stores and warehouses to minimise the distances travelled by goods and customers also contributes to reducing the carbon impact of operations.

Adapting to climate change

To reduce vulnerability to climate change, Group and subsidiary policies take into account the risks of increased extreme climate events, mainly the risk of cyclones for Reunion Island operations and the risk of flooding in Thailand. The Group is diligent in observing regulations in place by building the equipment required for rainwater management and overflow equipment and is working on implementing innovative techniques such as vegetated roofs and drainage ditches. Companies exposed to this type of risk maintain and develop continuity plans in collaboration with suppliers and public authorities in case of an extreme climate event.

Sustainable use of resources

	Group 2012[(1)]	Group 2013	France	Latin America	Asia/Indian Ocean[(2)]
Energy consumption *(MWh)*					
Electricity	4,643,585[(a)]	4,785,540	1,587,420	2,050,477	1,147,643
Gas	265,160[(b)]	268,475	186,850	81,625	0
Water consumption *(m^3)*	15,536,684[(c)]	15,910,757	1,494,810[(d)]	6,365,477	8,050,470

Detailed information about the scopes covered: the coverage rate is 87% of sites for energy and 75% for water.
(1) Excluding Sudeco and excluding operations in Mayotte, Mauritius, Madagascar.
(2) Excluding operations in Mayotte, Mauritius, Madagascar.
(a) Revised indicator.
(b) Excluding Libertad.
(c) Excluding Franprix and Leader Price.
(d) Excluding Leader Price and Codim.

Energy

Improving the energy efficiency of stores is a priority in all the Group's units, in order to reduce operating costs. Store lighting and refrigeration for chilled foods are the two main consumers of energy, principally electricity. Reducing energy consumption is addressed by a process of continuous improvement, which is based on monitoring consumption and carrying out energy audits for sites, and supported by an energy renovation programme (Energy Performance Contracts). This process is implemented by the GreenYellow subsidiary, which is in charge of providing the Group's energy-saving solutions. All units are encouraged to draw up reduction targets and action plans to identify the most eco-efficient solutions. In France, 90% of Casino hypermarkets are under energy performance contracts and 75% are already equipped with chiller cabinets with covers in line with the commitment undertaken with the French State to reach this level by 2020. In the same period, 100% of new or renovated superettes and supermarkets adopted this new standard. These measures helped reduce 2013 electricity consumption by 9% in France compared with 2012.

In international subsidiaries, action plans to reduce the stores' energy consumption have been implemented, and include regularly checking consumption, training employees and optimising operating processes in the stores and head offices. In Colombia, GreenYellow introduced Energy Performance Contracts in 18 stores in 2013, including chiller cabinets with covers (programme continued in 2014). In Vietnam, new stores include the latest low energy consumption equipment (low energy lighting, better insulation, closed chiller cabinets, etc.). In stores opened before 2013, 56% of chiller cabinets have covers.

To support the development of renewable energies, in 2007 Casino embarked on an ambitious program to develop photovoltaic systems. It now has 44 systems connected, representing a surface of about 331,720 sq.m. or 269 MWp. In Vietnam, part of the energy from the Green Square shopping centre is produced by a roof-mounted solar power plant, leading to total local renewable-energy production of around 204 MWh a year. In Brazil, 25% of electricity consumed is from renewable sources.

Water

The Group's operating activities are situated in areas where the water stress risk is low to medium and use in majority town water, mainly as tap water.

Conscious of the importance of water management, the Group encourages initiatives for reusing rain water and limiting the use of town water. In France, Easydis warehouses have been conducting a responsible water management policy since 2013, by collecting rain water (five warehouses equipped) and monitoring water consumption in real time using remote readings to detect water leaks. In the same period, 50% of Casino supermarkets were fitted with flow regulators and Casino restaurants encouraged their teams to save water. New construction projects incorporate, whenever possible and from the design stage, rainwater collection and treatment systems.

Outside France, GPA has set up a daily system for monitoring water consumption in its food stores enabling it to detect any leaks. Similar initiatives were taken by Big C in Vietnam and Exito in Colombia.

Reducing and recycling waste, and controlling pollution

Operational waste

The main waste generated by stores is cardboard, plastic, paper and organic waste. Each subsidiary aims to reduce waste and increase recycling rates by helping to develop and sustain local recycling networks. 230,000 tonnes of waste (cardboard, plastic and organic waste) have been recycled for 77% of the Group's sites (excluding Big C Vietnam and Thailand, and Casino convenience stores.) The banners continued sorting-technique training in stores and warehouses, mainly for plastics and compostable waste in 2013.

In France, over 101,000 tonnes of waste have been sorted by Casino stores and warehouses for recycling by approved service providers. The implementation of organic waste sorting in 94% of Casino hypermarkets and 52% of Casino supermarkets brought the recycling rate for operational waste up to 61%. Franprix and Leader Price stores sort and recycle their packaging boxes under contracts singed on a local basis, while Cdiscount sorts and recycles 100% of boxes and plastic packaging generated by its warehouses.

In Colombia, Grupo Exito recycled more than 27,000 tonnes of operational waste, and the financial resources generated by recycling were donated to the Grupo Exito foundation. In Brazil, GPA strengthened its waste traceability system to improve the sorting performance of its stores and food depots. The system was in place in 79 stores at end-2013 (38 in 2012). In Argentina, Libertad continued deploying its 3R "Reduce, Recycle, Re-use" programme in all its stores for recycling cardboard, oil and glass.

Used products and customer waste collection

Casino Group carries out information campaigns to encourage consumers to sort and recycle used goods. At Group level, 300 tonnes of batteries, 61 tonnes of bulbs, 2,322 tonnes of electric appliances, 25 tonnes of ink cartridges and 6,480 tonnes of paper and cardboard were collected for recycling.

In France, Casino, in collaboration with eco-organisations, renovated almost all in-store collection points where used goods such as batteries, low energy light bulbs, accumulators, small electrical devices and printing cartridges are collected from customers. This operation and the communication campaigns deployed enabled Casino stores to collect 186 tonnes of used batteries (in stores and warehouses), 59 tonnes of light bulbs, 25 tonnes of printer cartridges and 1,942 tonnes of electrical and electric equipment (WEEE) in 2013. Monoprix stores collected 100 tonnes of batteries.

In International subsidiaries, GPA and its suppliers offer a collection and recycling point service in 253 Pão de Açúcar and Extra stores for paper, glass, metal, plastic and oil, which has allowed over 20,000 tonnes of waste to be collected in these stores. Big C Thailand and Grupo Exito are also deploying recycling bins in their stores to collect used mobile phones, batteries and plastic. Big C Vietnam is organising collection campaigns for used batteries.

Protecting biodiversity

Under commitment No.8 of its Group Ethics Charter, Casino has reaffirmed its pledge to participate in protecting biodiversity.

Reducing the impact of buildings on biodiversity

Casino Développement has drawn up and circulated a good practices guide to managing buildings and protecting biodiversity. The property development teams have been trained in these practices.

Protecting biodiversity in Brazil

GPA has signed the charter of the Brazilian institute Ethos to protect the Amazonian rain forest and its inhabitants. The signatories have pledged only to sell products certified as not coming from areas protected by the Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA), mainly wood, fish, and soya. It has set up a traceability program regarding its Brazilian suppliers' lamb and beef chains, to make sure of their origin and to avoid contributing to deforestation caused by livestock farming. GPA has expanded its range of organic produce, with a 35% increase in the number of organic products stocked in its outlets.

Actions to promote forest protection

The Group has taken part in various campaigns to protect forests and encourage reforestation. In France, the tree planting campaign carried out in Casino, Franprix and Monoprix stores in 2011 and 2012, in partnership with SOS SAHEL and the Danone Group, was repeated in 2013, with the financing of around 3.4 million since 2011 trees planted in the Sahel region. As part of its *miplanetaÉxito.com* programme, Grupo Exito has already planted more than 186,000 trees in Colombia. Big C in Thailand again organised a campaign called "Big C, Big Forest—Stop Global Warming" in partnership with the Ministry of Natural Resources and the Environment, which resulted in more than 16,800 trees being planted in the Kaeng Krachan national park. Libertad has a programme called M*arcas Verdes*, in tandem with a supplier, which finances the protection of 1.6 million square meters of forest in the Gran Chaco region. The Group also takes targeted actions to reduce the biodiversity impact of its private-label products and its food suppliers' products, particularly in Brazil (see section 2.8.3).

In 2013, the Group booked €1,694,000 in provisions and risk guarantees for environmental factors in its Casino business.

Reducing noise pollution

To reduce noise pollution caused by deliveries to its stores, the Group's logistics subsidiary in France deploys a fleet of trucks under the Citygreen brand that are compliant with the Piek standard, which guarantees a noise output of less than 60 decibels, and uses hybrid vehicles enabling the last kilometre to be travelled in silent electric mode. These vehicles allow night-time deliveries to be increased and reduce day-time traffic in town centres and suburban areas. Franprix is increasingly using waterways to deliver to 80 Paris stores, thus avoiding more than 450,000 kilometres of truck transport in urban areas yearly and helping to reduce noise pollution.

Service stations

The Group's service station business is subject to regular, strict controls. A ground pollution prevention plan has been implemented in France, including surveys of underground facilities and ground water as well as monitoring of 100% of subsoils. In international subsidiaries, only Grupo Exito and GPA subsidiaries have service stations (20 and 84 respectively), which are also subject to regular controls to prevent risks of pollution.

2.8.6. ENGAGED LOCAL CORPORATE CITIZEN

Casino Group promotes the development of convenience stores in the countries where it operates. As a highly committed local corporate citizen in town centres, suburbs and rural areas, Casino helps to develop the local economy and contributes to local community outreach by encouraging its banners, through its CSR continuous progress policy, to strengthen their community partnerships, develop local community actions at store level and support the actions of various foundations. These initiatives are deployed within each Group unit.

National outreach partnerships: combatting exclusion

Casino has chosen to help combat insecurity and exclusion by supporting outreach charities through national partnerships to increase the impact of its work within local areas.

In France, the Group has strengthened its commitment to helping the disadvantaged by launching the *Casino se mobilise contre l'exclusion* programme. Partnerships have been signed with the French Food Bank Federation, *Agence du Don en Nature*, Apprentis *d'Auteuil*, *Samu Social de Paris*, the Red Cross and *MicroDon* ("micro donations"). A club of five major supplier partners committed to combatting exclusion has been formed. The initiatives carried out by the Group include:

- more than 5,000 tonnes of products donated to the French Food Bank Federation, including 3,285 tonnes from banners as part of daily collections, and 1,740 tonnes donated by customers;
- 40,000 items of clothing donated to the *Samu Social*, 140 pallets of non-food products given to *Apprentis d'Auteuil* for outreach fairs to support single-parent families, 80,000 health and beauty and clothing products donated to the *Agence du Don en Nature*;
- the *Arrondi en Caisse* operation, which allows customers to round up their bill to the next euro to donate to a charity, implemented for the first time in France by Franprix. At end-2013, the operation was deployed in 137 stores, especially for the benefit of the Red Cross.

Each of the Group's banners also has its own outreach partnerships: Monoprix organised a major clothes collection operation in 280 stores and warehouses for Emmaüs for the second year running, Casino continued its in-store operations for the *Dr Souris* association, Leader Price supported *Toutes à l'école*, and Franprix supported the Telethon.

The Group also supports "shared products" sales campaigns in its stores in association with suppliers, for the benefit of associations such as SOS Sahel, Unicef, and Handi'chien.

Outside France, the vast majority of units take similar action at national and local levels, supporting food banks where they exist, and organising community outreach actions in stores.

For food banks, in Brazil GPA organised two food collection days in 2013, in 730 stores with the support of 2,000 volunteers for the benefit of the *Amigos de Bem*, *Banco de Alimentos* and *Mesa Brasil* associations. 2,934 tonnes of food were collected and redistributed by GPA in 2013. In Argentina, Libertad signed a partnership agreement with *Red Argentina de Bancos de Alimentos*, launching a collaboration with 15 food banks, while in Colombia, Grupo Exito actively supports local food banks, collecting more than 3,010 tonnes of products in 2013. Vindémia works with the 2R2A (*Réseau Réunionnais d'Aide Alimentaire*) food bank network, collecting products in the Group's stores and organising collections from customers.

Numerous outreach programs were deployed by all the Group's units. Big C Vietnam set up an emergency assistance program for victims of extreme weather conditions and organised a collection of clothes (500,000 items collected in 2013) and second-hand books (16,000 collected) for disadvantaged children. Big C Thailand, which celebrated 20 years of local community engagement in 2013, developed a programme to support projects in communities around hypermarkets.

Libertad launched its *Juntos en Acción* programme, which includes a range of outreach initiatives, notably for a children's hospital charity, and a big collection of clothing (2,330 kg collected) and toys (500 kg collected).

GPA renewed its *Sapin Solidaire* operation that provided gifts for around 1,000 disadvantaged children, and its in-store collection of books, clothes and toys.

Actions taken by Foundations

Group Casino also contributes to outreach initiatives through its foundations. The Casino Foundation is committed to helping children in need, linked with the Group's other five foundations: Instituto GPA and the Via Varejo Foundation in Brazil, the Exito Foundation in Colombia, the Big C Foundation in Thailand, and the Monoprix Foundation in France.

The Casino Foundation has developed three major programmes:

- *Artists at School*, developed since 2011 in partnership with France's national education system and the Odéon theatre, supports 10 art and cultural education projects, benefiting 2,100 children in cut-off urban or rural areas;
- *Helping Children in hospital keep in touch*, which is developed in partnership with the Dr Souris association, and since 2010 has provided eight paediatric wards with computers and Internet access for each bed (a total of 585), plus other materials, staff training and maintenance, for the benefit of all children in hospital, for whatever length of time. Casino, Franprix, Leader Price, Casino cafeterias, the warehouses, Vindémia and Cdiscount all take part in this programme;
- "Local Initiatives", which in 2013 supported 19 local projects proposed and sponsored by Group employees.

The Exito Foundation in Colombia has developed recognised expertise in combating child malnutrition. Its actions include supporting local associations to make sure that children and future mothers in underprivileged areas have a healthy and balanced diet, to provide them with information about better nutrition, and to help them discover the joys of reading and music. In 2013, the programme involved around 36,000 children (32,102 in 2012) and 2,600 pregnant women (1,798 in 2012). To mark its 30th anniversary, the Foundation organised the tenth edition of the *Prix de la Petite Enfance* to reward and support initiatives that help children and combat malnutrition.

The Big C Foundation in Thailand focuses on education for young people. It provides financial aid to the most needy, giving out more than 6,200 grants in 2013, and co-finances the construction of schools, financially supporting 37 schools in 2013.

Instituto GPA pursues educational programmes to help young people from modest backgrounds enter working life. Through eight centres, it provides free classes in English, and in check-out and call centre job training. It also supports the NATA vocational training centre in partnership with the government of Rio de Janeiro, which allows 332 pupils from modest backgrounds to receive training in bakery and dairy trades. Instituto GPA, in addition, is recognised for its musical apprenticeship programme, with 590 children learning to play the violin or cello within an orchestra. Lastly, it set up a partnership with the Getulio Vargas Foundation in 2013, to deploy a merit-based scholarship programme.

2.8.7. ANTI-CORRUPTION POLICY

By signing the Global Compact in 2009, the Group reaffirmed its commitment to combating corruption and to promoting human rights within its sphere of influence.

The Group's anti-corruption programme is the responsibility of each unit's Senior Management. Casino's Internal Control Department carries out information campaigns for all the Group's business units, and supports them in drawing up and implementing their anti-corruption action plan. It has notably circulated a guide setting out the expectations expressed by stakeholders and good anti-corruption practices divided into four segments – awareness, prevention, detection and reaction – for subsidiaries in France and internationally. The department also performed an audit of anti-corruption arrangements within the Group through a self-assessment questionnaire sent to all units. Action plans were drawn up by units to address potential areas of risk. An Internal Control newsletter, circulated monthly to the financial departments of Group units since 2010, specifically addressed issues related to business ethics and anti-corruption in 2013.

In France, the Group circulated its business code of conduct, which lists rules for employees to follow in their work and covers the protection of the Group's interests, the prevention of conflict, competition and corruption, and insider trading.

International units also deployed codes of ethics or conduct. Grupo Exito rolled out its transparency policy, laid out in the ethics code for employees and suppliers, and conflict of interest management manual. An ethics committee has also been established, as well as a whistleblowing procedure available both internally and externally. Similarly, Grupo Pão de Açúcar trained all its employees in its unit code of conduct and whistleblowing procedure.

Libertad launched its *Libertad Transparente* programme in 2012, which is designed to highlight all initiatives related to conformity with ethical standards and transparency, including its code of conduct, conduct analysis committee and whistleblowing email address.

2.8.8. LOBBYING

Casino lobbies in the countries where it is present through the Public Affairs department, in order to consult, discuss with, and inform elected officials involved in making legislation and participate in the work of different organisations that represent its sector of activity. It nurtures regular and open dialogue, which is necessary for building public policy. In France, the Group has declared its activities as an interest representative with the National Assembly and the European Parliament, and is a member of the *Fédération du Commerce et de la Distribution* trade federation and the AFEP association of major French companies.

2.8.9. INDEPENDENT THIRD-PARTY'S ASSURANCE REPORT ON THE CONSOLIDATED SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION PRESENTED IN THE REGISTRATION DOCUMENT

For the year ended 31 December 2013

This is a free translation into English of the independent third-party's assurance report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the shareholders,

In our capacity as an independent third party, certified by COFRAC under number 3-1050, and a member of the network of one of Casino Guichard-Perrachon's Statutory Auditors, we hereby report to you on the consolidated social, environmental and societal information presented in the Registration Document, (hereinafter the "CSR Information") for the year ended 31 December 2013, in accordance with Article L. 225-102-1 of the French Commercial Code (*Code de commerce*).

Responsibility of the Company

The Board of Directors is responsible for preparing the Registration Document including CSR Information in accordance with the provisions of Article R. 225-105-1 of the French Commercial Code and with the guidelines used by the Company, comprising the Group's CSR reporting protocol in the version dated December 2013, (hereinafter the "Guidelines"), which is summarised in the Reporting Scope section of the Registration Document.

Independence and quality control

Our independence is defined by regulatory texts, the French code of ethics governing the audit profession and the provisions of Article L. 822-11 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the codes of ethics, professional standards, and applicable legal and regulatory texts.

Responsibility of the independent third party

On the basis of our work, it is our responsibility to:

- certify that the required CSR Information is presented in the Registration Document or, in the event that any CSR Information is not presented, that an explanation is provided in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (the Statement of completeness of CSR Information).
- express limited assurance that the CSR Information, taken as a whole, is, in all material respects, fairly presented in accordance with the Guidelines (Reasoned opinion on the fairness of the CSR Information).

Our work was carried out by a team of five people between October 2013 and March 2014 for a period of approximately 14 weeks.

We performed our work in accordance with the professional standards applicable in France, with the decree of 13 May 2013 determining the conditions in which the independent third party performs its engagement and, for the reasoned opinion and the reasonable assurance report, with ISAE 3000[1].

1. Statement of completeness of CSR Information

We conducted interviews with the relevant heads of department to familiarise ourselves with sustainable development policy, as a function of the social and environmental impact of the Company's activity, of its societal commitments and, when relevant, any action or programmes related thereto.

We compared the CSR Information presented in the Registration Document with the list provided for by Article R. 225-105-1 of the French Commercial Code.

For any consolidated Information that was not disclosed, we verified that the explanations provided complied with the provisions of Article R. 225-105, paragraph 3 of the French Commercial Code.

We ensured that the CSR Information covers the scope of consolidation, *i.e.*, the Company, its subsidiaries as defined by Article L. 233-1 and the entities it controls as defined by Article L. 233-3 of the French Commercial Code, within the limitations set out in the methodological information presented in the Reporting Scope section of the Registration Document.

Based on this work, and given the limitations mentioned above, we attest to the completeness of the required CSR Information in the Registration Document.

2. Reasoned opinion on the fairness of the CSR Information

Nature and scope of our work

We conducted around 15 interviews with the people responsible for preparing the CSR Information[2] in the departments responsible for collecting the information and, where appropriate, the people responsible for the internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in the light of their relevance, completeness, reliability, impartiality and comprehensibility, and taking good market practice into account when necessary.

(1) *ISAE 3000 – Assurance engagements other than audits or reviews of historical information.*

(2) *Responsible for the following topics: CSR, Human Resources, Quality (product safety, environmental profile of products), SME relationships, Environment, Internal audits.*

- verify the implementation of a data-collection, compilation, processing and control procedure that is designed to produce CSR Information that is exhaustive and consistent, and familiarise ourselves with the internal control and risk management procedures involved in preparing the CRS Information.

We determined the nature and scope of our tests and controls according to the nature and importance of the CSR Information in the light of the nature of the Company, the social and environmental challenges of its activities, its sustainable development policy and good market practice.

With regard to the CSR Information that we considered to be the most important[3]:

- at parent company level, we consulted documentary sources and conducted interviews to substantiate the qualitative information (organization, policy, action, etc.), we followed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data and we verified their consistency and concordance with the other information in the Registration Document.
- at the level of a representative sample of entities[4] selected by us by activity, contribution to the consolidated indicators, location and risk analysis, we conducted interviews to ensure that procedures are followed correctly and to identify any undisclosed data, and we performed tests of details, using sampling techniques, in order to verify the calculations made and reconcile the data with the supporting documents. The selected sample represents on average 23% of headcount and between 28% and 42% of quantitative environmental data.

For the other consolidated CSR information, we assessed consistency based on our understanding of the Company.

We also assessed the relevance of explanations given for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes used, in our professional judgement, allow us to express limited assurance; a higher level of assurance would have required us to carry out more extensive work. Because of the use of sampling techniques and other limitations intrinsic to the operation of any information and internal control system, we cannot completely rule out the possibility that a material irregularity has not been detected.

Conclusion

Based on our work, no material irregularities came to light that call into question the fact that the CSR Information, taken as a whole, is presented fairly, in all material respects, in accordance with the Guidelines.

Comments on the CSR Information

Without qualifying our conclusion, we draw your attention to the following matters.

- Environmental indicators do not cover all businesses, particularly for the “Recycled waste tonnage”, “Water consumption” and “Energy consumption” indicators. For each indicator, the coverage rate is specified in section “2.8.5. Environmental Commitment” of the Registration Document.

Paris-La Défense, 10 March 2014

The Independent Third Party

ERNST & YOUNG

Éric Mugnier Partner Sustainable development	Bruno Perrin Partner

(3) **Societal and environmental information:** *general environmental policy (organisation, training and awareness campaigns for employees), pollution and waste management (tonnage recycled, prevention measures, waste recycling and elimination), the sustainable use of resources and climate change (energy consumption, measures taken to improve energy efficiency, GHG emissions), water consumption and supply in terms of local restrictions, measures taken to improve the efficiency of raw material use; territorial, economic and social impact, relationships with stakeholders (conditions for dialogue, partnership or sponsorship actions), measures taken to support customer health and safety.* **Social information:** *employment (total workforce and breakdowns), absences, workplace health and safety conditions, workplace accidents (especially their frequency and severity), training policies implemented, total number of training hours.*

(4) Casino France and Exito (Colombia).

2.8.10. TABLE OF CORRESPONDENCE IN ACCORDANCE WITH ARTICLE 225 IF THE GRENELLE 2 LAW

SOCIAL INFORMATION	
Employment	pages 46-49
Working practices	page 49
Social dialogue	page 46
Health & safety	page 50
Training	pages 49-50
Equal treatment	pages 46-47-48
Promotion and respect of the fundamental principles of the ILO	pages 44-46-47-48-53-54-55
ENVIRONMENTAL INFORMATION	
General environmental policy	pages 55-56
Pollution and waste management	pages 52-53-58-59-60
Sustainable use of resources	pages 52-53-57-58
Climate change	pages 56-57
Biodiversity protection	pages 58-59
INFORMATION RELATED TO SOCIETAL COMMITMENTS ON SUSTAINABLE DEVELOPMENT	
Territorial, economic and social impact of the Company	pages 59-60
Relations with stakeholders	pages 44-45
Subcontractors and suppliers	pages 53-54-55-61
Fair trade practices	pages 51-52-53-54-61
Other actions to improve human rights	pages 53-54-55

2.9. EMPLOYEE PROFIT-SHARING AND INCENTIVE PLANS

2.9.1. PROFIT-SHARING PLAN

An initial profit-sharing agreement was signed on 30 December 1969 as required by the French Labour Code (*Code du travail*), and adopted by each of the companies in the Group in France.

Given the Group's diversification since then and the inter-relationship between its various business activities (retailing, production, foodservice, etc.), a new group-wide profit-sharing agreement was adopted on 16 September 1988 at the request of the trade unions, covering all the Group's French subsidiaries (except Franprix-Leader Price, Monoprix and Banque du Groupe Casino).

Under this agreement, all Group companies established a special profit-sharing reserve based on their own individual results. These reserves were then aggregated and the total amounts distributed to all Group employees in proportion to their salaries, within the maximum limit permitted by law.

A new agreement was signed on 16 March 1998. There was no change to the method of calculating and distributing the profit-sharing reserves, but the structure of the Employee Savings Plan was altered through the creation of several different investment funds. On 29 June 2000, a supplemental agreement was signed in order to neutralise the impact on calculation of 2000 profit-sharing (restatement of shareholders' equity) of restructuring operations carried out on 1 July 2000 but retroactive to 1 January. A further supplemental agreement was signed on 26 June 2001, which altered the method of calculating the Group's profit-sharing reserve. It is now computed as a function of the previous year's reserve and the change in trading profit, but may not in any event be less than the cumulated legal reserves computed on a company-by-company basis.

2.9.2. INCENTIVE PLAN

A new group-wide incentive plan for all French subsidiaries (except Franprix-Leader Price, Monoprix and Banque du Groupe Casino) has been set up covering 2013, 2014 and 2015.

The plan still combines a group incentive with a local incentive. The group component is calculated on the basis of consolidated EBITA (before profit-sharing and incentive plans) of the companies concerned less the return on capital employed. 80% is allocated in proportion to annual salary and 20% in proportion to length of service.

The local component is a direct function of the results of operating units, and is allocated entirely in proportion to annual salary.

Incentive plan payments are made no later than 15 May each year.

2.9.3. PROFIT-SHARING AND INCENTIVE PLAN PAYMENTS

Profit sharing and incentive plan payments for the last five years are as follows):

€ thousands	Profit-sharing plan	Incentive plan	Total
2008	23,126.0	22,213.5	45,339.5
2009	20,448.4	14,474.4	35,922.8
2010	19,294.8	12,280.3	31,575.1
2011	18,198.5	11,897.6	30,096.1
2012	13,998.5	6,457.1	20,455.6

2.9.4. EMPLOYEE STOCK OPTIONS

Casino introduced its first Group employee stock option plan in 1973. Since then, many plans have been implemented for officers and employees of the Group. In 1991, for example, options to purchase new shares were granted to the entire workforce (over 2.2 million options granted to 27,375 beneficiaries), under a plan that expired in 1997.

In December 1987, all employees with managerial grade and a minimum of one year's service were granted options to purchase existing shares representing 10%, 20%, 30% or 40% of their annual salary, depending on their grade. Since then and through 2009, stock options to purchase existing or new shares based on the same principles have been granted in December of each year to new managers who have completed one year's service with the Group, and the number of options held by managers promoted to a higher grade has been adjusted.

Options to purchase new shares

Details of current stock options exercisable for new shares are given on page 32.

Options to purchase existing shares

There were no stock options exercisable for existing shares outstanding at 31 January 2014.

Stock options granted to and exercised by the top ten non-executive-officer grantees in 2013 were as follows:

	Total number of options	Weighted average price
Options granted	None	-
Options exercised	68,230	73.38

2.9.5. SHARE GRANTS

Under the terms of Articles L. 225-197-1 *et seq.* of the French Commercial Code, performance shares are granted to employees of the Companiy and related companies.

Persuant to Article L. 225-35 of the French Commercial Code, and the authorisation of the Annual General Meeting, shares can, where applicable, be granted to employees of Casino's parent companies, which mainly provide Casino with consultancy services for strategic issues and development. No employees from Rallye received performance shares in 2013.

Details of current stock options exercisable for existing shares outstanding at 31 January 2014 are given in the table below. No executive officers have received share grants.

Grant date	Vesting date	Date from which the shares may be sold	Number of grantees	Number of shares granted: To the top ten employees(*)	Number of shares granted: Total adjusted number of shares granted at 31 January 2014(1)
15 April 2011	15 April 2014	15 April 2016	32	34,423	36,477(2)
15 April 2011	15 April 2014	15 April 2016	899	38,300	0(3)
15 April 2011	15 April 2014	15 April 2016	52	3,190	0(3)
15 April 2011	15 April 2016	15 April 2016	3	1,620	1,620(4)
15 April 2011	15 April 2016	15 April 2016	13	6,065	5,800(4)
15 April 2011	15 April 2016	15 April 2016	22	4,360	4,145(4)
15 April 2011	15 April 2016	15 April 2016	2	600	600(4)
15 April 2011	15 April 2014	15 April 2016	11	3,400	0(3)
15 April 2011	15 April 2016	15 April 2016	5	1,765	1,765(4)
15 April 2011	15 April 2016	15 April 2016	2	380	380(4)
15 April 2011	15 April 2016	15 April 2016	40	5,410	8,740(4)
21 October 2011	21 October 2014	21 October 2016	3	3,742	3,742(2)
21 October 2011	21 October 2014	21 October 2016	2	400	400(4)
21 October 2011	21 October 2014	21 October 2016	1	3,800	3,800(4)
2 December 2011	2 December 2014	2 December 2016	632	10,570	20,037(2)
29 March 2012	29 March 2015	29 March 2017	2	6,422	6,422(2)
11 May 2012	11 May 2014	11 May 2016	2	17,859	17,859(2)
19 October 2012	19 October 2015	19 October 2017	36	7,600	11,350(3)
19 October 2012	19 October 2014	19 October 2016	31	28,000	41,200(2)
18 October 2013	18 October 2016	19 October 2018	198	22,347	57,823(2)
18 October 2013	18 October 2018	19 October 2018	5	7,857	7,857(2)
18 October 2013	18 October 2015	19 October 2017	29	16,931	22,650(2)
18 October 2013	18 October 2017	19 October 2017	2	2,705	2,705(2)

(*) At inception.
(1) Number of options granted at inception less those cancelled when the grantees left the Company or on failure to meet performance conditions.
(2) The share grants are contingent only upon the grantees remaining with the Company until the vesting date.
(3) The share grants are contingent upon the grantees remaining with the Company until the vesting date and upon achievement of a performance condition. Performance conditions mainly involve organic sales growth and trading profit levels. The performance conditions were not met. No shares will therefore be granted on 15 April 2014.
(4) The share grants are contingent upon the grantees remaining with the Company until the vesting date and upon achievement of a performance condition. Performance conditions mainly involve organic sales growth and trading profit levels.

The following table shows the number of shares that have vested under the performance share plans put in place on 29 April 2010, 3 December 2010, 15 April 2011, and 21 October 2011:

Grant date	Vesting date	Number of shares vested	Type of shares
29 April 2010	29 April 2013(1)	43,825	Existing shares
29 April 2010	29 April 2013(2)	181,661	Existing shares (12,214 shares) and new shares (169,447 shares)
29 April 2010	29 April 2013 (2)	3,580	Existing shares
29 April 2010	29 April 2013(2)	5,192	Existing shares
3 December 2010	3 December 2013(1)	12,829	Existing shares
15 April 2011	15 April 2013(1)	38,332	New shares
15 April 2011	15 April 2013(2)	27,851	New shares
21 October 2011	21 October 2013(1)	18,515	Existing shares

(1) The share grants were contingent only upon the grantees remaining with the Company until the vesting date.
(2) The share grants were contingent upon the grantees remaining with the Company until the vesting date and upon achievement of a performance condition. Performance conditions mainly involved organic sales growth and trading profit levels.

2.9.6. EMPLOYEE SHARE OWNERSHIP

Two employee share ownership plans with corporate mutual funds were set up in December 2005 and December 2008 respectively, to strengthen the relationship between Casino and its employees by giving them a greater vested interest in the Group's future development and performance.

These leveraged, capital guaranteed ESOPs are open to all employees of the Group in France who are members of a Casino corporate savings plan.

The 2005 plan expired in 2010 and the 2008 plan at the end of December 2013.

At 31 January 2014, Group employees held 1,227,356 shares representing 1.1% of the capital and 1.6% of voting rights though the Employee Savings Plan and different mutual funds.

CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013

3.1. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(Free translation of a French language original)

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English-speaking readers. This report includes information specifically required by French law in such reports, whether qualified or not. This information is presented below the opinion on the consolidated financial statements and includes (an) explanatory paragraph(s) discussing the auditors' assessment(s) of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside the consolidated financial statements.

This report, should be read in conjunction with, and is construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholders' meeting, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the accompanying consolidated financial statements of Casino, Guichard-Perrachon;
- the justification of our assessments;
- the specific verification required by French law.

These consolidated financial statements have been approved the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2013 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. Justification of assessments

In accordance with the requirements of article L. 823-9 of the French commercial code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- Note 3 of the consolidated financial statements describes the accounting treatment related to changes in scope operations. We verified the calculations performed by the Group, the accounting treatment applied and the reasonableness of the estimates linked to the scope operations. We also assessed that the notes to the financial statements included appropriate disclosures in the notes to financial statements.
- Note 1.4.18.1 of the consolidated financial statements describes the criteria to classify the financial instruments in equity. By applying those principles, we verified the adequateness of classification of the €750 million deeply perpetual bonds issued by Casino, Guichard-Perrachon and assessed that the note 26 of the financial statements included appropriate disclosures.
- The Group is required to make estimates and assumptions as regards impairment tests of goodwill and other non current assets (notes 1.4.12 and 18). The recoverable value of non current assets is estimated using notably cash flow and earnings projections contained in the Group's long-range business plans approved by the management. We examined the consistency of assumptions, the data underlined to these ones and available documentation. Based on those, we assessed the reasonableness of the Group's estimates.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole and, therefore, contributed to our audit opinion expressed in the first part of this report.

III. Specific verification

As required by law we have also verified in accordance with professional standards applicable in France the information presented in the Group's management report.

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

Neuilly-sur-Seine and Lyon, March 10, 2014

The Statutory Auditors

Deloitte & Associés		Ernst & Young et Autres
Gérard Badin	Antoine de Riedmatten	Daniel Mary-Dauphin

3.2. CONSOLIDATED FINANCIAL STATEMENTS

3.2.1. CONSOLIDATED INCOME STATEMENT

For the years ended 31 December 2013 and 2012

€ millions	Notes	2013	2012
CONTINUING OPERATIONS			
Net sales	7.1	48,645	41,971
Cost of goods sold	7.2	(36,200)	(31,126)
Gross profit		**12,445**	**10,844**
Other income	7.1	324	322
Selling expenses	7.3	(8,685)	(7,478)
General and administrative expenses	7.3	(1,721)	(1,686)
Trading profit	**6.1**	**2,363**	**2,002**
as a % of sales		*4.9*	*4.8*
Other operating income	8	999	1,078
Other operating expense	8	(738)	(701)
Operating profit		**2,625**	**2,379**
as a % of sales		*5.4*	*5.7*
Income from cash and cash equivalents		179	152
Finance costs		(814)	(670)
Finance costs, net	**9.1**	**(635)**	**(519)**
Other financial income	9.2	168	177
Other financial expense	9.2	(252)	(157)
Profit before tax		**1,905**	**1,880**
as a % of sales		*3.9*	*4.5*
Income tax expense	10	(401)	(323)
Share of profits of associates	11	21	(21)
Net profit from continuing operations		**1,524**	**1,535**
as a % of sales		*3.1*	*3.7*
attributable to owners of the parent		853	1,065
attributable to non-controlling interests		672	470
DISCONTINUED OPERATIONS			
Net profit/(loss) from discontinued operations		**(2)**	**(2)**
attributable to owners of the parent		(2)	(2)
attributable to non-controlling interests		-	-
CONTINUING AND DISCONTINUED OPERATIONS			
Consolidated net profit		**1,523**	**1,533**
attributable to owners of the parent		851	1,062
attributable to non-controlling interests		672	470

Earnings per share

In €	Notes	2013	2012
From continuing operations attributable to owners of the parent	13		
• Basic earnings per share		7.41	9.44
• Diluted earnings per share		7.40	9.41
From continuing and discontinued operations attributable to owners of the parent	13		
• Basic earnings per share		7.39	9.42
• Diluted earnings per share		7.38	9.39

3.2.2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ millions	2013	2012
Income statement for the period	**1,523**	**1,533**
Items that may subsequently be recycled to profit or loss	**(2,197)**	**(776)**
Cash flow hedges	(5)	(11)
Hedges of net investment in operations abroad	-	(47)
Foreign currency translation[1]	(2,176)	(732)
Available-for-sale financial assets	3	2
Associate companies' share of items that may be recycled	(19)	(9)
Income tax relating to components of other comprehensive income	-	21
Items that may not be recycled to profit or loss	**8**	**(28)**
Actuarial gains and losses	13	(43)
Income tax relating to components of other comprehensive income	(4)	14
Other comprehensive income for the year, net of tax	**(2,188)**	**(805)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**(666)**	**728**
Attributable to owners of the parent	*13*	*594*
Attributable to non-controlling interests	*(678)*	*134*

(1) The negative change of €2,176 million was mainly due to depreciation of the Brazilian, Columbian and Thai currencies in the amounts of €1,641 million, €349 million and €120 million, respectively.
The negative change for 2012 was mainly due to depreciation of the Brazilian currency in the amount of €898 million, which was offset by the appreciation of the Columbian currency in the amount of €192 million.

Movements in the period are presented in note 26.7.1.

3.2.3. CONSOLIDATED BALANCE SHEET

For the years ended 31 December 2013 and 2012

ASSETS

€ millions	Notes	2013	2012 (1)
Goodwill	14	10,791	10,909
Intangible assets	15	4,100	3,884
Property, plant and equipment	16	9,470	8,625
Investment property	17	557	537
Investments in associates	19	768	260
Other non-current assets	21	1,593	2,001
Deferred tax assets	10	425	865
Total non-current assets		**27,704**	**27,081**
Inventories	22	4,693	4,727
Trade receivables	23	1,510	1,734
Other current assets	24	1,647	1,714
Current tax receivables		85	49
Cash and cash equivalents	25	5,433	6,303
Non-current assets held for sale	12	96	1,461
Total current assets		**13,464**	**15,990**
TOTAL ASSETS		**41,168**	**43,071**

(1) Financial statements previously published have been restated subsequent to changes concerning determination of the fair value of acquired GPA assets and liabilities (note 4.1).

EQUITY AND LIABILITIES

€ millions	Notes	2013	2012 (1)
Share capital		173	172
Additional paid-in capital, treasury shares and retained earnings		7,502	7,335
Equity attributable to owners of the parent		**7,675**	**7,507**
Minority interests		**7,751**	**7,694**
Total equity	**26**	**15,426**	**15,201**
Non-current provisions	28	963	975
Non-current financial liabilities	30	8,516	9,394
Other non-current liabilities	31	606	900
Deferred tax liabilities	10	1,406	1,364
Total non-current liabilities		**11,492**	**12,634**
Current provisions	28	214	275
Trade payables		7,016	6,655
Current financial liabilities	30	2,623	2,786
Current taxes payable		155	118
Other current liabilities	31	4,242	4,307
Liabilities associated with non-current assets held for sale	12	-	1,095
Total current liabilities		**14,250**	**15,237**
TOTAL EQUITY AND LIABILITIES		**41,168**	**43,071**

(1) Financial statements previously published have been restated subsequent to changes concerning determination of the fair value of acquired GPA assets and liabilities (note 4.1).

3.2.4. CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended 31 December 2013 and 2012

€ millions	2013	2012
Net profit, Group share	851	1,062
Minority interests	672	470
Profit for the period	**1,523**	**1,533**
Depreciation, amortisation and provision expense	1,061	1,119
Unrealised (gains)/losses arising from changes in fair value	142	(51)
(Income)/expenses on share-based payment plans	19	20
Other non-cash items	(8)	(27)
(Gains)/losses on disposal of non-current assets	(20)	(82)
(Gains)/losses due to changes in percentage ownership of subsidiaries resulting in the gain/loss of control or of non-controlling interests	(719)	(897)
Share of profits of associates	(21)	21
Dividends received from associates	49	3
Cash flow	**2,025**	**1,639**
Finance costs, net (excluding changes in fair value)	646	492
Current and deferred tax expenses	401	322
Income tax paid	(372)	(291)
Change in operating working capital (note 5.1)	444	194
Net cash from operating activities	**3,144**	**2,357**
Outflows of acquisitions:		
• property, plant and equipment, intangible assets and investment property	(1,603)	(1,394)
• non-current financial assets	(32)	(130)
Inflows of disposals:		
• property, plant and equipment, intangible assets and investment property	210	282
• non-current financial assets	8	6
Effect of changes in scope of consolidation resulting in the gain or loss of control (note 5.2)	(1,868)	1,402
Effect of changes in scope of consolidation related to joint ventures and associated companies (note 5.3)	-	(26)
Change in loans granted	38	(44)
Net cash used by investing activities	**(3,248)**	**94**
Dividends paid:		
• to owners of the parent (note 26.9)	(338)	(205)
• to minority shareholders	(197)	(610)
• to holders of deeply-subordinated perpetual bonds (TSSDI)	(17)	(20)
Increase/(decrease) in the parent's share capital	14	-
Transactions with minority shareholders without change of control (note 5.4)	163	406
(Purchases)/sales of treasury shares	(3)	(6)
Issues of equity instruments	1,237	-
Additions to debt	1,709	2,909
Repayments of debt	(1,905)	(1,574)
Interest paid, net	(647)	(541)
Net cash from/(used) by financing activities	**16**	**360**
Effect of changes in foreign currency translation adjustments	**(682)**	**(153)**
CHANGE IN CASH AND CASH EQUIVALENTS	**(770)**	**2,658**
Net cash and cash equivalents at beginning of period	6,004	3,346
• Net cash and cash equivalents from operations held for sale	(204)	-
Reported cash and cash equivalents at beginning of period (see note 25)	**5,799**	**3,346**
Net cash and cash equivalents at end of period	5,233	6,004
• Net cash and cash equivalents from operations held for sale	-	(204)
REPORTED CASH AND CASH EQUIVALENTS AT END OF PERIOD (NOTE 25)	**5,233**	**5,799**

3.2.5. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ millions before appropriation of profit	Share capital	Additional paid-in capital(1)	Treasury shares	Deeply subordinated perpetual bonds	Retained earnings and profit for the period
AT 1 JANUARY 2012	**169**	**3,951**	**-**	**600**	**1,574**
Other comprehensive income for the year	-	-	-	-	-
Net profit for the period	-	-	-	-	1,062
Consolidated comprehensive income for the year	**-**	**-**	**-**	**-**	**1,062**
Issue of share capital(3)	3	124	-	-	-
Purchases and sales of treasury shares(4)	-	-	(4)	-	-
Dividends paid(6)	-	-	-	-	(332)
Dividends payable to deeply subordinated perpetual bond holders and owners of non-controlling interests in GPA(7)	-	-	-	-	(9)
Share-based payments	-	-	-	-	9
Changes in percentage interest not resulting in the gain or loss of control of subsidiaries(8)	-	-	-	-	350
Change in percentage interest resulting in the gain or loss of control of subsidiaries(9)	-	-	-	-	-
Other movements	-	-	-	-	(7)
AT 31 DECEMBER 2012	**172**	**4,075**	**(4)**	**600**	**2,647**
Other comprehensive income for the year	-	-	-	-	-
Net profit for the period	-	-	-	-	851
Consolidated comprehensive income for the year	**-**	**-**	**-**	**-**	**851**
Issue of share capital	1	13	-	-	
Purchases and sales of treasury shares(4)	-	-	4	-	(5)
Issues of equity instruments(5)	-	-	-	750	(9)
Dividends paid(6)	-	-	-	-	(338)
Dividends payable to deeply subordinated perpetual bond holders and owners of non-controlling interests in GPA(7)	-	-	-	-	(18)
Share-based payments	-	-	-	-	4
Changes in percentage interest not resulting in the gain or loss of control of subsidiaries(10)	-	-	-	-	(248)
Change in percentage interest resulting in the gain or loss of control of subsidiaries(11)	-	-	-	-	-
Other movements	-	-	-	-	(1)
AT 31 DECEMBER 2013	**173**	**4,088**	**(1)**	**1,350**	**2,886**

(1) Additional paid-in capital: premiums on shares issued for cash or in connection with mergers or acquisitions, and statutory reserves.
(2) Attributable to the shareholders of Casino, Guichard-Perrachon.
(3) Corresponded primarily to the stock dividend paid by the Company in respect of 2011 (see note 26.2).
(4) Corresponds to movements in treasury shares during the period held under the shareholder-approved buyback programme and in connection with the liquidity contract (see note 26.4).
(5) See note 26.5 for the deeply subordinated perpetual bonds issued by Casino, Guichard Perrachon and note 26.6 for the convertible bonds issued by the Monoprix subsidiary (impact of €(4) million and €420 million attributable to shareholders of the parent and to minority shareholders respectively).
(6) Dividends paid by Casino, Guichard-Perrachon for 2011 and 2012, amounting to €332 million and €338 million respectively (see note 26.9). Dividends paid to owners of non-controlling interests in 2013 concerned GPA, Exito and Big C Thailand in the amount of €82, €35 and €17 million, respectively, compared with €540, €38, €15 and €13 million in 2011 for the subsidiaries Mercialys, Exito, Big C Thaïlande and GPA.
(7) See note 26.9 for dividends paid to holders of deeply subordinated perpetual bonds. The negative impact of €30 million corresponds to the minimum dividends paid to shareholders in accordance with legal Brasilian provisions.
(8) The positive impact of €81 million arose mainly from (i) transactions with owners of non-controlling interests in GPA after gaining control (€(180) million including €(407) million in respect of the two put options) and (ii) the decrease in the Group's percentage interest in Big C Thailand (+€208 million) and Mercialys (+€59 million including €49 million related to disposals made as part of the loss of control process).
(9) Corresponds to the recognition of non-controlling interests after gaining control of GPA (€5,844 million).
(10) The positive impact of €590 million mainly arose from (i) the forex transaction with Mr. Abilio Diniz (net impact of €384 million – see note 3.4), (ii) GPA's dilution in the subsidiary Via Varejo (impact of €210 million – see note 3.6) and (iii) the purchase of minority interests related to Franprix-Leader Price master franchises in the amount of €(24) million.
(11) Corresponds to €350 million from the sale of minority interests following the loss of control of Mercialys.

Cash flow hedges	Net investment hedge	Foreign currency translation	Actuarial gains and losses	Available-for-sale financial assets	Equity attributable to owners of the parent[(2)]	Minority interests	Total equity
5	**-**	**476**	**(11)**	**15**	**6,779**	**2,604**	**9,383**
(7)	(31)	(405)	(27)	2	(468)	(337)	(805)
-	-	-	-	-	1,062	470	1,533
(7)	**(31)**	**(405)**	**(27)**	**2**	**594**	**134**	**728**
-	-	-	-	-	127	-	127
-	-	-	-	-	(4)	-	(4)
-	-	-	-	-	(332)	(610)	(942)
-	-	-	-	-	(9)	(39)	(48)
-	-	-	-	-	9	10	19
-	-	-	-	-	350	(269)	81
-	-	-	-	-	-	5,861	5,861
1	-	-	-	-	(6)	2	(4)
(2)	**(31)**	**71**	**(39)**	**17**	**7,507**	**7,694**	**15,201**
(4)	-	(844)	8	2	(838)	(1,350)	(2,188)
-	-	-	-	-	851	672	1,523
(4)	**-**	**(844)**	**8**	**2**	**13**	**(678)**	**(666)**
-	-	-	-	-	14	-	14
-	-	-	-	-	(1)	-	(1)
-	-	-	-	-	741	420	1,161
-	-	-	-	-	(338)	(147)	(485)
-	-	-	-	-	(18)	(30)	(47)
-	-	-	-	-	4	14	18
-	-	-	-	-	(248)	838	590
-	-	-	-	-	-	(359)	(359)
-	-	-	-	-	(1)	-	(1)
(6)	**(31)**	**(773)**	**(30)**	**19**	**7,675**	**7,751**	**15,426**

3.3. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

REPORTING ENTITY

Casino, Guichard-Perrachon is a French *société anonyme* listed on compartment A of NYSE Euronext Paris. In these notes, the Company and its subsidiaries are referred to as "the Group", "Casino" or "the Casino Group". The Company's registered office is at 1, Esplanade de France, 42008 Saint-Étienne.

The consolidated financial statements for the year ended 31 December 2013 reflect the accounting situation of the Company, its subsidiaries and jointly-controlled companies, as well as the Group's interests in associates.

The 2013 consolidated financial statements of Casino, Guichard-Perrachon were approved for publication by the Board of Directors on 17 February 2014.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

1.1. Accounting standards

Pursuant to European regulation 1606/2002 of 19 July 2002, the consolidated financial statements for the year ended 31 December 2013 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the European Union on the date of approval of the financial statements by the Board of Directors and mandatory as of the reporting date.

These standards are available on the European Commission's website (http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm).

The significant accounting policies set out below have been applied consistently to all periods presented, after taking account of or with the exception of the new standards and interpretations set out below.

1.1.1. New standards, amendments and interpretations applicable as of 1 January 2013

The Group adopted the following standards, amendments and interpretations which were applicable as of 1 January 2013. Their application date coincides with that of the IASB:

- IFRS 13 – Fair Value Measurement:

  This standard has the purpose of improving consistency and reducing complexity by providing a precise definition of fair value and a single source of requirements concerning fair value measurement for all IFRS. These requirements do not broaden the framework for the recognition at fair value but gives some indications on how to apply this concept where it is already required or allowed by other IFRS;
- amendment to IAS 1 – Presentation of Financial Statements:

  The main impact for the Group consists in amending the presentation of its statement of comprehensive income to make a distinction between the items that will subsequently, and under certain conditions, be reclassified to profit or loss and those items that will not;
- amendment to IAS 19 – Employee Benefits:

  The effects of this amendment included:
  - Changes to the method for calculating the long-term return of the plan's assets, which uses the discount rate to discount commitments to their present value. The "interest expense" and "interest income" components made up the "net interest expense",
  - Removal of the option of apportioning actuarial gains and losses using the corridor method. The new standard requires that all actuarial gains and losses are recognised under other comprehensive income. The Group had already applied this method,
  - Elimination of the staggering of unvested past service costs: these costs will be taken directly to profit or loss;
- amendment to IFRS 7 – Information – Offsetting of Financial Assets and Financial Liabilities:

  This amendment strengthens requirements concerning information required in the notes in case of offsetting between financial assets and liabilities;
- annual improvements to IFRS – 2009-2011 cycle (issued in May 2012) :

  In May 2012, the IASB published the standard entitled IFRS Improvements 2009-2011 as part of its annual process of updating and improving the standards. These amendments are mandatory for financial periods beginning on or after 1 January 2013. The main amendments are as follows:
  - IAS 1, Presentation of Financial Statements: clarification of requirements for comparative information and consistency with the revised conceptual framework,
  - IAS 16, Property, Plant and Equipment: classification of maintenance equipment,
  - IAS 32, Presentation: tax effects relating to distributions to shareholders and to expenses on equity transactions (refer to IAS 12),
  - IAS 34, Interim Financial Reporting: interim financial reporting and segment reporting for all a segment's assets.

These new texts do not have a material impact on the Group's financial performance or position. The appended notes have been updated with new information on the fair value of assets and liabilities, brought into effect mainly by IFRS 13.

1.1.2. Standards and interpretations published but not yet mandatory

Standards and interpretations adopted by the European Union on the reporting date

- amendment to IFRS 32 – Offsetting of Financial Assets and Financial Liabilities:

  This amendment clarifies the offsetting rules;
- IFRS 10 – Financial Statements and revised IAS 27 – Separate financial statements:

  IFRS 10 will replace IAS 27 Consolidated and Separate Financial Statements and Interpretation SIC 12 – Consolidation – Special Purpose Entities. This new standard introduces a new definition of control based on power, exposure (and rights) to variable returns and the ability to exercise this power in order to influence returns;
- IFRS 11 – Joint Arrangements and revised IAS 28 – Investments in Associates and Joint Ventures:

  Revised IFRS 11 and IAS 28 will replace IAS 31 – Investments in Joint Ventures and IAS 28 – Investments in Associates, as well as SIC 13 – Jointly Controlled Entities – Non-Monetary Contributions by Venturers. The definition of joint control is based on the existence of a contractual agreement and unanimous consent of the parties sharing the control. These new amendments mainly provide for two distinct accounting treatments since IFRS 11 removes the proportionate consolidation method applicable to jointly controlled entities:
  - Partnerships classified as joint operations shall be recognised in the portion of assets, liabilities, income and expenses controlled by the Group in accordance with the contractual agreement. A joint operation may be undertaken through a simple contract or a jointly controlled legal entity,
  - Partnerships classified as joint ventures, because they give control only on the net assets, shall be consolidated under the equity method;
- IFRS 12 – Disclosure of Interests in Other Entities;

  This standard brings together all disclosures where an entity has shareholdings in non-consolidated subsidiaries, associated companies or structured entities, irrespective of the level of control or influence exercised over the entity;
- amendments to IFRS 10, 11 and 12: Transition Guidance;
- amendment to IAS 36 – Non-Recoverable Amount Disclosures for Non-financial Assets;

  This amendment concerns disclosures on the recoverable amount of impaired assets where the amount is based on fair value less costs to sell;
- amendment IAS 39 – Novation of Derivatives and Maintenance of Hedge Accounting;

  This amendment deals with the possibility of maintaining hedge accounting where a derivative that has been classified as a hedge is the subject of novation resulting in a counterparty being substituted by a central counterparty following new laws or regulations if certain conditions are met (in this context, novation of a derivative is the substitution of the contract's initial counterparty by a new counterparty).

The European Union has ruled that the above-mentioned standards will be mandatory for periods beginning on or after 1 January 2014 instead of 1 January 2013, the date set by the IASB, except for IAS 32.

The Group has not early adopted any of these new amendments or standards.

Based on analysis performed to date, the Group does not anticipate any material impact resulting from adopting IFRS 10.

Following the takeover of Monoprix, adoption of IFRS 11 will have no material impact on the Group's consolidated financial statements since, as at 31 December 2013, the Group's main joint ventures have been Grupo Disco Uruguay and Distridyn.

Adoption of the standard will lead to mainly Grupo Disco Uruguay, Distridyn and Geimex being consolidated under the equity method in 2014, with restatement of 2013 financial statements, with a negative impact of 295 €million on revenue and €23 million on profit from recurring operations. Impact on the Group's consolidated balance sheet will be negligible.

Adoption of the standard will also lead to Monoprix being consolidated under the equity method in the first quarter 2013 only (negative impact of €504 million on revenue and €23 million on profit from recurring operations).

Standards and interpretations not adopted by the European Union on the reporting date

Subject to their final adoption by the European Union, the following standards, amendments and interpretations published by the IASB are mandatory according to the IASB for annual periods beginning on or after 1 January 2014, except for IFRS 9:

- IFRS 9 – Financial Instruments: Classification and Measurement, and amendments subsequent to IFRS 9 and IFRS 7 (mandatory for annual financial periods beginning on or after 1 January 2015) :

  It concerns the first of the three sections of IFRS 9 "Financial Instruments" that will replace IAS 39, "Financial Instruments – Recognition and Measurement". This first section deals with the classification and measurement of financial instruments. The effects of the adoption of this section cannot be analysed independently of the other two sections, which are not yet published and concern the impairment of financial assets and hedge accounting, respectively;
- IFRIC 21 – Levies:

  This standard specifies that the recognition of a liability to pay various taxes, duties and other levies that do not come under the scope of IAS 12 depends on legislation thereon, independent of the period of the tax base used for calculating the levy;
- amendment to IAS 19 – Employee Benefits:

  This amendment simplifies the recognition of contributions, which are independent of an employee's number of years of service;

- annual improvements to IFRS – 2010-2012 and 2011-2013 cycles (issued in December 2013)

  In December 2013, the IASB published the standards entitled IFRS Improvements 2010-2012 and 2011-2013 as part of its annual process of revising and improving the standards. The main amendments are as follows:

  - IFRS 2 – Share-based Payment: clarification of notion of "vesting condition",
  - IFRS 3 – Business Combinations: recognition of conditional consideration when businesses are combined,
  - IFRS 8 – Operational Segments: disclosures on grouping criteria and reconciliation of total assets by segment presented and that of all the entity's assets,
  - IFRS 13 – Measurement of Fair Value: clarification of notion of fair value concerning short-term accounts receivable and payable,
  - IAS 16 – Property, Plant and Equipment, and IAS 38 – Intangible Assets: revaluation method to be applied,
  - IAS 24 – Related Party Disclosures: clarification of notion of "key" management staff,
  - IFRS 3 – Business Combinations: exclusion of joint venture from scope of IFRS 3,
  - IFRS 13 – Measurement of Fair Value: possibility of offsetting for a portfolio of financial assets and liabilities,
  - IAS 40 – Investment Property: clarification on interaction between IFRS 3 and IAS 40 to know to what extent an acquisition of a building can be considered as a business combination within the meaning of IFRS 3.

The Group has not early adopted any of these new standards, amendments or interpretations and is currently analysing the potential impacts, including on first-time adoption of IFRIC 21 and IFRS 9.

1.2. Basis of preparation and presentation

1.2.1. Accounting convention

The consolidated financial statements have been prepared using the historical cost convention, with the exception of the following:

- assets and liabilities remeasured at fair value pursuant to a business combination, in accordance with the principles set out in IFRS 3;
- derivative financial instruments and financial assets available for sale, which are measured at fair value. The carrying amounts of assets and liabilities hedged by a fair value hedge, which would otherwise be measured at cost, are adjusted for changes in the fair value attributable to the hedged risk.

The consolidated financial statements are presented in millions of euros. The figures in the tables have been rounded to the nearest million euros and include individually rounded data. Consequently, the totals and sub-totals may not correspond exactly to the sum of the reported amounts.

1.2.2. Use of estimates

The preparation of consolidated financial statements requires the use of estimates and assumptions that 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 reviewed at regular intervals and adjusted where necessary to take into account past experience and any relevant economic factors.

The main estimates and assumptions are based on the information available when the financial statements are drawn up and concern the following:

- method of consolidating Mercialys and revaluation of the previous interest (see Note 3.2);
- takeover date and revaluation of the previous interest in Monoprix (see Note 3.1);
- classification under equity instruments of deeply subordinated perpetual bonds issued on 18 October 2013 and Monoprix convertible bonds issued on 27 December 2013 (Note 1.4.18.1 and 26.6);
- impairment of non-current assets and goodwill (see notes 1.4.12 and 18);
- fair values of assets and liabilities acquired in a business combination (see notes 1.4.2, 3.1 and 4.1);
- deferred tax assets (see notes 1.4.31 and 10);
- provisions for liabilities and other operating provisions (see notes 1.4.19.2 and 28).

Notes 18.2, 19.3 and 29.2 show the sensitivity of measurements concerning goodwill, brands, consolidated entities consolidated under the equity method and pension provisions.

1.3. Positions adopted by the Group for accounting issues not specifically dealt with in IFRSs

In the absence of standards or interpretations applicable to conditional or unconditional put and call options on non-controlling interests (see note 1.4.20), management has used its judgment to define and apply the most appropriate accounting treatment.

1.4. Significant accounting policies

1.4.1. Basis of consolidation and consolidation methods

The consolidated financial statements include the financial statements of all material subsidiaries, joint ventures and associates over which the parent company exercises control, joint control or significant influence, either directly or indirectly.

Subsidiaries

Subsidiaries are companies controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Control is presumed to exist when the Group directly or indirectly holds more than half of the voting power of an entity. The consolidated financial statements include the financial statements of subsidiaries from the date when control is acquired to the date at which the Group no longer exercises control. All controlled companies are fully consolidated in the Group's balance sheet, whatever the percentage interest held.

Joint ventures

Joint ventures are companies in which the Group shares control of an economic activity under a contractual agreement. Companies that are controlled jointly by the Group are consolidated by the proportionate method.

Associates

Associates are companies in which the Group exercises significant influence over financial and operational policies without having control. They are accounted for by the equity method. Goodwill related to these entities is included in the carrying amount of the investment. Any impairment and gains or losses on disposal of investments in associates are recognised in "Other operating income and expense".

Potential voting rights

For all companies other than special purpose entities, control is determined based on the percentage of existing and potential voting rights currently exercisable.

The Group may own share warrants, share call options, debt or equity instruments that are convertible into ordinary shares or other similar instruments that have the potential, if exercised or converted, to give the Group voting power or reduce another party's voting power over the financial and operational policies of an entity (potential voting rights). The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has the power to govern the financial and operating policies of an entity. Potential voting rights are not currently exercisable or convertible when, for example, they cannot be exercised or converted until a future date or until the occurrence of a future event.

Control of special purpose entities is determined by reference to the Group's share of the risks and rewards of ownership of the entity.

Special purpose entities are consolidated when, in substance:

- the relationship between the special purpose entity and the Group indicates that the Group controls the special purpose entity;
- the special purpose entity conducts its business activities to meet the Group's specific operating needs in such a way that the Group benefits from these activities;
- the Group has decision-making powers to obtain the majority of the benefits of the special purpose entity's activities or is able to obtain the majority of these benefits through an "auto-pilot" mechanism;
- by having a right to the majority of the special purpose entity's benefits, the Group is exposed to the special purpose entity's business risks;
- the Group retains the majority of residual or ownership risks related to the special purpose entity's property or its assets in order to benefit from its activities.

1.4.2. Business combinations

As required by IFRS 3 revised, the consideration transferred in a business combination is measured at fair value, which is the sum of the acquisition-date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer. Identifiable assets acquired and liabilities assumed are measured at their acquisition-date fair values. Acquisition-related costs are accounted for as expenses in the periods in which they are incurred under "Other operating expense".

Any excess of the consideration transferred over the fair value of the identifiable assets acquired and liabilities assumed is recognised as goodwill. For each business combination, the Group may elect to measure any non-controlling interest in the acquiree either at the non-controlling interest's proportionate share of the acquiree's identifiable net assets or at fair value. Under the latter method (called the full goodwill method), goodwill is recognised on the full amount of the identifiable assets acquired and liabilities assumed.

Business combinations completed prior to 1 January 2010 were accounted for using the partial goodwill method, as required by the standards applicable at the time.

In case of acquisition by stages, the previous interest held is remeasured to fair value as at the takeover date. The difference between fair value and net carrying amount of this interest is recognised directly in profit or loss ("Other operating income" or "Other operating expenses").

The provisional amounts recognised on the acquisition date may be adjusted retrospectively during a 12-month measurement period if new information is obtained about facts and circumstances that existed as of the acquisition date. The subsequent acquisition of non-controlling interests does not give rise to the recognition of additional goodwill.

Any contingent consideration is included in the consideration transferred at its acquisition-date fair value even if it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Subsequent changes in the fair value of contingent consideration due to facts and circumstances that existed as of the acquisition date are recorded by adjusting goodwill if they occur during the measurement period or directly in profit or loss for the period under "Other operating income" or "Other operating expense" if they arise after the measurement period, unless the obligation is settled in equity instruments in which case the contingent consideration is not remeasured.

1.4.3. Closing date

With the exception of a few small subsidiaries, Group companies all have a 31 December year-end.

1.4.4. Consolidation of subsidiaries whose business is dissimilar from that of the Group as a whole

The financial statements of Casino Ré are prepared in accordance with accounting standards applicable to insurance companies. In the consolidated financial statements, their assets, liabilities, income and expenses are classified based on non-industry specific IASs and IFRSs.

1.4.5. Foreign currency translation

The consolidated financial statements are presented in euros, the functional currency of the Group's parent company. Each Group entity determines its own functional currency and all their financial transactions are measured in that currency.

The financial statements of subsidiaries that use a different functional currency from that of the parent company are translated according to the closing rate method:

- assets and liabilities, including goodwill and fair value adjustments, are translated into euros at the closing rate, corresponding to the spot exchange rate at the balance sheet date;
- income statement and cash flow items are translated into euros using the average rate of the period unless significant variances occur.

The resulting exchange differences are recognised directly within a separate component of equity. When a foreign operation is disposed of, the cumulative amount of the exchange differences in equity relating to that operation is reclassified to profit or loss.

Foreign currency transactions are translated into euros using the exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate and the resulting exchange differences are recognised in the income statement under "Exchange gains and losses". Non-monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the transaction date.

Exchange differences arising on the translation of a net investment in a foreign operation are recognised within a separate component of equity and reclassified to profit or loss on disposal of the net investment.

Exchange differences arising on the translation of foreign currency borrowings hedging a net investment denominated in a foreign currency or on permanent advances made to subsidiaries are recognised in equity and then reclassified in profit or loss on disposal of the net investment.

1.4.6. Goodwill and intangible assets

Intangible items are recognised as intangible assets when they meet the following criteria:

- the item is identifiable and separable;
- the Group has the capacity to control future economic benefits from the item;
- the item will generate future economic benefits.

Intangible assets acquired in a business combination are recognised as goodwill when they do not meet these criteria.

1.4.6.1. Goodwill

At the acquisition date, goodwill is measured in accordance with note 1.4.2. Goodwill is allocated to the cash generating unit or groups of cash-generating units that benefit from the synergies of the combination, based on the level at which the return on investment is monitored for internal management purposes. Goodwill is not amortised but is tested for impairment at each year-end, or whenever there is an indication that it may be impaired. Impairment losses on goodwill are not reversible. The method used by the Group to test goodwill for impairment is described in the note entitled "Impairment of non-current assets" presented in note 1.4.12. Negative goodwill is recognised directly in the income statement for the period of the business combination, once the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities have been verified.

1.4.6.2. Intangible assets

Intangible assets acquired separately by the Group are measured at cost and those acquired in business combinations are measured at fair value. Intangible assets consist mainly of purchased software, software developed for internal use, trademarks, patents and lease premiums. Trademarks that are created and developed internally are not recognised on the balance sheet. Intangible assets are amortised on a straight-line basis over their estimated useful lives. Development costs are amortised over three years and software over three to ten years. Indefinite life intangible assets (including lease premiums and purchased trademarks) are not amortised, but are tested for impairment at each year-end or whenever there is an indication that their carrying amount may not be recovered.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an asset is determined as the difference between the net sale proceeds, if any, and the carrying amount of the asset. It is recognised in profit or loss ("Other operating income and expense") when the asset is derecognised.

Residual values, useful lives and amortisation methods are reviewed at each year-end and revised prospectively if necessary.

1.4.7. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Subsequent expenditures are recognised in assets if they satisfy the recognition criteria of IAS 16. The Group examines these criteria before making an expenditure. Land is not depreciated.

All other items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives without taking into account any residual value. The main useful lives are as follows:

Asset category	Depreciation period *(years)*
Land	-
Buildings (shell)	40
Roof waterproofing	15
Shell fire protection systems	25
Land improvements	10 to 40
Building fixtures and fittings	5 to 20
Technical installations, machinery and equipment	5 to 20
Computer equipment	3 to 5

"Roof waterproofing" and "shell fire protection systems" are classified as separate items of property, plant and equipment only when they are installed during major renovation projects. In all other cases, they are part of the building.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an asset is determined as the difference between the net sale proceeds, if any, and the carrying amount of the asset. It is recognised in profit or loss ("Other operating income and expense") when the asset is derecognised.

Residual values, useful lives and amortisation methods are reviewed at each year-end and revised prospectively if necessary.

1.4.8. Finance leases

Leases that transfer substantially all the risks and rewards of ownership to the lessee are classified as finance leases. They are recognised in the consolidated balance sheet at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the minimum lease payments.

Leased assets are accounted for as if they had been acquired through debt. They are recognised as assets (according to their nature) with a corresponding amount recognised in financial liabilities.

Leased assets are depreciated over their expected useful life in the same way as other assets in the same category, or over the lease term if shorter, unless the lease contains a purchase option and it is reasonably certain that the option will be exercised.

Finance lease obligations are discounted and recognised in the balance sheet as a financial liability. Payments made under operating leases are expensed as incurred.

In certain countries, the Group makes lease payments in advance linked to the use of the land. These payments are recognised as prepaid expenses and amortised over the duration of the lease terms.

1.4.9. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (typically more than six months) are capitalised in the cost of that asset. All other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs are interest and other costs incurred by an entity in connection with the borrowing of funds.

1.4.10. Investment property

Investment property is property held to earn rentals or for capital appreciation or both. The shopping centres owned by the Group are classified as investment property.

Subsequent to initial recognition, they are measured at historical cost less accumulated depreciation and any accumulated impairment losses. Their fair value is disclosed in the notes to the consolidated financial statements. Investment property is depreciated over the same useful life and according to the same rules as owner-occupied property.

1.4.11. Cost of fixed assets

The cost of fixed assets corresponds to their purchase cost plus transaction expenses including tax. As with property, plant and equipment, intangible assets and investment property, these expenditures increase the value of the assets and adhere to the same accounting rules.

1.4.12. Impairment of non-current assets

The procedure to be followed to ensure that the carrying amount of assets does not exceed their recoverable amount (recovered by use or sale) is defined in IAS 36.

Goodwill and intangible assets with an indefinite useful life are tested for impairment at least once a year. Other assets are tested whenever there is an indication that they may be impaired.

1.4.12.1. Cash Generating Units (CGUs)

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The Group has defined cash-generating units as follows:

- for hypermarkets, supermarkets and discount stores, each store is treated as a separate CGU;
- for other networks, each network represents a separate CGU.

1.4.12.2. Impairment indicators

Apart from the external sources of data monitored by the Group (economic environment, market value of the assets, etc.), the impairment indicators used are based on the nature of the assets:

- land and buildings: loss of rent or early termination of a lease contract;
- fixed assets related to the business (assets of the cash generating unit): ratio of net book value of the assets related to a store divided by sales (including VAT), higher than a defined level determined separately for each store category;
- assets allocated to administrative activities (headquarters and warehouses): the closing of a site or the obsolescence of equipment used at the site.

1.4.12.3. Recoverable amount

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. It is generally determined separately for each asset. When this is not possible, the recoverable amount of the group of CGUs to which the asset belongs is used.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. In the retailing industry, fair value less costs to sell is generally determined on the basis of a sales or EBITDA multiple.

Value in use is the present value of the future cash flows expected to be derived from continuing use of an asset plus a terminal value. It is determined internally or by external experts on the basis of:

- cash flow projections contained in business plans or budgets covering no more than five years. Cash flows beyond the projection period are estimated by applying a constant or decreasing growth rate;
- the terminal value determined by applying a perpetual growth rate to the final cash flow projection.

The cash flows and terminal value are discounted at long-term after-tax market rates reflecting market estimates of the time value of money and the specific risks associated with the asset.

For goodwill impairment testing purposes, the recoverable amounts of CGUs or groups of CGUs are determined at the year end.

1.4.12.4. Impairment

An impairment loss is recognised when the carrying amount of an asset or the CGU to which it belongs is greater than its recoverable amount. Impairment losses are recorded as an expense under "Other operating income and expense".

Impairment losses recognised in a prior period are reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. However, the increased carrying amount of an asset attributable to a reversal of an impairment loss may not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment losses on goodwill cannot be reversed.

1.4.13. Financial assets

1.4.13.1. Definitions

Financial assets are classified into four categories according to their type and intended holding period, as follows:

- held-to-maturity investments;
- financial assets at fair value through profit or loss;
- loans and receivables;
- available-for-sale financial assets.

Financial assets are classified as current if they are due in less than one year and non-current if they are due in more than one year.

1.4.13.2. Recognition and measurement of financial assets

With the exception of financial assets at fair value through profit or loss, all financial assets are initially recognised at cost, corresponding to the fair value of the consideration paid plus transaction costs.

1.4.13.3. Held-to-maturity investments

Held-to-maturity investments are fixed income securities that the Group has the positive intention and ability to hold to maturity. They are measured at amortised cost using the effective interest method. Amortised cost is calculated by adding or deducting any premium or discount over the remaining life of the securities. Gains and losses are recognised in the income statement when the assets are derecognised or there is objective evidence of impairment, and also through the amortisation process.

1.4.13.4. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets classified as held for trading, *i.e.* assets that are acquired principally for the purpose of selling them in the near term. They are measured at fair value and gains and losses arising from remeasurement at fair value are recognised in the income statement. Some assets may be designated at inception as financial assets at fair value through profit or loss.

1.4.13.5. Loans and receivables

Loans and receivables are financial assets issued or acquired by the Group in exchange for cash, goods or services that are paid, delivered or rendered to a debtor. They are measured at amortised cost using the effective interest method. Long-term loans and receivables that are not interest-bearing or that bear interest at a below-market rate are discounted when the amounts involved are material. Any impairment losses are recognised in the income statement.

Trade receivables are recognised and measured at the original invoice amount net of any accumulated impairment losses. They are derecognised when all the related risks and rewards are transferred to a third party.

1.4.13.6. Available-for-sale financial assets

Available-for-sale financial assets correspond to all other financial assets. They are measured at fair value. Gains and losses arising from remeasurement at fair value are accumulated in equity until the asset is derecognised. In these cases, gains and losses that were previously recognised under equity are transferred to profit or loss.

When the available-for-sale asset is an equity instrument, the impairment is permanent. Impairment losses on equity instruments are irreversible and any subsequent increases in fair value are recognised directly in equity.

Impairment losses on debt instruments are reversed through the income statement in the event of a subsequent increase in fair value, provided that the amount reversed does not exceed the impairment losses previously recognised in the income statement.

This category mainly comprises investments in non-consolidated companies. Available-for-sale financial assets are classified under non-current financial assets.

1.4.13.7. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and short-term investments.

To be classified as a cash equivalent under IAS 7, investment securities must fulfil four criteria, and namely be:

- short-term investments;
- highly liquid investments;
- readily convertible to known amounts of cash;
- subject to an insignificant risk of changes in value.

1.4.13.8. Derecognition

Financial assets are derecognised in the following two cases:

- the contractual rights to the cash flows from the financial asset expire; or,
- the contractual rights are transferred and the transfer qualifies for derecognition,
  - when substantially all the risks and rewards of ownership of the financial asset are transferred, the asset is derecognised in full,
  - when substantially all the risks and rewards of ownership are retained by the Group, the financial asset continues to be recognised in the balance sheet for its total amount.

1.4.14. Financial liabilities

1.4.14.1. Definitions

Financial liabilities are classified into two categories as follows:

- borrowings recognised at amortised cost;
- financial liabilities at fair value through profit or loss.

Financial liabilities are classified as current if they are due in less than one year and non-current if they are due in more than one year.

1.4.14.2. Recognition and measurement of financial liabilities

Financial liabilities are measured according to their category under IAS 39.

Financial liabilities recognised at amortised cost

Borrowings and other financial liabilities are usually recognised at amortised cost using the effective interest rate method. These liabilities may be hedged.

Debt issue costs and issue and redemption premiums are included in the cost of borrowings and financial debt. They are added or deducted from borrowings, and are amortised using an actuarial method.

Financial liabilities at fair value through profit or loss

These are financial liabilities intended to be held on a short-term basis for trading purposes. They are measured at fair value and gains and losses arising from remeasurement at fair value are recognised in the income statement.

1.4.14.3. Recognition and measurement of derivative instruments

All derivative instruments are recognised in the balance sheet and measured at fair value.

Derivative financial instruments that qualify for hedge accounting: recognition and presentation

In accordance with IAS 39, hedge accounting is applied to:

- fair value hedges (for example, swaps to convert fixed rate debt to variable rate). In this case, the debt is measured at fair value, with gains and losses arising from remeasurement at fair value recognised in profit or loss. Gains and losses at fair value of the derivative are also recognised in profit or loss. If the hedge is entirely effective, the loss or gain on the hedged debt is offset by the gain or loss on the derivative;
- cash flow hedges (for example, swaps to convert floating rate debt to fixed rate, hedging a budgeted foreign currency denominated purchase). For these hedges, the effective portion of the change in the fair value of the derivative is recognised in equity and reclassified into the income statement on a symmetrical basis with the hedged cash flows and under the same line item as the hedged item (*i.e.* trading profit for hedges of operating cash flows and net financial income or expense for other hedges). The ineffective portion is recognised directly in the income statement;

- hedges of net investments in foreign operations. For these hedges, the effective portion of the change in fair value attributable to the hedged foreign currency risk is recognised net of tax in other comprehensive income and the ineffective portion is recognised directly in profit or loss. Gains or losses accumulated in equity are reclassified to profit or loss on the date of liquidation or disposal of the net investment.

Hedge accounting may only be used if:

- the hedging relationship is clearly defined and documented at inception; and
- the effectiveness of the hedge can be demonstrated at inception and throughout its life.

Derivative financial instruments that do not qualify for hedge accounting: recognition and presentation

When a derivative financial instrument does not qualify or no longer qualifies for hedge accounting, changes in fair value are recognised directly in profit or loss for the period under "Other financial income and expense".

1.4.15. Fair value of financial instruments

Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable either directly (*i.e.* as prices) or indirectly (*i.e.* derived from prices) (Level 2);
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair value of financial instruments traded in an active market is the quoted price on the balance sheet date. A market is considered as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are classified as Level 1.

The fair value of financial instruments which are not quoted in an active market (such as over-the-counter derivatives) is determined using valuation techniques. These techniques use observable market data wherever possible and make little use of the Group's own estimates. If all the inputs required to calculate fair value are observable, the instrument is classified as Level 2.

If one or more significant inputs are not based on observable market data, the instrument is classified as Level 3.

1.4.16. Inventories

Inventories are measured at the lower of cost and the probable net realisable value, determined by the first-in first-out (FIFO) method applied by the Group.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing inventories to their present location and condition. Accordingly, logistics costs are included in the carrying amount and supplier discounts recognised in "Cost of goods sold" are deducted.

The cost of inventory includes gains or losses on cash flow hedges of future inventory purchases initially recognised in equity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property development work in progress is recognised in inventories.

1.4.17. Non-current assets held for sale and discontinued operations

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell. A non-current asset (or disposal group) is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this condition to be met, the asset (or disposal group) must be available for immediate sale in its present condition and its sale must be highly probable. For the sale to be highly probable, management must be committed to a plan to sell the asset (or disposal group), and the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification.

In the consolidated income statement for the current and prior periods, the post-tax results of discontinued operations and any gain or loss on sale are presented as a single amount on a separate line item below the results of continuing operations, even where the Group retains a minority interest in the subsidiary after its sale.

Property, plant and equipment and intangible assets classified as held for sale are no longer depreciated or amortised.

1.4.18. Equity

Equity is attributable to two categories of owner: the owners of the parent (Casino, Guichard-Perrachon shareholders) and the owners of the non-controlling interests in its subsidiaries. A non-controlling interest is the equity in a subsidiary not attributable, directly or indirectly, to a parent.

Transactions with the owners of non-controlling interests resulting in a change in the parent company's percentage interest without loss of control only affect equity as there is no change of control of the economic entity. Cash flows arising from changes in ownership interests in a fully consolidated entity that do not result in a loss of control (including increases in percentage interest) are classified as cash flows from financing activities.

In the case of an acquisition of an additional interest in a fully consolidated subsidiary, the Group recognises the difference between the acquisition cost and the carrying amount of the non-controlling interests as a change in equity attributable to owners of the parent. Transaction costs are also recognised in equity. The same treatment applies to transaction costs relating to disposals without loss of control. In the case of disposals of controlling interests involving a loss of control, the Group derecognises the whole of the ownership interest and recognises any investment retained in the former subsidiary at its fair value. The gain or loss on the entire derecognised interest (interest sold and interest retained) is recognised in profit or loss under “Other operating income” or “Other operating expense”, which amounts to remeasuring the investment retained at fair value through profit or loss. Cash flows arising from the acquisition or loss of control of a subsidiary are classified as cash flows from investing activities.

1.4.18.1. Equity instruments and hybrid instruments

The classification of instruments issued by the Group in equity or debt depends on each instrument’s specific characteristics. An instrument is deemed to be an equity instrument when the following two conditions are met: (i) the instrument does not contain a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; and (ii) in the case of a contract that will or may be settled in the entity’s own equity instruments, it is either a non-derivative that does not include a contractual obligation to deliver a variable number of the Company’s own equity instruments, or it is a derivative that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity’s own equity instruments.

The Group also examines the special provisions of contracts to ensure the absence of an indirect obligation to repurchase of the equity instruments in cash by delivering another financial asset or delivering shares having a value substantially higher than the amount of cash or the other financial asset to be delivered.

In particular, instruments that are redeemable at the Group’s discretion and for which the remuneration depends on the payment of a dividend are classified in equity.

When there exists a “debt” component, it is measured separately and classified under “financial debt”.

1.4.18.2. Equity transaction costs

External and qualifying internal costs directly attributable to equity transactions or transactions involving equity instruments are recorded as a deduction from equity, net of tax. All other transaction costs are recognised as an expense.

1.4.18.3. Treasury shares

Casino, Guichard-Perrachon shares purchased by the Group are deducted from equity at cost. The proceeds from sales of treasury shares are credited to equity with the result that any disposal gains or losses, net of the related tax effect, have no impact in the income statement for the period.

1.4.18.4. Options on treasury shares

Options on treasury shares are treated as derivative instruments, equity instruments or financial liabilities depending on their characteristics.

Options classified as derivatives are measured at fair value through profit or loss. Options classified as equity instruments are measured in equity at their initial amount and changes in value are not recognised. The accounting treatment of financial liabilities is described in note 1.4.14.

1.4.18.5. Share-based payment

Management and selected employees of the Group receive options to purchase or subscribe for shares and share grants.

The benefit granted under stock option plans, measured at fair value when granted, constitutes additional compensation. The fair value of the options at the grant date is recognised in employee benefits expense over the option vesting period. The fair value of options is determined using the Black & Scholes option pricing model, based on the plan attributes, market data (including the market price of the underlying shares, share price volatility and the risk-free interest rate) at the grant date and assumptions concerning the probability of grantees remaining with the Group until the options vest.

The fair value of share grants is also determined on the basis of the plan attributes, market data at the grant date and assumptions concerning the probability of grantees remaining with the Group until the shares vest. If there are no vesting conditions attached to the share grant plan, the expense is recognised in full when the plan is set up. Otherwise the expense is deferred over the vesting period as and when the vesting conditions are met.

1.4.19. Provisions

1.4.19.1. Post-employment and other long-term employee benefits

Group companies provide their employees with various employee benefit plans depending on local laws and practice.

Under defined contribution plans, the Group pays fixed contributions into a fund and has no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Contributions to these plans are expensed as incurred.

Under defined benefit plans, the Group’s obligation is measured using the projected unit credit method based on the agreements effective in each company. Under this method, each period of service gives rise to an additional unit of benefit entitlement and each unit is measured separately to build up the final obligation. The final obligation is then discounted. The actuarial assumptions used to measure the obligation vary according to the economic conditions prevailing in the relevant country. The obligation is measured by independent actuaries annually for the most significant plans and for the employment termination benefit, and regularly for all other plans. Assumptions include expected rate of future salary increases, estimated average working life of employees, life expectancy and staff turnover rates.

Actuarial gains and losses arise from the effects of changes in actuarial assumptions and experience adjustments (differences between results based on previous actuarial assumptions and what has actually occurred). All gains and losses arising on defined benefit plans are recognised immediately in equity.

The past service cost referring to the increase in an obligation following the introduction of a new benefit plan or modification of an existing plan is immediately expensed.

Expenses related to defined benefit plans are recognised in operating expenses (service cost) or other financial income and expense (interest cost and expected return on plan assets).

Curtailments, settlements and past service costs are recognised in operating expenses or other financial income and expense depending on their nature. The liability recognised in the balance sheet is measured as the net present value of the obligation less the fair value of plan assets.

1.4.19.2. Other provisions

A provision is recorded when the Group has a present obligation (legal or constructive) as a result of a past event, the amount of the obligation can be reliably estimated and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are discounted when the related adjustment is material.

In accordance with the above principle, a provision is recorded for the cost of repairing equipment sold with a warranty. The provision represents the estimated cost of repairs to be performed during the warranty period, as estimated on the basis of actual costs incurred in prior years. Each year, part of the provision is reversed to offset the actual repair costs recognised in expenses.

A provision for restructuring is recorded when the Group has a constructive obligation to restructure. This is the case when management has drawn up a detailed, formal plan and has raised a valid expectation in those affected that it will carry out the restructuring by announcing its main features to them before the period-end.

Other provisions concern specifically identified liabilities and charges.

Contingent liabilities correspond to possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Group's control, or present obligations whose settlement is not expected to require an outflow of resources embodying economic benefits. Contingent liabilities are not recognised in the balance sheet, but are disclosed in the notes to the financial statements.

1.4.20. Put options granted to owners of non-controlling interests

The Group has granted put options to the owners of non-controlling interests in some of its subsidiaries. The exercise price may be fixed or based on a predetermined formula and the options may be exercised either at any time or on a fixed future date. In accordance with IAS 32, obligations under these puts related to subsidiaries fully consolidated have been recognised as financial liabilities. Options with a fixed exercise price are measured at discounted present value and options with a variable exercise price at fair value.

IAS 27 revised, which is applicable as of 1 January 2010, sets out the accounting treatment for acquisitions of additional equity interests. The Group has decided to apply two different accounting methods depending on whether the put options were granted before or after the effective date of IAS 27 revised, as recommended by France's securities regulator (*Autorité des Marchés Financiers*). Put options granted before the effective date are accounted for using the goodwill method and those granted after the effective date are treated as equity transactions (*i.e.* transactions with owners in their capacity as owners with the impact in equity).

1.4.21. General definition of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

1.4.22. Classification of assets and liabilities as current and non-current

Assets that are expected to be realised in, or are intended for sale or consumption in, the Group's normal operating cycle or within twelve months after the balance sheet date are classified as current assets, together with assets that are held primarily for the purpose of being traded and cash and cash equivalents. All other assets are classified as "non-current". Liabilities that are expected to be settled in the entity's normal operating cycle or within twelve months after the balance sheet date are classified as current. The Group's normal operating cycle is twelve months.

All deferred tax assets and liabilities are classified as non-current assets or liabilities.

1.4.23. Total revenue

Revenue is divided into two parts: net sales and other income.

Net sales include sales by the Group's stores, self-service restaurants and warehouses, as well as financial services, rental services, income from the banking business and revenue from other miscellaneous services rendered.

Other income consists of revenue from the property development business, other revenue from rendering of services, incidental revenues and revenues from secondary activities, including fees in connection with the sales of travel packages, fees related to franchise-activity and sub-lease revenues.

Total revenue is measured at the fair value of the consideration received or receivable, net of any trade discounts, volume rebates and sales taxes. It is recognised as follows:

- revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer (in most cases when the legal title is transferred), the amount of the revenue can be measured reliably and it is probable that the economic benefits of the transaction will flow to the Group;
- revenue from the sale of services, such as extended warranties, services directly related to the sale of goods and services rendered to suppliers are recognised in the period during which they are performed. When a service is combined with various commitments, such as volume commitments, the Group analyses facts and legal patterns in order to determine the appropriate timing of recognition. Accordingly, revenue may either be recognised immediately (the service is considered as performed) or deferred over the period during which the service is performed or the commitment achieved.

If payment is deferred beyond the usual credit period and is not covered by a financing entity, the revenue is discounted and the impact of discounting, if material, is recognised in financial income over the deferral period.

Award credits granted to customers under loyalty programmes are recognised as a separately identifiable component of the initial sales transaction. The corresponding revenue is deferred until the award credits are used by the customer.

1.4.24. Gross profit

Gross profit corresponds to the difference between net sales and the cost of goods sold.

The cost of goods sold comprises the cost of purchases net of discounts and commercial cooperation fees, changes in inventory related to retail activities and logistics costs.

Commercial cooperation fees are measured based on contracts signed with suppliers. They are billed in instalments over the year. At each year-end, an accrual is booked for the amount receivable or payable, corresponding to the difference between the value of the services actually rendered to the supplier and the sum of the instalments billed during the year.

Changes in inventory, which may be positive or negative, are determined after taking into account any impairment losses.

Logistics costs correspond to the cost of logistics operations managed or outsourced by the Group, comprising all warehousing, handling and freight costs incurred after goods are first received at one of the Group's stores or warehouses. Transport costs included in suppliers' invoices (*e.g.* for goods purchased on a "delivery duty paid" or "DDP" basis) are included in purchase costs. Outsourced transport costs are recognised under logistics costs.

1.4.25. Selling expenses

Selling expenses consist of point-of-sale costs, as well as the cost of property development work and changes in work in progress.

1.4.26. General and administrative expenses

General and administrative expenses correspond to overheads and the cost of corporate units, including the purchasing and procurement, sales and marketing, IT and finance functions.

1.4.27. Pre-opening and post-closure costs

When they do not meet the criteria for capitalisation, costs incurred prior to the opening or after the closure of a store are recognised in operating expense when incurred.

1.4.28. Other operating income and expense

Other operating income and expense covers two types of item:

- first, the effects of major events occurring during the period that would distort analyses of the Group's recurring profitability. They are defined as significant items of income and expense that are limited in number, unusual or abnormal, whose occurrence is rare;
- second, items which by their nature are not included in an assessment of a business unit's recurring operating performance, such as impairment losses on non-current assets, disposals of non-current assets and the impact of applying IFRS 3 revised and IAS 27 revised (see note 1.4.2).

1.4.29. Finance costs, net

Finance costs, net correspond to all income and expenses generated by net debt during the period, including gains and losses on sales of cash equivalents, interest rate and currency hedging gains and losses, as well as interest charges related to finance leases.

Net debt corresponds to borrowings and financial liabilities including any associated hedges with a negative fair value, less (i) cash and cash equivalents, (ii) financial assets held for treasury management purposes and other similar investments, (iii) hedges of debt with a positive fair value and (iv) financial assets arising from a significant disposal of non-current assets.

1.4.30. Other financial income and expense

This item corresponds to financial income and expense that is not generated by net debt.

It consists mainly of dividends from non-consolidated companies, gains and losses arising from remeasurement at fair value of financial assets other than cash and cash equivalents and of derivatives not qualifying for hedge accounting, gains and losses on disposal of financial assets other than cash and cash equivalents, discounting adjustments (including to provisions for pensions and other post-employment benefit obligations) and exchange gains and losses on items other than components of net debt.

Cash discounts are recognised in financial income for the portion corresponding to the normal market interest rate and as a deduction from cost of goods sold for the balance.

1.4.31. Income tax expense

Income tax expense corresponds to the sum of the current taxes due by the various Group companies and changes in deferred taxes.

Qualifying French subsidiaries are generally members of a tax group and file a consolidated tax return.

Current tax expenses reported in the income statement correspond to the tax expenses of the parent companies of the tax groups and companies that are not members of a tax group.

Deferred tax assets correspond to future tax benefits arising from deductible temporary differences, tax loss carryforwards and certain consolidation adjustments that are expected to be recoverable.

Deferred tax liabilities are recognised in full for:

- taxable temporary differences, except where the deferred tax liability results from recognition of a non-deductible impairment loss on goodwill or from initial recognition of an asset or liability in a transaction which is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or the tax loss; and
- taxable temporary differences related to investments in subsidiaries, associates and joint ventures, except when the Group controls the timing of the reversal of the difference and it is probable that it will not reverse in the foreseeable future.

Deferred taxes are recognised according to the balance sheet method and, in accordance with IAS 12, are not discounted. They are calculated by the liability method, which consists of adjusting deferred taxes recognised in prior periods for the effect of any enacted changes in the income tax rate.

Since 1 January 2010, the *taxe professionnelle* business tax has been replaced with two new levies which are different in nature:

- the *Cotisation Foncière des Entreprises* (CFE), which is based on the property rental values previously used to calculate the *taxe professionnelle*. This is very similar to the *taxe professionnelle* and is therefore treated as an operating expense;
- the *Cotisation sur la Valeur Ajoutée des Entreprises* (CVAE), which is based on the value added reported in the parent company financial statements. The CVAE is considered to meet the definition of a tax on income as defined in IAS 12 and is therefore treated as income tax.

When payments to holders of equity instruments qualify for tax deductions, the tax impact is recognised by the Group in income statement.

1.4.32. Earnings per share

Basic earnings per share are calculated based on the weighted average number of shares outstanding during the period, excluding shares issued in payment of dividends and treasury shares. Diluted earnings per share are calculated by the treasury stock method, as follows:

- numerator: earnings for the period are adjusted for interest on convertible bonds and dividends on deeply subordinated perpetual bonds;
- denominator: the number of shares is adjusted to include potential shares corresponding to dilutive instruments (equity warrants, stock options and share grants), less the number of shares that could be bought back at market price with the proceeds from the exercise of the dilutive instruments. The market price used for the calculation corresponds to the average share price for the year.

Equity instruments that will or may be settled in Casino, Guichard-Perrachon shares are included in the calculation only when their settlement would have a dilutive impact on earnings per share.

1.4.33. Segment information

As required by IFRS 8 – Operating Segments, segment information is disclosed on the same basis as the Group's internal reporting system as used by the chief operating decision maker (the Chairman and CEO) in deciding how to allocate resources and in assessing performance.

The segment information is divided into six reportable segments split between France (Casino France, Monoprix, Franprix-Leader Price) and International (Latin America, Asia and Other Businesses). Casino France, Latin America and Asia all cover several operating segments.

Casino France includes all the French retail businesses, regardless of format (hypermarket, supermarket, convenience) or operating method (owned or franchised), other than Franprix-Leader Price and Monoprix, which are separate reportable segments. It also includes ancillary or related activities such as real estate, e-commerce, financial services and foodservice. The operating segments included in Latin America (Colombia, Uruguay, Argentina and Brazil) and Asia (Thailand and Vietnam) have similar businesses in terms of product type (food and non-food), assets and human resources required for operations, customer profile, distribution methods (direct, online, marketing offer) and long-term financial performance.

Management evaluates the performance of these segments on the basis of sales and trading profit. Total assets and liabilities by segment are not specifically reported internally for management purposes and are therefore not disclosed in the Group's IFRS 8 segment reporting.

Segment information is provided on the same basis as the consolidated financial statements.

NOTE 2. SIGNIFICANT EVENTS OF THE PERIOD

Highlights of the year included:

- business combinations in 2013
  - acquisition of control in Monoprix (see note 3.1),
  - acquisition of control in Mercialys (see note 3.2),
  - acquisition/loss of control in the Franprix-Leader Price subgroup (see note 3.3),
  - GPA shares swap (see note 3.4),
  - acquisition of control in Bartira (see note 3.5),
  - partial disposal without loss of control in Via Varejo (see note 3.6),
  - issuance of bonds redeemable in shares by Monoprix (see note 26.6) ;
- business combinations in 2012: acquisition of control in GPA (see note 4.1) ;
- financing transactions:
  - perpetual hybrid debt issue (see note 26.5),
  - bond issues (see note 30.1) ;
- signature of a partnership agreement with Coopérateurs de Normandie-Picardie pending authorisation of the French Competition Authority (see note 34.2)

NOTE 3. BUSINESS COMBINATIONS

3.1. Monoprix – Acquisition of control

On 5 April 2013, Casino exercised its right to have a subsidiary of Crédit Agricole Corporate & Investment Bank (CACIB) hold the remaining 50% stake in Monoprix (held up to that point by Galeries Lafayette (GL)) under the terms of the transactional agreement entered into on 26 July 2012.

On 5 April 2013, the sale of the 50% stake by GL was carried out at a price of €1,176 million, financed by Casino.

On 10 July 2013, the French Competition Authority gave the green light for the takeover of Monoprix with the obligation to sell 58 Group's stores (50 consolidated stores and 8 independent stores), including 55 stores in Paris (see note 14).

Payment for the Monoprix shares to GL brought an end to the joint control agreement between Casino and GL, without CACIB replacing GL as a partner of the Group.

In accordance with the commitments made by the Group to the French Competition Authority, Monoprix's governance was changed, placing Monoprix under self-governance during the holding period.

According to the agreements with CACIB, and since the prepayment made on 5 April 2013 when the holding period began, Casino is exposed to the risks and rewards linked to the 50% stake previously held by GL. As a result, in accordance with IAS 27, Casino Group had exclusive control of Monoprix as of 5 April 2013, *i.e.* the date on which Monoprix was fully consolidated by the Group. Until 4 April 2013, Monoprix had been proportionately consolidated by the Group on a 50% basis.

On 24 July 2013, upon receiving the approval of the French Competition Authority for acquiring exclusive control of Monoprix, Casino finalised the acquisition of the remaining 50% stake in Monoprix held by a subsidiary of CACIB under a temporary conveyance agreement. Monoprix is henceforth a wholly-owned subsidiary of the Group.

Fair value determination of previously-held interests

In accordance with IFRS 3, the change from proportionate consolidation on a 50% basis to full consolidation on a 100% basis, resulted in recognition of a gain of €141 million from the remeasurement of the stake previously held that was recognised under "Other operating income" (see note 8).

Fair value of identifiable assets and liabilities

The acquisition-date fair values of Monoprix's identifiable assets and liabilities, as provisionally determined by an independent accounting firm, are summarised below.

Monoprix's balance sheet and the temporary goodwill resulting from the operation are as follows:

€ millions	Balance sheet at 5 April 2013
Intangible assets	837
Property, plant and equipment	1,753
Other non-current assets	22
Deferred tax assets	6
Inventories	325
Trade receivables	34
Current tax receivables	7
Other assets	139
Cash and cash equivalents	106
ASSETS	**3,230**
Non-current provisions	86
Non-current financial liabilities	2
Other non-current liabilities	1
Deferred tax liabilities	622
Current provisions	7
Current financial liabilities	620
Trade payables	443
Other current liabilities	327
LIABILITIES	**2,107**
Net identifiable assets and liabilities at 100% (A)	**1,123**
Fair value of the previously-held 50% interest (B)	**1,175**
Acquisition cost of a 50% stake in Monoprix (C)	**1,176**
TEMPORARY GOODWILL (B+C-A)	**1,228**

At 31 December 2013, the main provisional fair value adjustments were the recognition of brands (€561 million), lease rights (€147 million), property assets (€661 million), and net deferred tax liabilities related to fair value adjustments (€468 million).

Measurement of the fair value of identifiable assets and liabilities resulted in the temporary recognition of €1,228 million in goodwill allocated to the Monoprix CGU. Goodwill mainly reflects cost optimisation and human capital.

Between 1 Avril and 31 December 2013, Monoprix contributed €3,057 million and €350 million to Casino's consolidated net sales and profit before tax respectively.

The impact of the full consolidation of Monoprix on the Group's consolidated financial statements for the period ended 31 December 2013 if the takeover of Monoprix had occurred on 1 January 2013 is presented in note 3.7. The corresponding acquisition-related expenses amounted to €24 million (see note 8).

3.2. Loss of controlling interest in Mercialys

In early January 2012, the Group began the process of giving up its controlling interest in its subsidiary, Mercialys. Mercialys' assets and liabilities have since been classified under "assets held for sale" and "liabilities associated with assets held for sale", in accordance with IFRS 5.

The sale of a 9.9% stake in Mercialys in 2012 brought the Group's interest in the subsidiary to 40.2%, generating a capital gain of €89 million recognised in 2013 first half on the loss of its controlling interest in Mercialys.

In addition to this disposal process, Mercialys' governance and the agreements between Casino and Mercialys were restructured.

The Annual General Meeting held on 21 June 2013 confirmed the independence of the Board of Directors and the loss of Casino's control of the majority of the voting rights at Annual General Meetings.

As a result, the Mercialys Group has been accounted for according to the equity method in Casino's consolidated financial statements since 21 June 2013 (see note 19). The impact of the loss of Casino's controlling interest generated a gain of €548 million, recorded under "Other operating income" (see note 8). This gain includes the income of €459 million linked to the fair value remeasurement of the stake retained by the Group, determined on the basis of the market price at the date of the loss of control, and the capital gain of €89 million recognised in the first semester 2013 from the sale of the 9.9% stake at the end of 2012.

3.3. Franprix-Leader Price sub-group

3.3.1. Other changes in Group structure within the Franprix-Leader Price sub-group

In the first half of 2013, Franprix-Leader Price acquired a controlling interest in three sub-groups (Distri Sud-Ouest, RLPG Développement and Cafige), in which it already held a non-controlling interest. These sub-groups operate 159 stores under the Franprix and Leader Price banners. Outflows for the acquisition of these sub-groups amounted to €85 million and generated temporary goodwill of €284 million and an expense of €4 million recorded under "Other operating expense". The acquisition cost for these sub-groups came to €3 million.

On 27 May 2013, the Group received approval from the French Competition Authority for the acquisition of 38 convenience stores in south-east France from the Norma Group. This acquisition was finalised in July 2013 for €37 million and generated temporary goodwill of €33 million. The analysis of fair value of assets liabilities and contingent liabilities will be performed in the first half of 2014.

In parallel, on 1 October 2013, the Volta 10 Group, a subsidiary of Franprix-Leader Price operating 17 stores, was put under judicial governance. A judicial administrator was appointed to manage the subsidiary and make the necessary strategic decisions. In light of this situation, Volta 10 was deconsolidated and recognised according to the equity method. The judicial administrator placed Volta 10 and its subsidiaries under receivership and examined the possibilities for the sale of the business. Volta 10's deconsolidation resulted in the recognition by the Group of a provision covering its negative share in the subsidiary's equity. Amounts owed by the Group to Volta 10 amounted to €24 million (€14 million for Franprix-Leader Price warehouses and €10 million for current accounts). In light of the prospects for recovery in the event the sub-group is liquidated, a probable loss of €4 million was recognised under "Other operating expenses".

The impact of these transactions on 1 January 2013 on the main income statement aggregates are presented in no 3.7.

3.3.2. Buyout of non-controlling interests

Furthermore, Franprix-Leader Price bought out the non-controlling interests related primarily to master franchisees of Distri Sud-Ouest, Cogefisd and Figeac for €84 million, generating a negative impact on equity attributable to owners of the parent of €22 million.

3.4. GPA shares swap

On 6 September 2013, a settlement agreement was concluded between the Group and Mr. Diniz whereby the parties waived any disputes and recourse to legal remedy concerning their partnership in Brazil, and notably as shareholders of Wilkes and GPA. This agreement also provided for cancellation of the put option (7.3%) granted by Casino. In exchange, the Group delivered 19,375,000 GPA preferred shares in consideration for 19,375,000 Wilkes shares held by Mr. Abilio Diniz.

This was recognised as an equity transaction having a negative impact on equity attributable to owners of the parent of €190 million and a positive impact on equity attributable to non-controlling interests of €574 million and cancellation of financial liabilities linked to the put of €399 million.

3.5. Bartira – Acquisition of control

At the level of the GPA sub-group, Via Varejo exercised its call option on 1 November 2013 for 75% of Bartira (specialised in furniture) and acquired a controlling interest in the entity for €70 million.

This transaction generated a capital gain of €35 millions for the previously-held stake (25%).

Based on an independent appraisal, Bartira's balance sheet and temporary goodwill generated break down as follows:

€ millions	**Balance sheet at 1 November 2013**
Intangible assets	27
Property, plant and equipment	46
Deferred tax assets	1
Inventories	17
Other assets	13
Cash and cash equivalents	-
ASSETS	**104**
Provisions	39
Financial liabilities	6
Other liabilities	26
LIABILITIES	**72**
Net identifiable assets and liabilities at 100% (A)	**32**
Fair value of the previously-held 25% interest (B)	**58**
Acquisition cost of 75% stake in Bartira (C)	**70**
Fair value of the call option held (D)	**103**
TEMPORARY GOODWILL (B+C+D-A)	**199**

Measurement of the fair value of identifiable assets and liabilities resulted in the temporary recognition of €199 million in goodwill allocated to the non-food GPA CGU (Via Varejo). Goodwill reflects mainly growth prospects for business.

As Via Varejo accounted for 100% of Bartira's revenue, the impact of Bartira's full consolidation on Group revenue was nil. The impacts on the other portions of the consolidated income statement were not material.

3.6. Partial disposal without loss of control in Via Varejo

On 27 December 2013, Via Varejo finalised an offering of units in the company of 123.7 million units (with each unit comprised of one common share and two preferred shares,) in the Brazilian market for preferred shares held by GPA and the Klein family.

This transaction led to a decrease of GPA's interest of 9.06% in its subsidiary Via Varejo, GPA keeping the majority of the ordinary shares voting. This sale of 9.06% by GPA on the market had a negative impact of €8 million on equity attributable to owners of the parent and a positive impact of €218 million on equity attributable to non-controlling interests. The corresponding expenses net of tax of €28 million were recognised under equity attributable to owners of the parent and non-controlling interests respectively for €6 million and €22 million.

3.7. Impact of acquisitions/losses of controlling interests on income statement aggregates

If the acquisitions/losses of control described above had occurred on 1 January 2013, the impact on income statement aggregates would have been as follows:

€ millions	31 December 2013 reported	Monoprix – acquisition of control	Mercialys – loss of controlling interest	Franprix-Leader Price transactions	Other	31 December 2013 restated
Revenue	48,645	504	(60)	134	15	49,238
Trading profit	2,363	23	(68)	(6)	0	2,312
Operating profit	2,625	19	(129)	(11)	0	2,503
Net financial income/(expense)	(719)	(1)	18	(2)	0	(705)
Profit before tax	1,905	18	(105)	(13)	(1)	1,805
Share of profits of associates	21	0	42	-	0	63
CONSOLIDATED NET PROFIT	**1,523**	**11**	**(62)**	**(13)**	**0**	**1,458**
Net profit, Group share	**851**	**11**	**-**	**(13)**	**0**	**849**
Profit attributable to non-controlling interests	**672**	**0**	**(62)**	**-**	**0**	**609**

NOTE 4. SCOPE OPERATIONS IN 2012

4.1. Acquisition of control in GPA

The acquisition-date (2 July 2012) fair values of GPA's identifiable assets and liabilities, as determined by an independent accounting firm, are summarised below.

€ millions	**Fair value at 2 July 2012**
Intangible assets	3,301
Property, plant and equipment	3,096
Other non-current assets	510
Deferred tax assets	1,018
Inventories	2,014
Trade receivables	2,025
Other current assets	1,157
Cash and cash equivalents	2,159
ASSETS	**15,281**
Provisions	741
Non-current financial liabilities	2,311
Other non-current liabilities	608
Deferred tax liabilities	1,367
Current financial liabilities	959
Trade payables	1,641
Other current liabilities	3,038
LIABILITIES	**10,664**
Net identifiable assets and liabilities at 100% (A)	**4,617**
Fair value of the previously-held 40.3% interest (B)	**3,331**
Fair value of non-controlling interests (full goodwill method) (C)	**6,234**
GOODWILL (B+C-A)	**4,949**

Fair value measurements of identifiable assets and liabilities gave rise to the recognition of €4,949 million of goodwill, €564 million more than the provisional value presented in the consolidated statements for the period ended 31 December 2012 and €82 million more than 30 June 2013.

The negative change in the accounts as of 31 December 2012 results mainly from the revision of assumptions as regards the pricing of lease premiums amounting to €288 million net of tax and of contingent tax liabilities of €115 net of tax, as well as the recognition of social risks equivalent to €45 million net of tax.

In the second half of the year, additional work on GPA's judicial deposits, outstanding orders to be delivered by Via Varejo on the acquisition-date and on other GPA liabilities gave rise to an additional adjustment of €82 million of goodwill.

The main fair value adjustments were the recognition or remeasurement of brands (€1,379 million), lease rights (€497 million), property assets (€86 million), tax-related liabilities (€377 million), provisions for social risks (€153 million) and net deferred tax liabilities related to fair value adjustments (€381 million).

These changes gave rise to the following adjustments in the consolidated financial states as of 31 December 2012:

€ millions	31 December 2012 restated	31 December 2012 reported
Goodwill	10,909	10,380
Intangible assets(1)	3,884	4,211
Property, plant and equipment(1)	8,625	8,681
Other non-current assets	2,798	2,880
Deferred tax assets	865	671
Other assets	8,226	8,226
Cash and cash equivalents	6,303	6,303
Non-current assets held for sale	1,461	1,461
ASSETS	**43,071**	**42,813**
Equity	15,201	15,201
Non-current provisions	975	762
Non-current financial liabilities	9,394	9,394
Other non-current liabilities	900	900
Deferred tax liabilities	1,364	1,366
Current provisions	275	275
Current financial liabilities	2,786	2,786
Trade payables	6,655	6,655
Current taxes payable	118	118
Other current liabilities	4,307	4,260
Liabilities associated with non-current assets held for sale	1,095	1,095
LIABILITIES	**43,071**	**42,813**

(1) The accounts adjusted for 2012 also include the reclassification of €54 million of property, plant and equipment in intangible assets.

The table below shows the effect of full consolidation of GPA in the Group's consolidated financial statements for the period ended 31 December 2012 as if control of GPA had been obtained on 1 January 2012.

€ millions	31 December 2012 pro forma	31 December 2012 reported
Net sales	47,712	41,971
Trading profit	2,279	2,002
Operating profit	2,630	2,379
Net financial income/(expense)	(638)	(499)
Profit before tax	1,991	1,880
CONSOLIDATED NET PROFIT	**1,614**	**1,533**
Net profit attributable to owners of the parent(1)	**1,048**	**1,062**
Profit attributable to non-controlling interests	**566**	**470**

(1) The €14 million decrease in the pro forma net income attributable to equity owners of the parent stems from the fact that certain transactions are accounted for directly in equity, as they are now transactions between owners. They were previously transactions with a proportionately consolidated company and treated through profit or loss for the period. The transactions involved are the issuance of preferred shares to Casino and the exercise of stock options.

4.2. Other activities in 2012

4.2.1. Franprix-Leader Price scope operations

During the year, Franprix-Leader Price acquired various sub-groups in which they held non-controlling interests. The main transactions were the acquisition of controlling interests in the Barat sub-group and in a group of 21 Leader Price stores in south eastern France for €40 million and €31 million, respectively.

These transactions gave rise to the recognition of €127 million in goodwill, of which €49 million was for the Barat sub-group and €62 million for the Leader Price stores in the south-east.

Had these acquisitions been made on 1 January 2012, they would have contributed an additional €74 million in sales and a net loss of €28 million.

4.2.2. Change in Casino's percentage interest in Big C Thailand

In 2012, Casino's interest in Big C Thailand had decreased by 4.60% as a result of (i) dilution due to the Group's decision not to subscribe to the rights issue made by Big C Thailand and (ii) disposals on the market. These transactions had a positive impact of €139 million on equity attributable to owners of the parent and €69 million on equity attributable to non-controlling interests.

NOTE 5. ADDITIONAL INFORMATION ON THE STATEMENT OF CASH FLOWS

5.1. Change in operating working capital

€ millions	2013	2012
Inventories of goods	(230)	(283)
Property development work in progress	1	11
Trade payables	786	585
Trade receivables	72	(8)
Finance receivables (credit activity)	(47)	918
Finance payables (credit activity)	83	(862)
Other	(221)	(166)
CHANGE IN OPERATING WORKING CAPITAL	**444**	**194**

5.2. Effect on cash of changes in scope of consolidation resulting in the gain or loss of control

€ millions	2013	2012
Amounts paid for acquisition of control	(1,403)	(116)
Cash/(bank overdrafts) related to acquisition of control	(248)	1,297
Amounts received for loss of control	-	88
Cash/(bank overdrafts) related to loss of control	(10)	(3)
Effect of Mercialys loss of control process(1)	(207)	137
EFFECT OF CHANGES IN SCOPE OF CONSOLIDATION RESULTING IN THE GAIN OR LOSS OF CONTROL	**(1,868)**	**1,402**

(1) The loss of control of Mercialys had a negative impact of €207 million on the Group's cash. In 2012, the €137 million corresponded to cash received by the Group for the sale of a 9.9% interest in Mercialys (9.8% as a result of winding up the total return swap (TRS) with a financial institution).

In 2013, the negative impact of these transactions on the Group cash position mainly comprised:

- the takeover of Monoprix for €1,432 million (€1,176 million was the acquisition price and €256 million for cash liabilities) ;
- acquisitions of control made by the Franprix-Leader Price sub-group (€126 million);

In 2012, the negative impact of these transactions on the Group cash position mainly comprised:

- acquisition of control of GPA (€1,293 million);
- acquisitions of control made by the Franprix Leader-Price sub-group (€109 million);
- receipt of the final instalment due from the Venezuelan government relating to the sale of Cativen in November 2010 (€83 million net of expenses).

5.3. Impact on cash of changes in scope of consolidation related to joint ventures and associated companies

€ millions	2013	2012
Amount paid for the acquisition of joint ventures(1) or associates(1)	-	(21)
Cash/(bank overdrafts) of joint ventures acquired	-	3
Amount received for the disposal of joint ventures(1) or associates(1)	-	1
(Cash)/bank overdrafts of joint ventures sold	-	(10)
EFFECT OF CHANGES IN SCOPE OF CONSOLIDATION RELATED TO JOINT VENTURES AND ASSOCIATED COMPANIES	**-**	**(26)**

(1) joint ventures: investments are consolidated by the proportionate method/ associates: investments are consolidated by the equity method.

In 2012, the impact on cash of changes in scope of consolidation resulted mainly from the acquisition of Monshowroom.com and the change of percentage interest in GPA in the first half of 2012.

5.4. Impact on cash of transactions with owners of non-controlling interests not resulting in the change of control

€ millions	2013	2012
Partial sale without loss of control of Via Varejo	259	-
Buyback transactions carried out by the owners of non-controlling interests Franprix-Leader Price	(84)	(4)
Payment of Sendas liability	(22)	(21)
Sale of GPA shares and exercise of the first put option	-	209
Sale of shares and Big C Thailand rights issue	-	210
Other	9	12
IMPACT ON TRANSACTIONS WITH OWNERS OF NON-CONTROLLING INTERESTS NOT RESULTING IN THE CHANGE OF CONTROL	**163**	**406**

NOTE 6. SEGMENT INFORMATION

6.1. Key indicators by operating segment

	France			International			
€ millions	Casino France	Monoprix	Franprix-Leader Price	Latin America	Asia	Other Businesses, International	2013
External sales	11,575	3,561	4,356	24,731	3,561	862	48,645
Trading profit(1)	220	247	152	1,469	264	12	2,363

(1) In accordance with IFRS 8 "Operating segments," information by operating segment is prepared based on internal reports and includes the allocation of holding company costs to all of the Group's business units.

	France			International			
€ millions	Casino France	Monoprix	Franprix-Leader Price	Latin America	Asia	Other Businesses, International	2012
External sales	12,158	2,010	4,279	19,251	3,407	866	41,971
Trading profit(1)	400	122	163	1,060	241	16	2,002

(1) In accordance with IFRS 8 "Operating segments," information by operating segment is prepared based on internal reports and includes the allocation of holding company costs to all of the Group's business units.

6.2. Non-current assets by geographical segment

Total non-current assets[1]

€ millions	France	Latin America	Asia	Other Businesses, International	Total
31 December 2013	11,780	11,859	1,983	328	25,950
31 December 2012 restated	8,618	13,483	2,092	328	24,521

(1) Non-current assets include goodwill, intangible assets, property, plant & equipment, investment property, investments in associates and long-term deferred charges.

NOTE 7. TRADING PROFIT

7.1. Total revenue

€ millions	2013	2012
Net sales	48,645	41,971
Other income	324	322
TOTAL REVENUE	**48,969**	**42,292**

7.2. Cost of goods sold

€ millions	2013	2012
Purchases and change in inventories	(34,532)	(29,653)
Logistics costs	(1,668)	(1,473)
COST OF GOODS SOLD	**(36,200)**	**(31,126)**

7.3. Expenses by nature and function

€ millions	Logistics costs[1]	Selling expenses	General and administrative expenses	2013
Employee benefits expense	(591)	(3,908)	(944)	(5,443)
Other expenses	(1,022)	(4,079)	(557)	(5,657)
Depreciation and amortisation expense	(55)	(698)	(221)	(974)
TOTAL	**(1,668)**	**(8,685)**	**(1,721)**	**(12,074)**

(1) Logistics costs are reported in the income statement under "Cost of goods sold".

€ millions	Logistics costs[1]	Selling expenses	General and administrative expenses	2012
Employee benefits expense	(605)	(3,354)	(918)	(4,877)
Other expenses	(822)	(3,502)	(586)	(4,910)
Depreciation and amortisation expense	(46)	(622)	(182)	(851)
TOTAL	**(1,473)**	**(7,478)**	**(1,686)**	**(10,637)**

(1) Logistics costs are reported in the income statement under "Cost of goods sold".

7.3.1. Employees

Employees at 31 December *(number of employees)*	**2013**	**2012**
Number of employees	329,355	316,711
Full-time equivalents	312,373	295,840

Employees of associates are not included in these figures. Employees of joint ventures are included proportionally to the Group's percentage interest.

The increase in the number of employees and full-time equivalents between 2013 and 2012 was due primarily to the acquisition of control of Monoprix.

7.3.2. Finance and operating lease expense

Operating leases

Operating lease payments amounted to €1,178 million at 31 December 2013 (including €1,098 million for property assets) and €911 million at 31 December 2012 (including €836 million for property assets).

The amount of future operating lease payments and minimum lease payments to be received under non-cancellable sub-leases are disclosed in note 34.3.2.

Finance lease liabilities

Conditional rental payments related to finance leases included in the income statement amounted to €1 million in 2013 and 2012.

The amount of future finance lease payments and minimum lease payments to be received under non-cancellable sub-leases are disclosed in note 34.3.1.

7.3.3. Depreciation

€ millions	**2013**	**2012**
Depreciation and amortisation expense – owned assets	(928)	(794)
Depreciation expense – finance leases	(35)	(47)
Lease payments for land use (see note 21.2)	(11)	(11)
DEPRECIATION AND AMORTISATION EXPENSE	**(974)**	**(851)**

NOTE 8. OTHER OPERATING INCOME AND EXPENSE

€ millions	2013	2012
Total other operating income	999	1,078
Total other operating expense	(738)	(701)
	261	**377**
BREAKDOWN BY TYPE		
Gains and losses on disposal of non-current assets	**58**	**110**
Gain on property development operations[1]	60	103
Other operating income and expense	**203**	**267**
Restructuring provisions and expense[2]	(148)	(200)
Impairment losses[5]	(79)	(123)
Provisions for litigation and risks[3]	(86)	(68)
Net income/(expenses) related to changes in scope of consolidation[4]	551	672
Other	(35)	(13)
TOTAL OTHER OPERATING INCOME AND EXPENSE, NET	**261**	**377**

(1) In 2012, as part of its new strategy, Mercialys sold 21 assets including 14 local shopping centres, an off-plan extension and 6 individual lots. In the first half of 2013, Mercialys continued its strategy selling 20 assets.

(2) The restructuring charge in 2013 mainly concerned Casino France (€49 million), GPA (€41 million), Franprix-Leader Price (€22 million) and Exito (€12 million). In 2012, it mainly concerned Casino France (€94 million), Franprix-Leader Price (€62 million) and GPA (€21 million).

(3) Corresponds mainly to fiscal risks and disputes in the Group's various entities.

(4) The €551 million of net income recognised in 2013 arose mainly from the loss of control of Mercialys (€548 million) and the remeasurement at fair value of the previously-held interest in Monoprix (€141 million), offset in part by expenses totalling €112 million related mainly to changes in scope of consolidation in GPA (€77 million) and Monoprix (€24 million).

In 2012, the €672 of net income arose mainly from the remeasurement at fair value of the previously-held interest in GPA (€904 million), offset by expenses totalling €157 million related to (i) acquiring control of GPA and defending the Group's interests in Brazil, (ii) acquiring control of Monoprix and (iii) the process of loss of control of Mercialys, as well as impairment losses on commitments to purchase Franprix-Leader Price master franchises (€62 million).

(5) Breakdown of impairment losses:

€ millions	Notes	2013	2012
Goodwill impairment losses	14.2	(2)	(73)
Impairment reversals/(losses) on intangible assets	15.2	(10)	(7)
Impairment reversals/(losses) on property, plant and equipment	16.2	(44)	(8)
Impairment reversals/(losses) on other assets[1]		(23)	(35)
TOTAL IMPAIRMENT LOSSES, NET		**(79)**	**(123)**

(1) In 2012, mainly includes €30 million in impairment of Franprix-Leader Price associates.

NOTE 9. FINANCIAL INCOME AND EXPENSE

9.1. Finance costs, net

€ millions	2013	2012
Gains and losses on sales of cash equivalents	-	1
Revenue from cash and cash equivalents	179	151
Income from cash and cash equivalents	**179**	**152**
Interest expense on borrowings after hedging	(803)	(665)
Interest expense on finance lease liabilities	(11)	(5)
Finance costs	**(814)**	**(670)**
TOTAL FINANCE COSTS, NET	**(635)**	**(519)**

9.2. Other financial income and expense

€ millions	2013	2012
Investment income	1	2
Exchange gains (other than on borrowings)	48	26
Discounting and discounting reversal adjustments	2	13
Gains from remeasurement at fair value of derivative instruments not qualifying for hedge accounting(1)	8	58
Other financial income	109	79
Financial income	**168**	**177**
Exchange losses (other than on borrowings)	(56)	(27)
Discounting and discounting reversal adjustments	(18)	(22)
Losses from remeasurement at fair value of derivative instruments not qualifying for hedge accounting(1)	(68)	(3)
Losses from remeasurement at fair value of financial assets at fair value through profit or loss	(4)	(2)
Other financial expense	(106)	(103)
Financial expense	**(252)**	**(157)**
TOTAL OTHER FINANCIAL INCOME AND EXPENSE, NET	**(84)**	**20**

(1) In 2013, the net expense of €60 million was primarily due to the fair value adjustments to Big C Thailand and GPA TRS, GPA forward and call options on GPA preferred shares (see below). In 2012, it mainly comprised a €46 million gain in fair value adjustments to GPA TRS.

In December 2011, the Group entered into a 2.5-year TRS with a financial institution covering 7.9 million of GPA American Depositary Receipts (ADRs). The contract will be settled in cash. The swap has an interest rate of 3-month Euribor +3.25%. Following a change to the entry price in 2012 and 2013, Casino received the sum of €69 million and €50 million, respectively. The TRS is a derivative instrument measured at fair value through profit or loss. At 31 December 2013, the swap covered 7.8 million ADRs (representing 3.0% of GPA's capital share), a notional amount of €332 million and presented a negative fair value of €80 million (against 7.8 million ADRs, a notional amount of €282 million and a negative fair value of €23 million at 31 December 2012).

In 2012, the Group purchased call options on 8.9 million GPA ADRs from a financial institution. The options may be exercised at any time and expire on 30 June 2014. At 31 December 2013, these call options related to 3.4% of GPA's share capital and presented a fair value of €18 million, although the option premium of €38 million was not paid.

At the end of December 2012, the Group entered into a 2-year forward contract on GPA ADRs, paying interest at 3-month Libor + 3.00%. The contract will be settled in cash. It is a derivative instrument measured at fair value through profit or loss. Following a change to the forward entry price in 2013, Casino received the sum of €43 million. At 31 December 2013, the swap covered 5.8 million ADRs (representing 2.2% of GPA's share capital), a notional amount of USD319 million (€231 million) and presented a negative fair value of €43 million.

In 2012, the Group entered into a TRS with a financial institution covering 20.6 million Big C Thailand shares. The TRS has a notional amount of €108 million maturing on 1 July 2014 and an interest rate of 3-month Euribor + 2.30%. Following the amendment to the contract in 2013, the notional has been raised to €110 million. The contract will be settled in cash. The TRS is a derivative instrument measured at fair value through profit or loss. Following a change to the entry price in 2013, Casino received the sum of €1.9 million. At 31 December 2013, the swap covered 20.6 million ADRs and presented a negative fair value of €26 million.

NOTE 10. TAXES

10.1. Income tax expense

10.1.1. Analysis of income tax expense

	2013			2012		
€ millions	France	International	Total	France	International	Total
Current taxes	(100)	(193)	(292)	(87)	(202)	(289)
Other taxes (CVAE)	(63)	(2)	(66)	(63)	(2)	(66)
Deferred taxes	48	(92)	(43)	68	(36)	32
Total income tax expense recognised in the income statement	**(115)**	**(286)**	**(401)**	**(82)**	**(241)**	**(323)**
Tax effect recognised in "Other comprehensive income" (see note 26.7.2)	**(4)**	**-**	**(4)**	**35**	**1**	**35**
Tax effect recognised in equity	**(7)**	**(46)**	**(54)**	**13**	**2**	**15**

10.1.2. Reconciliation of theoretical and actual tax expense

€ millions	2013		2012	
Profit before tax and share of profits of associates	**1,905**		**1,880**	
Income tax at the standard French tax rate(1)	**(656)**	**34.43%**	**(647)**	**34.43%**
Impact of tax rate differences in foreign subsidiaries	91		139	
Mercialys tax-exempt share of profit	36		57	
Change of tax rate(2)	(2)		35	
Gains or losses on remeasurement of previously-held interests pursuant to transactions resulting in gain or loss of control and sale of shares(3)	246		226	
Recognition of previously unrecognised tax benefits on tax losses and other deductible temporary differences	33		12	
Non-recognition of deferred tax assets on tax loss carryforwards or other deductible temporary differences	(25)		(61)	
Goodwill impairment loss	(4)		(36)	
CVAE net of income tax	(39)		(39)	
Non-deductible financial expense(4)	(9)		(16)	
Tax credits	15		21	
Non-taxation of CICE(5)	26		-	
Additional contribution of 3% dividend	(10)		(1)	
Temporary different in the value of Mercialys shares retained (see note 3.2)	(134)		-	
Tax rate lowered on the sale of Mercialys shares 2012	(20)		-	
Effect of tax on GPA shares exchange transactions (see note 3.4)	13		-	
Recovery of deferred tax liabilities related to Bartira call option	37		-	
Tax on Exito equity	(16)		-	
Tax amortisation of goodwill (Exito)	19		26	
Loss on master franchise put options	(4)		(21)	
Other	2		(16)	
Other items taxed at a lower rate or tax exempt	-		(1)	
ACTUAL INCOME TAX EXPENSE	**(401)**		**(323)**	
Effective tax rate paid by the Group	21.07%		17.20%	

(1) For 2013 and 2012, reconciliation of the effective tax rate paid by the Group was based on the constant tax rate of 34.43%. The rate used by the Group does not take into account the transitional additional contribution of 5 % in 2012 and 10.7% in 2013 for surtax on French companies with revenues of more than €250; the impact of the revaluation of differed taxes that will be paid in 2014 amounts to €5 million in the Group's consolidated financial statements. This measure added €7 million to the Group's tax expense for the period (against €2 million the previous year).

(2) In 2012, the main effect was a decrease in the tax rate in Colombia.

(3) In 2013, transactions concerning Mercialys, Monoprix and Bartira amounted to €188 million, €49 million and €9 million, respectively. Transactions concerning GPA in 2012.

(4) France's 2012 amended Finance Act introduced a new flat-rate restriction on the deductibility of financial expenses paid by French companies. Deductions are limited to 15% of financial expenses in 2012 and in 2013, decreasing to 25% for 2014 and beyond.

(5) France's third amended Finance Act for 2012 introduced a competitiveness and employment tax credit (CICE), a tax credit (repayable from the end of the third year) of 4% for salaries below or equal to 2.5 times the minimum wage as of 1 January 2013 (the rate will rise to 6% from 1 January 2014). The Group recognised this expense by reducing employee expenses and has sold its receivables up to €58 million.

10.2. Deferred taxes

10.2.1. Change in deferred tax assets

€ millions	2013	2012 restated
At 1 January	**865**	**377**
Benefit (expense) for the period on continuing operations	(387)	(305)
Impact of changes in scope of consolidation[(1)]	44	795
Impact of changes in exchange rates and reclassifications[(1)]	(85)	(49)
Deferred tax assets recognised directly in equity	(13)	48
AT 31 DECEMBER	**425**	**865**

(1) In 2012, corresponded mainly to the full consolidation of GPA.

10.2.2. Change in deferred tax liabilities

€ millions	2013	2012 restated
At 1 January	**1,364**	**697**
Expense (benefit) for the period	(343)	(337)
Impact of changes in scope of consolidation[(1)]	549	1,079
Impact of changes in exchange rates and reclassifications[(1)]	(164)	(75)
Deferred tax assets recognised directly in equity	-	-
AT 31 DECEMBER	**1,406**	**1,364**

(1) Corresponded mainly to the full consolidation of GPA in 2012 and of Monoprix in 2013.

10.2.3. Breakdown of deferred tax assets and liabilities by source

	Net	
€ millions	2013	2012 restated
Intangible assets	(958)	(866)
Property, plant and equipment	(637)	(326)
of which finance leases	*(70)*	*(88)*
Inventories	37	30
Financial instruments	(21)	2
Other assets	(57)	(39)
Provisions	227	259
Untaxed provisions	(201)	(181)
Other liabilities	108	160
Of which finance lease liabilities	*13*	*26*
Tax loss carryforwards	521	461
NET DEFERRED TAX ASSETS (LIABILITIES)	**(982)**	**(499)**
Deferred tax assets recognised in the balance sheet	425	865
Deferred tax liabilities recognised in the balance sheet	1,406	1,364
NET	**(982)**	**(499)**

In 2013, the Casino, Guichard-Perrachon group tax relief agreement resulted in a tax saving of €94 million compared with €126 million in 2012.

Recognised tax loss carryforwards mainly concern GPA and Casino Guichard-Perrachon. The corresponding deferred tax assets have been recognised in the balance sheet as their utilisation is considered probable in view of the forecast future taxable profits of the companies concerned.

10.3. Unrecognised deferred tax assets

At 31 December 2013, the Group had €311 million of unused unrecognised tax loss carryforwards (€98 million of unrecognised deferred tax assets) compared with €135 million and €43 million respectively in 2012. These losses mainly concern Franprix-Leader Price.

Expiry dates of tax loss carryforwards

€ millions	2013	2012
Less than 1 year	5	-
One to two years	2	1
Two to three years	3	2
More than three years	88	41
TOTAL	**98**	**43**

NOTE 11. SHARE OF PROFITS OF ASSOCIATES

€ millions	2013	2012
Mercialys	12	-
GPA group associates	16	8
Other	1	(3)
Franprix and Leader Price group associates	(8)	(26)
SHARE OF PROFITS OF ASSOCIATES	**21**	**(21)**

NOTE 12. DISCONTINUED OPERATIONS AND NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale:

€ millions	2013	2012
Franprix-Leader Price assets(1)	58	-
Monoprix assets(1)	15	-
GPA assets(2)	14	-
DCF assets(1)	5	-
Property assets of the French sub-group "Store assets"	3	-
Mercialys assets	-	1,461
Non-current assets held for sale	**96**	**1,461**
Liabilities associated with non-current assets held for sale	**-**	**1,095**

(1) In connection with the takeover of Monoprix on 5 April 2013 and the notice from the French competition authority, the Group began the process of selling 50 Monoprix (stores under the Monop' banner), Franprix-Leader Price and Casino France integrated stores (see note 3.1).
(2) In connection with GPA's acquisition of control of Nova Casa Bahia in 2011, the Group began the process of selling 74 Via Varejo stores in accordance with the decision given by the Brazilian competition authority.

The difference between 31 December 2013 and 31 December 2012 corresponds mainly to the loss of control of Mercialys (see note 3.2) which is consolidated from now on by the equity method (see note 19).

NOTE 13. EARNINGS PER SHARE

13.1. Number of shares

Calculation of the weighted average number of shares and potential shares used to determine diluted earnings per share		2013	2012
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING DURING THE PERIOD			
Total ordinary shares		112,894,920	111,825, 980
Ordinary shares held in treasury		(128,746)	(84,121)
Weighted average number of ordinary shares before dilution	**(1)**	**112,766,174**	**111,741,859**
POTENTIAL SHARES REPRESENTED BY:			
Stock options		318,174	523,800
Non-dilutive instruments (out of the money or covered by calls)		-	(309,778)
Weighted average number of dilutive instruments		**318,174**	**214,022**
Theoretical number of shares purchased at market price[1]		(266,742)	(170,168)
Dilutive effect of stock options		51,432	43,854
Share grants		101,019	387,500
Total potential dilutive shares		**152,451**	**431,355**
TOTAL DILUTED NUMBER OF SHARES	**(2)**	**112,918,625**	**112,173,213**

(1) In accordance with the treasury stock method, the proceeds from the exercise of warrants and options are assumed to be used in the first instance to buy back shares at market price. The theoretical number of shares that would be purchased is deducted from the total shares that would be issued on exercise of the rights attached to the warrants and options. Any theoretical shares in excess of the number of shares resulting from the exercise of rights are not taken into account.

13.2. Profits attributable to ordinary shares

€ millions		2013	2012
Net profit attributable to owners of the parent		**851**	**1,062**
Dividends payable on deeply subordinated perpetual bonds		(18)	(9)
PROFIT ATTRIBUTABLE TO HOLDERS OF ORDINARY SHARES	**(3)**	**833**	**1,053**
of which:			
• profit from continuing operations, attributable to equity holders of the parent	(4)	835	1,055
• profit from discontinued operations, attributable to equity holders of the parent		(2)	(2)

13.3. Earnings per share

In €		2013	2012
Basic earnings per share attributable to owners of the parent:			
• on continuing and discontinued operations	(3)/(1)	7.39	9.42
• on continuing operations	(4)/(1)	7.41	9.44
Diluted earnings per share attributable to owners of the parent:			
• on continuing and discontinued operations	(3)/(2)	7.38	9.39
• on continuing operations	(4)/(2)	7.40	9.41

NOTE 14. GOODWILL

14.1. Breakdown

€ millions	2013 Gross	2013 Impairment	2013 Net	2012 restated Net
Casino France	1,639	(1)	1,638	1,593
Hypermarkets, supermarkets and convenience stores	*1,375*	-	*1,375*	*1,362*
Other	*264*	*(1)*	*263*	*231*
Franprix-Leader Price	2,462	(1)	2,461	2,170
Monoprix	1,233	-	1,233	914
France	**5,334**	**(2)**	**5,332**	**4,676**
Latin America	**4,619**	**-**	**4,619**	**5,309**
Argentina	21	-	21	29
Brazil	4,031	-	4,031	4,639
GPA (food)	*3,229*	-	*3,229*	*3,870*
Via Varejo (non-food)	*802*	-	*802*	*770*
Colombia	464	-	464	527
Uruguay	104	-	104	113
Asia	**662**	**-**	**662**	**745**
Thailand	658	-	658	742
Vietnam	3	-	3	3
Other	**178**	**-**	**178**	**179**
Indian Ocean	176	-	176	176
Other	2	-	2	2
International	**5,459**	**-**	**5,459**	**6,233**
GOODWILL	**10,793**	**(2)**	**10,791**	**10,909**

14.2. Movements for the period

€ millions	2013	2012 restated
Carrying amount at 1 January	**10,909**	**7,955**
Goodwill recognised during the period(1)	893	3,470
Impairment losses recognised during the period(2)	(2)	(73)
Derecognised companies	(2)	(15)
Translation adjustment(3)	(972)	(343)
Adjustments arising from recognition of put options granted to owners of non-controlling interests	-	-
Reclassifications and other movements(4)	(35)	(86)
CARRYING AMOUNT AT 31 DECEMBER	**10,791**	**10,909**

(1) At 31 December 2013, the €893 million increase corresponds to the full consolidation of Monoprix for €311 million (see note 3.1), the transactions carried out by Franprix-Leader Price amounting to €321 million (see not 3.3) and the takeover of Bartira for €199 million (see note 3.5). The change in 2012 was mainly due to the full consolidation of GPA (€3,239 million, see note 4.1).

(2) The impairment losses recognised in 2012 mainly concerned Geimex (€41 million) and Casino France (€17 million).

(3) The negative translation adjustment in 2013 stemmed mainly from the appreciation of the euro against the Brazilian real (€802 million), the Thai baht (€84 million) and the Colombian peso (€63 million). In 2012, it stemmed mainly from the appreciation of the euro against with the Brazilian real (€384 million) and the depreciation of the euro against the Colombian peso (€37 million) and Thai baht (€12 million).

(4) The negative change in 2013 (€35 million) corresponds to €29 million in goodwill related to the reclassification of certain Franprix-Leader Price stores in assets held for sale (see note 12). The €86 million negative change in 2012 was mainly due to the reclassification of goodwill associated to Mercialys in assets held for sale (€50 million).

NOTE 15. INTANGIBLE ASSETS

15.1. Breakdown

	2013			2012 restated		
€ millions	Gross	Amortisation and impairment	Net	Gross	Amortisation and impairment	Net
Concessions, trademarks, licences and banners	2,538	(45)	2,493	2,338	(43)	2,295
Lease premiums	974	(40)	934	916	(35)	880
Software	996	(494)	502	803	(408)	395
Other	353	(182)	171	467	(153)	315
INTANGIBLE ASSETS	**4,861**	**(761)**	**4,100**	**4,524**	**(640)**	**3,884**

15.2. Movements for the period

€ millions	Concessions, trademarks, licences and banners	Lease premiums	Software	Other	Total
At 1 January 2012	**593**	**277**	**118**	**223**	**1,211**
Change in scope of consolidation	1,870	649	114	94	2,727
o/w impact of full consolidation of GPA[(1)]	*1,869*	*645*	*114*	*117*	*2,744*
Increases and separately acquired intangible assets	3	8	39	104	153
Intangible assets disposed of during the period	-	(5)	(7)	(2)	(14)
Amortisation for the period (continuing operations)	(4)	(2)	(83)	(47)	(137)
Impairment reversals/(losses) recognised during the period (continuing operations)	-	(7)	-	-	(7)
Translation adjustment	(136)	(52)	(17)	(10)	(215)
Reclassifications and other movements[(2)]	(31)	13	231	(47)	166
At 31 December 2012 restated	**2,295**	**880**	**395**	**315**	**3,884**
Change in scope of consolidation	579	185	30	(40)	754
o/w impact of full consolidation of Monoprix	*564*	*168*	*30*	*11*	*773*
Increases and separately acquired intangible assets	2	15	109	76	202
Intangible assets disposed of during the period	-	(7)	(3)	(11)	(21)
Amortisation for the period (continuing operations)	(4)	(3)	(103)	(55)	(165)
Impairment reversals/(losses) recognised during the period (continuing operations)	-	(7)	(3)	(1)	(10)
Translation adjustment	(378)	(120)	(49)	(23)	(570)
Reclassifications and other movements	-	(10)	126	(90)	26
AT 31 DECEMBER 2013	**2,493**	**934**	**502**	**171**	**4,100**

(1) Including €1,920 million related to the revaluation of GPA and €824 million related to its full consolidation.
(2) The accounts adjusted in 2012 also include the reclassification of €54 million of property, plant and equipment in intangible assets (see note 4.1).

Internally-generated intangible assets, mainly information systems developments, represented €8 million in 2013 compared with €43 million in 2012.

At 31 December 2013, intangible assets included trademarks and lease premiums with an indefinite useful life for the amount of €2,484 million and €934 million respectively. They are allocated to the following groups of CGU:

€ millions	2013	2012 restated
Brazil	2,304	2,761
Colombia	200	231
Casino France	79	83
Franprix-Leader Price	68	62
Monoprix	759	24
Other	8	7

Intangible assets were tested for impairment at 31 December 2013 using the method described in note 1.4 "Significant Accounting Policies". The impact is presented in note 18.

NOTE 16. PROPERTY, PLANT AND EQUIPMENT

16.1. Breakdown

	2013			2012 restated		
€ millions	Gross	Depreciation and impairment	Net	Gross	Depreciation and impairment	Net
Land and land improvements	2,442	(88)	2,354	1,907	(71)	1,836
Buildings, fixtures and fittings	6,024	(2,197)	3,827	5,790	(2,099)	3,691
Other	8,155	(4,866)	3,289	7,259	(4,161)	3,097
PROPERTY, PLANT AND EQUIPMENT	**16,621**	**(7,151)**	**9,470**	**14,955**	**(6,331)**	**8,625**

16.2. Movements for the period

€ millions	Land and land improvements	Buildings, fixtures and fittings	Other	Total
At 1 January 2012	**1,432**	**2,662**	**2,568**	**6,663**
Change in scope of consolidation	328	975	625	1,929
o/w impact of full consolidation of GPA[(1)]	*326*	*962*	*591*	*1,879*
Increases and separately acquired intangible assets	60	193	942	1,195
Intangible assets disposed of during the period	(42)	(65)	(55)	(163)
Amortisation for the period (continuing operations)	(5)	(176)	(517)	(698)
Impairment reversals/(losses) recognised during the period (continuing operations)	(2)	4	(10)	(8)
Translation adjustment	(22)	(83)	(65)	(171)
Reclassifications and other movements[(2)]	87	182	(392)	(123)
o/w impact of IFRS 5 reclassification of Mercialys	*32*	*27*	*(19)*	*41*
At 31 December 2012 restated	**1,836**	**3,691**	**3,097**	**8,625**
Change in scope of consolidation	613	399	365	1,377
o/w impact of full consolidation of Monoprix	*605*	*373*	*230*	*1,208*
Increases and separately acquired intangible assets	95	325	922	1,342
Intangible assets disposed of during the period	(16)	(38)	(58)	(113)
Amortisation for the period (continuing operations)	(5)	(207)	(552)	(764)
Impairment reversals/(losses) recognised during the period (continuing operations)	(4)	(18)	(22)	(44)
Translation adjustment	(157)	(444)	(228)	(828)
Reclassifications and other movements	(8)	120	(236)	(123)
AT 31 DECEMBER 2013	**2,354**	**3,827**	**3,289**	**9,470**

(1) Including €77 million related to the revaluation of GPA and €1,802 million related to its full consolidation.
(2) The accounts adjusted in 2012 also include the reclassification of €54 million of property, plant and equipment in intangible assets (see note 4.1).

Property, plant and equipment were tested for impairment at 31 December 2013 using the method described in note 1.4 "Significant Accounting Policies". The impact is presented in note 18.

16.3. Finance leases

Finance leases on owner-occupied property and investment property break down as follows:

€ millions	2013 Gross	2013 Depreciation	2013 Net	2012 restated Gross	2012 restated Depreciation	2012 restated Net
Land	30	(2)	28	30	(2)	28
Buildings	203	(111)	92	215	(110)	105
Equipment and other	560	(489)	71	589	(487)	102
TOTAL	**793**	**(603)**	**191**	**835**	**(600)**	**236**

16.4. Capitalisation of borrowing costs

Interest capitalised during the period ended 31 December 2013 amounted to €9 million at an average interest rate of 7.79%, compared with €6 million at an average interest rate of 7.85% in 2012.

NOTE 17. INVESTMENT PROPERTY

17.1. Breakdown

€ millions	2013 Gross	2013 Depreciation and impairment	2013 Net	2012 Gross	2012 Depreciation and impairment	2012 Net
Investment property	**746**	**(188)**	**557**	**725**	**(188)**	**537**

17.2. Movements for the period

€ millions	2013	2012
1 January	**537**	**1,613**
Change in scope of consolidation	30	35
Increases and separately acquired intangible assets	36	27
Intangible assets disposed of during the period	-	(1)
Amortisation for the period (continuing operations)	(34)	(32)
Impairment reversals/(losses) recognised during the period (continuing operations)	-	-
Translation adjustment	(63)	5
Reclassifications and other movements[1]	52	(1,111)
31 DECEMBER	**557**	**537**

(1) In 2012, the movement stemmed from the reclassification of Mercialys' assets and liabilities in accordance with IFRS 5.

The carrying amount of investment property totalled €557 million at 31 December 2013, including €371 million representing 67% for Big C Thailand and €95 million representing 17% for Exito. It amounted to €537 million at 31 December 2012 (representing 75% for Big C Thailand and 14% for Exito).

The fair value of investment property

At 31 December 2013, the fair value of investment property amounted to €1,374 million (against €1,093 million at 31 December 2012). For most investment properties, fair value is determined on the basis of valuations carried out by independent external appraisers. Valuations are based on open market value as confirmed by market indicators, in accordance with international valuation standards, and are considered as level 3 fair value.

Fair values of investment property carried by Big C Thailand

The fair value of Big C Thailand's investment property, acquired over previous years, was revised on the basis of an initial evaluation carried out by an independent appraiser. The fair value of assets acquired in 2013 was valued by an independent appraiser. The method of measuring fair value consists of updating cash flows from each investment property. The main assumptions relate to the expected rate of rent increases (between 1% and 3.7%) and the discount rate (between 11% and 15%).

Amounts recognised in the income statement in respect of rental revenue and operating costs on investment property break down as follows:

€ millions	2013	2012
Rental revenue from investment property	219	199
Directly attributable operating costs of investment properties that did not generate any rental revenue during the period	(9)	(8)
Directly attributable operating costs of investment properties that generated rental revenue during the period	(20)	(17)

NOTE 18. IMPAIRMENT OF NON-CURRENT ASSETS

18.1. Movements for the period

Goodwill and other non-financial non-current assets were tested for impairment at 31 December 2013 by the method described in note 1.4.12 “Impairment of non-current assets”.

Management made the best possible estimate of recoverable amounts where necessary (evidence of impairment of a CGU) or required (goodwill and intangible assets with an indefinite life). The assumptions concerning goodwill and trademarks are set out in note 18.2.

The impairment tests carried out in 2013 led to the recognition of an impairment loss of €2 million on goodwill and €55 million (of which €26 million relates to Franprix-Leader Price) on intangible assets and property, plant and equipment.

For information, the impairment tests carried out in 2012 led to the recognition of an impairment loss of €73 million on goodwill and a reversal of €16 million on intangible assets and property, plant and equipment.

18.2. Impairment loss on intangible assets with an indefinite life

Goodwill, trademarks and lease premiums are tested for impairment at each year end in accordance with the principles set out in note 1.4.12 “Impairment of non-current assets”.

18.2.1. Goodwill impairment losses

Impairment testing consists of determining the recoverable values of the cash generating units (CGUs) or groups of CGU to which the goodwill is allocated and comparing them with the carrying amounts of the relevant assets. Goodwill arising on the initial acquisition of networks is allocated to the groups of CGU in accordance with the classifications set out in note 14. Some goodwill may occasionally be allocated directly to CGUs.

For internal valuations, annual impairment testing generally consists of determining the recoverable amount of each CGU based on value in use, in accordance with the principles set out in note 1.4.12. Value in use is determined by the discounted cash flows method, based on after-tax cash flows and using the following rates.

Parameters used for internal calculations of 2013 values in use

Region	2013 perpetual growth rate[1]	2013 after-tax discount rate[2]	2012 after-tax discount rate[2]
France (retailing)[3]	1.6%	5.5%[4]	6.0%[4]
France (other)[3]	1.6% to 2.1%	5.5% to 7.6%	6.0% to 8.8%
Argentina	11.4%	18.0%	17.0%
Brazil[6]	5.7%	10.5% to 11.3%	[5]
Colombia[6]	3.6%	8.2%	9.2%
Uruguay	7.5%	14.1%	13.1%
Thailand[6]	2.4%	7.7%	6.9%
Vietnam	8.5%	15.1%	14.8%
Indian Ocean[7]	1.6% to 7.0%	5.5% to 13.9%	6.0% to 11.9%

(1) The inflation-adjusted perpetual growth rate ranges from 0% to +0.5% depending on the nature of the CGU's business/banner.
(2) The discount rate corresponds to the weighted average cost of capital (WACC) for each country. WACC is calculated at least once a year during the annual impairment testing by taking account of the sector's indebted beta, a market risk premium and the Group's cost of debt.
(3) For the French retailing businesses, the discount rate also takes account of the CGU's type of business/banner and the associated operational risks.
(4) With the exception of Geimex, for which the after-tax discount rate is 7.0%.
(5) As control of GPA was only recently obtained and its carrying amount was lower than its market capitalisation, value in use was not calculated in 2012.
(6) The market capitalisation of listed subsidiaries GPA, Big C and Exito was €8,517 million, €3,360 million and €5,053 million, respectively, at 31 December 2013. In all three cases, market capitalisation was higher than the carrying amount.
(7) The Indian Ocean region includes Reunion, Mayotte, Madagascar and Mauritius. The discount rates used reflect the risks inherent in each of these geographical areas.

Based on the annual goodwill impairment test, which was completed at the year-end, a €2 million impairment loss was recognised at 31 December 2013 on goodwill allocated to separate assets.

In view of the positive difference between value in use and carrying amount, the Group believes that on the basis of reasonably foreseeable events, any changes in the key assumptions set out above would not lead to the recognition of an impairment loss. The Group considers reasonably foreseeable changes in key assumptions to be a 100-basis point increase in the discount rate or a 25-basis point decrease in the perpetual growth rate used to calculate terminal value or a 50-basis point decrease in the EBITDA margin for the cash flow projection used to calculate the terminal value.

18.2.2. Trademark impairment losses

For brands, recoverable amounts were estimated at the year-end using the royalties method.

The assumptions as regards impairment tests of GPA trademarks concern royalty rates (varying between 0.4% and 1.4% depending on the banner). These tests did not reveal any evidence of impairment. A decline in the royalty rate by 5 points would not lead to the recognition of an impairment.

NOTE 19. INVESTMENTS IN ASSOCIATES

19.1. Movements for the period

€ millions	Opening balance	Impairment	Share of profit for the period	Retailing	Change in scope of consolidation, translation adjustments and other movements	Closing balance
GPA group associates(1)	42	-	8	(3)	55	102
Franprix and Leader Price group associates	122	(30)	(26)	-	(9)	57
Banque du Groupe Casino(2)	-	-	(4)	-	86	82
Monshowroom.com	-	-	-	-	18	17
Other	1	-	1	-	1	1
2012	**164**	**(30)**	**(21)**	**(3)**	**150**	**260**
GPA group associates(1)	102	-	16	(5)	(19)	95
Franprix and Leader Price group associates	57	(6)	(8)	-	(16)	27
Banque du Groupe Casino(2)	82	-	1	-	-	83
Monshowroom.com(3)	17	-	-	-	(17)	-
Mercialys(4)	-	-	12	(48)	598	561
Other	1	-	-	-	-	2
2013	**260**	**(6)**	**21**	**(53)**	**546**	**768**

(1) GPA Group associates are mainly composed of FIC and BINV. They finance purchases made by GPA customers and were created through a partnership between Banco Itaú Unibanco S.A. (Itaú Unibanco), GPA and Via Varejo. They are accounted for by the equity method as GPA only exercises significant influence over their operating and financial policies. Condensed financial statements for FIC are provided in note 19.2.

(2) Banque du Groupe Casino is accounted for by the equity method as the Group only exercises significant influence over their operating and financial policies. The different accounting aggregates are provided in note 19.2.

(3) On 2 September 2013, the Group gained control of Monshowroom.com by acquiring an additional 0.04% of its capital. The goodwill allocated to this subsidiary amounted to €27 million at 31 December 2013.

(4) As 31 December 2013, Mercialys is consolidated by the equity method following the loss of control (see note 3.2).

The movements in 2013 stemmed from the loss of control of Mercialys (see note 3.2).

Movements in 2012 were due to the transactions with associates concerning the full consolidation of GPA, equity accounting for Banque du Groupe Casino, acquisition of an interest in Monshowroom.com and a €30 million impairment loss for Franprix-Leader Price associates.

Transactions with associates are disclosed in note 36.1.

19.2. Presentation of key figures for Mercialys, Banque du Groupe Casino and FIC

The following table presents the full condensed financial statements for the three main consolidated companies accounted for by the equity method. These statements show, where appropriate, the adjustments made by the Group, for example, to the fair value at the acquisition-date or loss of control date and adjustments made to accounting policies, bringing them in line with those of the Group.

	2013			2012	
€ millions	Mercialys	Banque du Groupe Casino	FIC	Banque du Groupe Casino	FIC
Business	*Real estate*	*Bank*	*Bank*	*Bank*	*Bank*
Country	*France*	*France*	*Brazil*	*France*	*Brazil*
Net sales	152	95	312	91	358
Net profit	145	2	31	(7)	16
Other comprehensive income	2	-	-	-	-
COMPREHENSIVE INCOME	**147**	**2**	**31**	**(7)**	**16**
Total non-current assets	2,135	99	10	100	16
Total current assets	89	645	1,081	618	1,252
Credit activity-related assets	-	*579*	-	*557*	-
Total non-current liabilities	(769)	(1)	(7)	(2)	(7)
Total current liabilities	(61)	(577)	(867)	(552)	(1,024)
Credit activity-related liabilities	-	*(560)*	-	*(537)*	-
EQUITY	**1,393**	**166**	**216**	**164**	**237**
Percentage interest(1)	40.27%	50.0%	50.0%	50.0%	50.0%
Value of investments accounted for by the equity method	561	83	89	82	95
Dividends from associate companies	48	-	5	-	3

(1) This refers to the percentage interest held by Casino, except in the case of FIC, consolidated by the equity method, which refers to the interest held by GPA. The amount of reserve allocated to Itaú Unibanco for determining the carrying amount of FIC's interest accounted for by the equity method must be deducted.

19.3. Impairment losses for the valuation of associates

With the exception of Mercialys, associates are privately-held companies for which no quoted market prices are available on which to estimate their fair value.

The fair value of Mercialys' interest at 31 December was €565 million, determined using the market price at 31 December 2013. This value does not reflect the impairment loss. Mercialys' revalued net asset value (the replacement value) amounted to €1,753 at 100% at 31 December 2013.

The impairment tests led to the recognition of an impairment loss of €6 million for Franprix-Leader Price.

An analysis of sensitivity to changes in impairment testing assumptions (100-basis point increase in the discount rate or a 25-basis point decrease in the perpetual growth rate or a 50-basis point decrease in the EBITDA margin) was carried out. This analysis reveals an additional impairment risk to the Group of between €0 million and €7 million for the Franprix-Leader Price master franchises. As regards the interest in Banque du Groupe Casino, the analysis revealed an additional impairment risk to the Group of between €2 million and €9 million.

19.4. Group share of contingent liabilities

At 31 December 2013 and 2012, there were no material contingent liabilities in associates.

NOTE 20. INVESTMENTS IN JOINT VENTURES

Distridyn, Régie Média Trade and Geimex are jointly controlled (on a 50/50 basis) by the Group and are consolidated by the proportionate method.

Grupo Disco de Uruguay is proportionately consolidated at 62.5% by Exito, as the agreements between the Casino Group and its partners provide for the exercise of joint control over the business. This sub-group is subject to a put option (see note 34.2).

This consolidation method will no longer be permitted as of 1 January 2014 following the application of IFRS 11. The impact of this standard is presented in note 1.1.2 as well as the accounting aggregates of the main fully-consolidated subsidiaries at 31 December consolidated by the proportionate method.

Group share of contingent liabilities

At 31 December 2013, there were no material contingent liabilities in joint ventures.

NOTE 21. OTHER NON-CURRENT ASSETS

€ millions	2013	2012 Restated
Available-for-sale financial assets (AFS)	115	122
Not-current fair value hedges (see note 33)	102	246
Other financial assets	674	868
Loans	*79*	*115*
Derivatives not qualifying for hedge accounting	*-*	*133*
Receivables from non-consolidated and other companies	*96*	*121*
Judicial deposits (GPA)	*250*	*262*
Other non-current receivables	*248*	*237*
Tax and employee-related receivables	439	457
Prepaid expenses	264	307
Other non-current assets	1,593	2,001

21.1. Available-for-sale financial assets (AFS)

Movements for the period

€ millions	2013	2012
At 1 January	**122**	**90**
Increases	6	31
Decreases	(1)	(1)
Gains and losses from remeasurement at fair value	1	7
Changes in scope of consolidation and translation adjustment	(20)	3
Other	8	(8)
AT 31 DECEMBER	**115**	**122**

Available-for-sale financial assets held by the Group in 2013 and 2012 comprise only unlisted equities.

21.2. Prepaid rents

Non-current prepaid expenses include €214 million of prepaid rents (€236 million in 2012). Prepaid rents reflect the right to use land in some Asian countries for an average period of 24 years, with the cost recognised over the period of use.

NOTE 22. INVENTORIES

€ millions	2013	2012
Goods	4,507	4,547
Property development (work in progress)	273	270
Gross	**4,781**	**4,817**
Impairment of goods held in inventory	(61)	(65)
Impairment of property development (work in progress)	(27)	(25)
Impairment	**(88)**	**(90)**
INVENTORIES	**4,693**	**4,727**

NOTE 23. TRADE RECEIVABLES

23.1. Breakdown

€ millions	2013	2012
Trade receivables	941	1,080
Accumulated impairment losses on trade receivables	(94)	(95)
Finance receivables	729	815
Accumulated impairment losses on finance receivables	(66)	(66)
TRADE RECEIVABLES	**1,510**	**1,734**

The Group carries out non-recourse receivables discounting with continuing involvement (see note 25.3).

In addition, in 2013 GPA discounted €9,117 million of receivables (against €10,020 in 2012) with financial institutions (bank card institutions or banks) without recourse or without attached obligations.

23.2. Accumulated impairment losses on trade receivables

€ millions	2013	2012
ACCUMULATED IMPAIRMENT LOSSES ON TRADE RECEIVABLES		
At 1 January	**(95)**	**(114)**
Charge	(52)	(46)
Reversal	51	29
Change in scope of consolidation	3	(2)
Reclassification	(4)	36
Translation differences	2	2
AT 31 DECEMBER	**(94)**	**(95)**
ACCUMULATED IMPAIRMENT LOSSES ON FINANCE RECEIVABLES		
At 1 January	**(66)**	**(21)**
Charge	(13)	-
Reversal	-	10
Change in scope of consolidation	-	(27)
Reclassification	-	(33)
Translation differences	13	5
AT 31 DECEMBER	**(66)**	**(66)**

The criteria for recognising impairment losses are set out in note 33.3 on counterparty risk.

NOTE 24. OTHER CURRENT ASSETS

24.1. Breakdown

€ millions	2013	2012
Other receivables	1,350	1,430
Advances to non-consolidated companies	62	94
Accumulated impairment losses on other assets	(81)	(81)
Fair value hedges (assets) (see note 33)	189	139
Derivatives not qualifying for hedge accounting and cash flow hedges	-	2
Prepaid expenses	128	130
OTHER ASSETS	**1,647**	**1,714**

Other receivables primarily include tax receivables, prepaid employee benefit expenses and receivables from suppliers. Prepaid expenses mainly include purchases, rents, other occupancy costs and insurance premiums.

24.2. Accumulated impairment losses on other assets

€ millions	2013	2012
At 1 January	**(81)**	**(43)**
Charge	(15)	(55)
Reversal	15	30
Change in scope of consolidation	(2)	(13)
Reclassifications and other movements	-	-
Translation differences	3	1
AT 31 DECEMBER	**(81)**	**(81)**

NOTE 25. NET CASH

25.1. Breakdown

€ millions	2013	2012
Cash equivalents	3,358	3,783
Cash	2,075	2,520
Cash and cash equivalents	**5,433**	**6,303**
Bank overdrafts	(199)	(504)
NET CASH AND CASH EQUIVALENTS	**5,233**	**5,799**

Gross cash and cash equivalents of the parent company and its wholly-owned subsidiaries amounted to approximately €1,403 million. Total cash and cash equivalents of companies that are not wholly-owned amounted to approximately €3,898 million. The balance corresponds to the cash and cash equivalents of proportionately consolidated companies, amounting to approximately €132 million. Except for proportionately consolidated companies for which dividend payments are decided jointly with the Casino Group's partner, the cash and cash equivalents of fully consolidated companies are entirely available to the Group, subject to any restrictive covenants, as the Group controls their dividend policy despite the presence of non-controlling interests.

25.2. Breakdown of cash and cash equivalents by currency

€ millions	2013	%	2012	%
Euro	1,184	22	2,067	33
US dollar	126	2	261	4
Argentine peso[(1)]	37	1	44	1
Brazilian real	2,817	52	2,676	42
Thai baht	184	3	235	4
Colombian peso	922	17	864	14
Vietnamese dong	100	2	84	1
Uruguayan peso	40	1	43	1
Other	24	0	30	0
CASH AND CASH EQUIVALENTS	**5,433**	**100**	**6,303**	**100**

(1) Argentina operates local foreign exchange controls that restrict the foreign transfer of capital (and dividends) considerably.

25.3. Derecognition of financial assets

The Group has set up receivables discounting programmes with its banks. These programmes generally meet the conditions for derecognition of financial assets under IAS 39, the principles of which are set out in note 1.4.13.8. The Group considers that there is no risk of discounted receivables being cancelled by credit notes or being set off against liabilities. The receivables discounted under the programmes mainly concern services invoiced by the Group under contracts with suppliers that reflect the volume of business done with the suppliers concerned. The other risks and rewards associated with the receivables have been transferred to the banks. Consequently, as substantially all the risks and rewards have been transferred at the balance sheet date, the receivables are derecognised.

Some subsidiaries retain responsibility for collecting discounted receivables, for which they receive a fee. These fees were deemed not material at the year-end.

During 2013, the amount of discounted receivables with continuing involvement by the Group amounted to €1,102 million (compared with €1,275 million in 2012). The associated net cost was €6 million (against €5 million in 2012). Discounting generally takes place throughout the year.

At 31 December 2013, the Group's cash included €207 million of discounted receivables with continuing involvement (€312 million in 2012).

NOTE 26. EQUITY

26.1. Capital management

The Group's policy is to maintain a strong capital base in order to ensure the confidence of investors, creditors and the markets while ensuring the financial flexibility required to support the Group's future business development. The Group aims to continually optimise its financial structure through the right balance between its net financial costs, EBITDA and equity. In doing so, it can adjust the amount of dividends paid to shareholders, pay back part of the capital, buy back its own shares or issue new shares. The Group occasionally buys back its own shares in the market. The purpose of doing this is to allocate them to the liquidity contract and make a market in the shares or keep them to cover stock option plans, employee share ownership plans or share grant plans for Group employees and Executive Officers.

The policy objectives and management procedures are exactly the same as previous years.

Apart from legal requirements, the Group is not subject to any external requirements in terms of minimum equity.

26.2. Share capital

At 31 December 2013, the share capital was €173,051,921, *versus* €172,391,581 at 31 December 2012, divided into 113,105,831 fully-paid ordinary shares, each with a par value of €1.53.

Under the shareholder authorisations given to the Board of Directors, the share capital may be increased immediately or in the future, by up to €80 million through the issuance of shares or share equivalents other than bonus shares paid up by capitalising profits, reserves or additional paid-in capital.

Issued and fully-paid ordinary shares *(number of shares)*	2013	2012
At 1 January	**112,674,236**	**110,646,652**
Shares issued on exercise of stock options	195,756	-
Stock dividend payment	-	2,019,110
New shares issued pursuant to share grants	235,630	8,474
New shares issued pursuant to the merger between companies	209	-
AT 31 DECEMBER	**113,105,831**	**112,674,236**

26.3. Share equivalents

The Group has granted stock options to its employees under the plans presented in note 27.

26.4. Treasury shares

Treasury shares correspond to shareholder-approved buybacks of Casino Guichard-Perrachon S.A. shares. At 31 December 2013, the number of treasury shares held by the Group was 9,280, representing €1 million.

In January 2005, the Group signed a liquidity contract with the Rothschild investment bank for a total of 700,000 Casino shares and €40 million in accordance with European Commission regulation 2273/2003/EC. At 31 December 2013, no treasury shares were held under the contract. The cash earmarked for the liquidity account is invested in money market mutual funds. These funds qualify as cash equivalents and are therefore included in net cash and cash equivalents in the cash flow statement.

26.5. Deeply subordinated perpetual bonds

At the beginning of 2005, the Group issued €600 million worth of deeply subordinated perpetual bonds (TSSDI). The bonds are redeemable solely at the Group's discretion and interest payments are due only if the Group pays a dividend on its ordinary shares in the preceding twelve months. For these reasons, the bonds are carried in equity, for an amount of €600 million.

The bonds pay interest at the 10-year constant maturity swap rate plus 100 basis points, capped at 9%. Interest payments are deducted from equity.

On 18 January 2013, the Group issued €750 million worth of perpetual hybrid bonds on the market. The bonds are redeemable solely at the Group's discretion, possibly from 31 January 2019 at the earliest. These bonds pay interest with a coupon of 4.87% until that date (interest payments are deducted from equity). This rate is revised every five years. With regards the accounting treatment, considering their specific characteristics of duration and remuneration, the bonds are carried in equity for an amount of €750 million. Issue fees net of tax are charged on equity.

26.6. Other equity instruments

At 27 December 2013, Monoprix issued bonds redeemable in Monoprix preferred shares (ORA) in three groups worth a total of €500 million to CACIB. These ORA have a maturity of three years and interest at 6-month Euribor +5.1%. The repayment parity is fixed.

The Group also has a purchase option on these ORA that is exercisable at a parity price plus accrued interest, in part or in total, between June 2014 and October 2016.

The holders of ORA have certain protective rights over the level of Monoprix external financial debt, investments and external growth operations, as well as the sale of stores, beyond a certain threshold.

Upon maturity, the holders of ORA will receive Monoprix preferred shares representing 21.2% of capital and giving them the right to a double dividend on the share corresponding to profit after the ORA conversion date. The preferred shareholders have the right to vote and the same additional protective rights of ORA.

The Group analysed the transaction as follows:

- The fixed parity ORA is an equity instrument. The ORA purchase option is held by Casino and does not lead to the reclassification of ORA as financial debt.

- The Group states that the valuation of ORA is representative of the market value and that the characteristics of the preferred shares issued and their value do not result in the express obligation to exercise their purchase option on ORA and that the dividend policy is controlled by the Board of Directors (after maturity of ORAs, it is expected to amount to 80% of the distributable income).

The value was estimated by an independent auditor responsible for evaluating the specific benefits based on the comparison of stock markets after applying a reduction in the size and unlisted company (2% bonus on expected profit) and a reduction in liquidity (between 20% and 25%). An independent appraiser has also confirmed that the transaction is fair for Monoprix and Casino.

The ORA was classified as "non-controlling interests" in equity worth €420 million net of tax and its discounted interest coupons were classified in financial debt amounting to €79 million. The purchase option was recorded in reduction to the Group's equity (€4 million net of tax).

26.7. Further information on bonuses and reserves

26.7.1. Exchange differences

The translation reserve corresponds to cumulative exchange gains and losses on translating the equity of foreign subsidiaries and receivables and payables corresponding to the Group's net investment in these subsidiaries, at the closing rate.

Translation reserves by country at 31 December 2013

	Attributable to owners of the parent			Attributable to non-controlling interests			Total
€ millions	At 1 January 2013	Exchange differences for the period	At 31 December 2013	At 1 January 2013	Exchange differences for the period	At 31 December 2013	At 31 December 2013
Brazil	(203)	(546)	(749)	(470)	(1,113)	(1,583)	(2,332)
Argentina	(78)	(29)	(108)	-	-	-	(108)
Colombia	226	(169)	58	210	(181)	29	87
Uruguay	43	(14)	30	(2)	(6)	(9)	21
United States	2	(8)	(5)	-	-	-	(5)
Thailand	71	(71)	-	40	(49)	(9)	(9)
Poland	22	(3)	19	-	-	-	19
Indian Ocean	(6)	-	(6)	(3)	-	(3)	(9)
Vietnam	(7)	(5)	(12)	(2)	(1)	(4)	(16)
TOTAL	**71**	**(844)**	**(773)**	**(227)**	**(1,351)**	**(1,578)**	**(2,351)**

Movements in 2013 mainly stemmed from the appreciation of the euro against the Brazilian real.

Translation reserves by country at 31 December 2012

	Attributable to owners of the parent			Attributable to non-controlling interests			Total
€ millions	At 1 January 2012	Exchange differences for the period	At 31 December 2012	At 1 January 2012	Exchange differences for the period	At 31 December 2012	At 31 December 2012
Brazil	269	(473)	(203)	(35)	(434)	(470)	(673)
Argentina	(57)	(22)	(78)	-	-	-	(78)
Colombia	130	97	226	114	96	210	436
Uruguay	49	(6)	43	3	(5)	(2)	41
United States	5	(3)	2	-	-	-	2
Thailand	68	3	71	32	8	40	111
Poland	23	(1)	22	-	-	-	22
Indian Ocean	(5)	-	(6)	(3)	-	(3)	(8)
Vietnam	(7)	-	(7)	(2)	-	(2)	(10)
TOTAL	**476**	**(405)**	**71**	**108**	**(335)**	**(227)**	**(156)**

Movements in 2012 mainly stemmed from the appreciation of the euro against the Brazilian real.

26.7.2. Notes to the consolidated statement of comprehensive income

€ millions	2013	2012
Available-for-sale financial assets	**2**	**2**
Change in fair value during the period	1	2
Reclassification to profit or loss	2	-
Income tax (expense)/benefit	(1)	-
Cash flow hedges	**(4)**	**(7)**
Change in fair value during the period	(5)	(4)
Reclassification to profit or loss	1	(7)
Income tax (expense)/benefit	1	4
Net investment hedge	**-**	**(31)**
Change in fair value during the period	-	(47)
Reclassification to profit or loss	-	-
Income tax (expense)/benefit	-	17
Exchange differences (note 26.7.1)	**(2,195)**	**(741)**
Change in translation differences during the period	(2,195)	(604)
Reclassification to profit or loss due to disposals during the period	-	(137)
Actuarial gains and losses	**8**	**(28)**
Change during the period	13	(43)
Income tax (expense)/benefit	(4)	14
TOTAL	**(2,188)**	**(805)**

26.8. Non-controlling interests

€ millions	GPA	Exito	Big C Thailand	Mercialys	Monoprix	Other	Total
1 January 2013	**5,574**	**1,434**	**347**	**288**	**-**	**51**	**7,694**
% interest in non-controlling interests(1)	*61.8%*	*45.2%*	*41.5%*	*59.8%*	(2)		
Net profit	437	80	72	62	-	21	672
Other comprehensive income for the period concerned	(1,112)	(180)	(49)	-	-	(9)	(1,350)
Dividends paid/ to pay	(107)	(41)	(17)	-	-	(23)	(188)
Dividends received	-	6	-	-	-	5	11
Changes in percentage interest not resulting in the gain or loss of control of subsidiaries(3)	788	29	-	-	-	21	838
Change in percentage interest resulting in the gain or loss of control of subsidiaries	(3)	-	-	(350)	-	(5)	(359)
Issue of bonds redeemable in shares(4)	-	-	-	-	420	-	420
Other movements	13	-	-	-	-	-	14
31 DECEMBER 2013	**5,590**	**1,327**	**352**	**-**	**420**	**62**	**7,751**
% interest in non-controlling interests(1)	*61.9%*	*45.2%*	*41.5%*	(5)	(2)		

(1) The percentage of interest in non-controlling set out in this table does not include the non-controlling interests of sub-groups.
(2) Monoprix was proportionately consolidated until April 2013. After that date, Monoprix was fully consolidated.
(3) The €788 million increase in GPA mainly stemmed from the transactions described in notes 3.4 and 3.6.
(4) See note 26.6.
(5) See note 3.2.

26.9. Dividends

At the Annual General Meeting of 22 April 2013, the shareholders voted in favour of a dividend of €3.00 per ordinary share paid in cash for 2012. The amount set for equity amounts to 338 million.

The Board of Directors is in favour of a gross dividend of €3.12 for ordinary shares in 2013. The financial statements presented before allocation do not reflect this dividend which is subject to the approval of the shareholders at the next Ordinary General Meeting.

Cash dividends paid and recommended

€ millions	Net dividend in euros	Number of shares	Treasury shares	2013 recommended	2012
Ordinary dividends					
2012	€3.00	112,674,236	-		338
2013 dividend (recommended)(1)	€3.12	113,105,831	-	353	
Dividends on deeply subordinated perpetual bonds, net of tax					
2012	€15.61	600,000	-		9
2013	€19.25	600,000	-	12	

(1) The recommended 2013 dividend per share has been calculated on the basis of the total number of shares outstanding at 31 December 2013. It will be modified in 2014 to exclude the actual number of treasury shares held on the payment date.

NOTE 27. SHARE-BASED PAYMENTS

Since 1987, stock options or share grants have been granted in December of each year to new managers who have completed one year's service with the Group, and the number of options held by managers promoted to a higher grade has been adjusted.

Share grants are also made to certain company managers and to store managers. The shares vest in tranches, subject to continued employment with the Group and the attainment of Group performance targets for the period concerned.

In accordance with IFRS 2, all stock options granted were valued using the Black & Scholes option pricing model.

27.1. Impact of share-based payments on earnings and equity

The net expense of €18 million in 2013 (€19 million in 2012) was recognised by adjusting equity at 31 December 2012 by the same amount (€4 million for the parent company and €13 million for GPA).

27.2. Details of Casino, Guichard-Perrachon stock option plans

27.2.1. Details of the plans

Grant date	Exercise period start date	Expiry date	Number of options granted	Exercise price *(in €)*	Number of options outstanding at 31 December 2013
29 April 2010	29 October 2013	28 October 2015	48,540	64.87	43,805
4 December 2009	4 June 2013	3 June 2015	72,603	57.18	44,697
08 April 2009	8 October 2012	7 October 2014	37,150	49.47	13,000
5 December 2008	5 June 2012	4 June 2014	109,001	49.02	47,660
14 April 2008	14 October 2011	13 October 2013	434,361	76.72	-
7 December 2007	7 June 2011	6 June 2013	54,497	74.98	-
TOTAL					**149,162**

Main assumptions applied to value options on new shares

Grant date	Share price on the grant date *(in €)*	Estimated life of the options *(in years)*	Projected dividend yield	Projected volatility	Risk-free interest rate	Fair value of stock options *(in €)*
29 April 2010	65.45	5.5	5%	29.32%	1.69%	10.33
4 December 2009	58.31	5.5	5%	30.02%	2.09%	8.59
08 April 2009	48.37	5.5	5%	29.60%	2.44%	5.07
5 December 2008	43.73	5.5	5%	26.77%	3.05%	6.14
14 April 2008	75.10	5.5	5%	24.04%	4.17%	13.61
7 December 2007	77.25	5.5	5%	25.27%	4.85%	18.18

The table below shows movements in the number of outstanding options and average weighted exercise prices:

	2013		2012	
	Number of outstanding options	Weighted average exercise price *(in €)*	Number of outstanding options	Weighted average exercise price *(in €)*
Options outstanding at 1 January	**474,465**	**67.35**	**744,273**	**69.55**
Of which, vested options	*377,839*	*69.03*	*524,098*	*75.89*
Options granted during the period	-	-	-	-
Options exercised during the period	(195,756)	71.01	(8,474)	51.21
Options cancelled during the period	(34,044)	69.85	(56,033)	71.05
Options that lapsed during the period	(95,503)	76.44	(205,301)	74.98
OPTIONS OUTSTANDING AT 31 DECEMBER	**149,162**	**56.16**	**474,465**	**67.35**
Of which, vested options	*149,162*	*56.16*	*377,839*	*69.03*

27.2.2. Details of share grant plans

Grant date	Number of shares granted	Vesting date	End of lock-up period	Number of shares outstanding at 31 December 2013 before application of performance conditions
18 October 2013	2,705	18 October 2017	18 October 2017	2,705
18 October 2013	22,650	18 October 2015	18 October 2017	22,650
18 October 2013	7,857	18 October 2018	18 October 2018	7,857
18 October 2013	58,724	18 October 2016	18 October 2018	57,823
19 October 2012	41,200	19 October 2014	19 October 2016	41,200
19 October 2012	11,350	19 October 2015	19 October 2017	11,350
11 May 2012	17,859	11 May 2014	11 May 2016	17,859
29 March 2012	6422	29 March 2015	29 March 2017	6,422
2 December 2011	23,383	2 December 2014	2 December 2016	20,125
2 December 2011	2,362	2 December 2013	2 December 2015	-
21 October 2011	3,742	21 October 2014	21 October 2016	3,742
21 October 2011	26,931	21 October 2013	21 October 2015	-
21 October 2011	4,200	21 October 2014	21 October 2016	4,200
15 April 2011	69,481	15 April 2013	15 April 2015	-
15 April 2011	46,130	15 April 2014	15 April 2016	36,723
15 April 2011	241,694	15 April 2014	15 April 2016	181,774
15 April 2011	26,585	15 April 2014	15 April 2016	23,050
3 December 2010	17,268	3 December 2013	3 December 2015	-
22 October 2010	4,991	22 October 2012	22 October 2014	-
29 April 2010	296,765	29 April 2013	29 April 2015	-
29 April 2010	51,394	29 April 2013	29 April 2015	-
4 December 2009	24,463	4 December 2012	4 December 2014	-
TOTAL				**437,480**

Main assumptions applied to value share grants

Grant date	Share price on the grant date *(in €)*	Continued employment conditions	Performance condition applicable	Fair value of the share *(in €)*
18 October 2013	83.43	Yes	-	70.09
18 October 2013	83.43	Yes	-	67.63
18 October 2013	83.43	Yes	-	66.27
18 October 2013	83.43	Yes	-	65.42
19 October 2012	69.32	Yes	-	54.92
19 October 2012	69.32	Yes	(1)	52.46
11 May 2012	72.31	Yes	-	51.76
29 March 2012	74.10	Yes	-	56.31
2 December 2011	66.62	Yes	-	50.94
2 December 2011	66.62	Yes	-	53.16
21 October 2011	62.94	Yes	-	47.53
21 October 2011	62.94	Yes	-	49.79
21 October 2011	62.94	Yes	(1)	47.53
15 April 2011	70.80	Yes	-	58.99
15 April 2011	70.80	Yes	-	56.40
15 April 2011	70.80	Yes	(1)	56.34
15 April 2011	70.80	Yes	(1)	56.34
3 December 2010	69.33	Yes	-	55.35
22 October 2010	67.68	Yes	-	57.07
29 April 2010	65.45	Yes	(1)	50.86
29 April 2010	65.45	Yes	-	50.86
4 December 2009	58.31	Yes	-	42.47

(1) Performance conditions mainly involve organic sales growth and trading profit levels of the company to which the employee belongs.
At 31 December 2013, the applicable performance conditions were as follows:
- Monoprix: 0% for 2012 and 2011 plans;
- Other companies: 3% for 2011 plans.

The table below shows movements in share grant plans not yet vested:

Share grant plans, not yet vested	2013	2012
Number of outstanding shares at 1 January	**757,398**	**784,610**
Shares granted	91,936	76,831
Shares cancelled	(80,069)	(90,623)
Shares issued	(331,785)	(13,780)
NUMBER OF OUTSTANDING SHARES AT 31 DECEMBER	**437,480**	**757,398**

27.3. Details of GPA stock option plans

The price of Silver options corresponds to the average of the last 20 closing prices for GPA shares quoted on Bovespa, with a 20% discount. The number of shares resulting from the exercise of Silver options is fixed. The number of shares resulting from the exercise of Gold options is variable and depends on the ROIC (return on invested capital) performance condition for the Series A2 to A5 Gold plans. The performance condition for the Series A6 and A7 Gold plans is ROCE (return on capital employed). The Gold options may not be exercised independently from the Silver options.

Name of plan	Grant date	Exercise period start date	Expiry date	Number of options granted *(in thousands)*	Exercise price *(in BRL)*	Number of options outstanding at 31 December 2013
Series A4 – Gold	24 May 2010	31 May 2013	31 May 2014	514	0.01	-
Series A4 – Silver	24 May 2010	31 May 2013	31 May 2014	182	46.49	-
Series A5 – Gold	31 May 2011	31 May 2014	31 May 2015	299	0.01	145
Series A5 – Silver	31 May 2011	31 May 2014	31 May 2015	299	54.69	145
Series A6 – Gold	15 March 2012	15 March 2015	15 March 2016	526	0.01	330
Series A6 – Silver	15 March 2012	15 March 2015	15 March 2016	526	64.13	330
Series A7 – Gold	15 March 2013	14 March 2016	14 March 2017	358	0.01	315
Series A7 – Silver	15 March 2013	14 March 2016	14 March 2017	358	80.00	315
						1,580

Main assumptions applied to value options on new shares

GPA uses the following assumptions to value its plans:

- dividend yield: 0.88%;
- projected volatility: 28.91%;
- risk-free interest rate: 10.86%.

The average fair value of options outstanding was BRL 62.59 at 31 December 2013.

The table below shows movements in the number of outstanding options and average weighted exercise prices:

	2013		2012	
	Number of outstanding options *(in thousands)*	Weighted average exercise price *(in BRL)*	Number of outstanding options *(in thousands)*	Weighted average exercise price *(in BRL)*
Options outstanding at 1 January	**1,658**	**26.40**	**1,963**	**16.90**
Of which, vested options	-	-	*13*	*12.43*
Options granted during the period	716	40.02	1,052	32.08
Options exercised during the period	(743)	21.86	(1,293)	16.46
Options cancelled during the period	(51)	36.43	(64)	29.40
OPTIONS OUTSTANDING AT 31 DECEMBER	**1,580**	**34.39**	**1,658**	**26.40**
of which, vested options	-	-	-	-

NOTE 28. PROVISIONS

28.1. Breakdown and movements

€ millions	1 January 2013 restated	Increases 2013	Reversals (used) 2013	Reversals (surplus) 2013	Change in scope of consolidation	Translation adjustment	Other	31 December 2013
After-sales service	7	5	(7)	-	-	-	-	5
Pensions (note 29)	216	28	(14)	(13)	32	(4)	(5)	241
Jubilees	27	-	(1)	-	2	-	1	30
Long-service awards	17	-	(5)	-	-	-	-	12
Claims and litigation	48	23	(9)	(8)	1	(1)	-	56
Other liabilities and charges	918	368	(162)	(188)	(1)	(126)	8	816
Restructuring	18	14	(17)	-	2	-	2	18
TOTAL	**1,251**	**437**	**(214)**	**(209)**	**36**	**(130)**	**6**	**1,178**
of which short-term	*275*	*395*	*(186)*	*(195)*	*(52)*	*(1)*	*(22)*	*214*
of which long-term	*975*	*43*	*(28)*	*(14)*	*88*	*(129)*	*29*	*963*

Provisions for claims and litigation and for other liabilities and charges correspond to a large number of provisions for employee claims, property-related claims (concerning construction or refurbishment work, rents, tenant evictions, etc.), tax claims and business claims (trademark infringement, etc.).

More specifically, provisions for other liabilities and charges amounted to €816 million and mainly included provisions related to GPA (see note 28.2).

28.2. Breakdown of GPA provisions for liabilities and charges

€ millions	PIS/Cofins/ CPMF disputes[1]	Other tax-related disputes	Employee disputes	Civil litigation	Total
31 DECEMBER 2013	**147**	**332**	**102**	**59**	**640**
31 December 2012 restated	119	402	85	95	700

(1) VAT and similar taxes.

Within the scope of these claims and litigations, GPA is contesting the payment of certain taxes, contributions and social security obligations. Pending the final rulings from the administrative courts, these various disputes gave rise to the payment of bonds and bank guarantees of corresponding amounts (see note 21). In addition to these payments are guarantees provided by GPA (see note 34.1).

NOTE 29. PENSION AND OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS

The Group's obligations under defined benefit plans are measured on an actuarial basis. They mainly concern lump-sum retirement allowances.

29.1. Overview of plans

Defined contribution plan

Defined contribution plans are retirement provisions through which an employer commits to such funding through the regular payment of contributions to a managing body. The employer's commitment to the payment of contributions is limited and therefore does not guarantee the pension amount that employees will receive. This type of plan predominantly concerns employees of the Group's French subsidiaries. The latter come under the general social security system which is administered by the French state.

The expense for the year relating to defined contribution plans is €315 million at 31 December 2013 and concerns up to 88% of the Group's French subsidiaries (€302 million and 87% at 31 December 2012, respectively).

Defined benefit scheme

In certain countries, legislation or a conventional agreement provides for the payment of allowances to employees at certain times, either at the date of retirement, or at certain times post-retirement, based on their length of service and their salary at the age of retirement.

Schedule of future undiscounted cash flows

		Schedule of undiscounted cash flows					
€ millions	Carrying amount	2014	2015	2016	2017	2018	After 2018
Post-employment benefits	241	7	6	8	11	17	561

29.2. Main assumptions used in determining total obligations related to defined benefit plans

Plans falling under defined benefit schemes are exposed to interest rate risk, rate of salary increase risk and mortality rate risk.

The following table summarises the main actuarial assumptions used to measure the obligation:

	France		International	
	2013	2012	2013	2012
Discount rate	3.2%	3.2%	3.2%-7.1%	3.2%-6.1%
Expected rate of future salary increases	2.5%-3.0%	2.5%	2.5%-10.0%	3.5%-10.0%
Retirement age	62-64	62-64	55-65	55-65

For French companies, the discount rate is determined by reference to the Bloomberg 15-year AA corporate composite index.

Sensitivity analysis

A 25-basis point increase (decrease) in the discount rate would lead to a 2.77% decrease (2.69% increase) in the total obligation.

A 25-basis point increase (decrease) in the expected rate of salary increases would lead to a 3.03% increase (4.86% decrease) in the total obligation.

29.3. Change in obligation and plan assets

The following tables show a reconciliation of the obligations of all group companies and the provisions recognised in the consolidated financial statements at 31 December 2013 and 2012.

		France		International		Total	
€ millions		2013	2012	2013	2012	2013	2012
Actuarial liability at 1 January		**226**	**190**	**33**	**26**	**260**	**216**
Items included in the income statement		**17**	**14**	**3**	**4**	**20**	**18**
Service cost		11	8	2	3	13	11
Interest on defined benefit liabilities		6	6	2	2	8	7
Past service cost		-	-	-	-	-	-
Impact of reductions/wind-up of plans		-	-	-	-	-	-
Items included in other comprehensive income		**(8)**	**39**	**(5)**	**5**	**(13)**	**44**
• (1) Actuarial gains and losses related to:		(8)	39	(1)	4	(9)	43
(i) changes in financial assumptions		*(1)*	*21*	*(1)*	*1*	*(2)*	*22*
(ii) changes in demographic assumptions		-	*11*	-	-	-	*11*
(iii) experience effects		*(7)*	*7*	-	*3*	*(7)*	*10*
• (2) Translation adjustment		-	-	(4)	2	(4)	2
Other		**15**	**(17)**	**(2)**	**(2)**	**12**	**(19)**
Reduction in the liability (benefit payments)		(16)	(11)	(2)	(3)	(19)	(14)
Change in scope of consolidation		37	-	-	-	37	-
Other movements		(6)	(6)	-	1	(6)	(5)
Actuarial liability at 31 December	**A**	**250**	**226**	**29**	**33**	**280**	**260**
Weighted average duration of plans						**15**	**15**

		France		International		Total	
€ millions		2013	2012	2013	2012	2013	2012
Fair value of plan assets at 1 January		**43**	**49**	**-**	**-**	**43**	**49**
Items included in the income statement		**1**	**1**	**-**	**-**	**1**	**1**
Interest on defined benefit assets		1	1	-	-	1	1
Items included in other comprehensive income		**3**	**1**	**-**	**-**	**3**	**1**
Items included in other comprehensive income		3	1	-	-	3	1
Translation adjustment		-	-	-	-	-	-
Other		**(8)**	**(8)**	**-**		**(8)**	**(8)**
Reduction in the liability (benefit payments)		(13)	(9)	-	-	(13)	(9)
Change in scope of consolidation		4	-	-	-	4	-
Other movements		-	1	-	-	-	1
Fair value of plan assets at 31 December	**B**	**38**	**43**	**-**	**-**	**39**	**43**
NET RETIREMENT BENEFIT OBLIGATION	**A - B**	**212**	**182**	**29**	**33**	**241**	**216**
Funding requirement		***192***	***166***	**-**	**-**	***192***	***166***
Present value of projected benefit obligation under funded plans		*230*	*210*	-	-	*230*	*210*
Fair value of plan assets		*(38)*	*(43)*	-	-	*(38)*	*(43)*
Present value of projected benefit obligation under unfunded plans		***20***	***16***	***29***	***33***	***49***	***50***

The plan assets mainly comprise a euro fund invested in fixed-rate bonds.

Reconciliation of liabilities in the balance sheet

	France		International		Total	
€ millions	2013	2012	2013	2012	2013	2012
At 1 January	**183**	**141**	**33**	**26**	**216**	**167**
Cost for the period	17	13	3	4	20	18
Actuarial gains or losses recognised in equity	(11)	38	(1)	4	(12)	42
Translation adjustment	-	-	(4)	2	(4)	2
Reduction in the liability (benefit payments)	(16)	(11)	(2)	(3)	(19)	(14)
Partial reimbursement of plan assets	13	9	-	-	13	9
Change in scope of consolidation	32	-	-	-	32	-
Other movements	(6)	(7)	-	1	(6)	(7)
AT 31 DECEMBER	**212**	**183**	**29**	**33**	**241**	**216**

Breakdown of expense for the period

	France		International		Total	
€ millions	2013	2012	2013	2012	2013	2012
Service cost	11	8	2	3	13	11
Net interest on defined benefit liabilities[1]	5	6	2	2	7	7
COST FOR THE PERIOD	**17**	**13**	**3**	**4**	**20**	**18**

(1) Items in other financial income and expense.

NOTE 30. BORROWINGS

Financial liabilities amounted to €11,139 million at 31 December 2013 (€12,180 million in 2012), breaking down as follows:

		2013			2012		
€ millions	Note	Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
Bonds	30.2	7,085	881	7,967	6,934	773	7,708
Other financial liabilities	30.3	1,301	1,669	2,969	1,931	1,881	3,811
Finance leases	34.3	68	29	97	69	46	115
Put options granted to owners of non-controlling interests	30.4	42	33	75	443	69	512
Fair value hedges (liabilities)	33	20	11	31	17	17	34
BORROWINGS		**8,516**	**2,623**	**11,139**	**9,394**	**2,786**	**12,180**

30.1. Change in gross financial debt

€ millions	2013	2012
At 1 January	*12,180*	*9,590*
Fair value hedges (assets)	*(385)*	*(204)*
Financial debt at 1 January (including hedging instruments)	**11,794**	**9,386**
New borrowings[(1)]	1,827	2,054
Repayments (principal and interest)[(2)]	(2,410)	(1,753)
Change in fair value of debt hedged	-	(10)
Translation adjustment	(543)	(249)
Changes in scope of consolidation[(3)]	618	1,975
Change in put options granted to owners of non-controlling interests[(4)]	(439)	403
Reclassification as financial liabilities associated with assets held for sale (Mercialys)	-	(12)
Other	-	-
Financial debt at 31 December (including hedging instruments)	**10,849**	**11,794**
Gross financial liabilities at 31 December	*11,139*	*12,180*
Fair value hedges (assets)	*(291)*	*(385)*

(1) New borrowings mainly stem from the following transactions: (i) new bond issues totalling €1,350 million made by Casino, Guichard-Perrachon, (ii) new loans of Brazilian, Colombian and Vietnamese subsidiaries of €45 million, €39 million and €30 million, respectively (iii) the debt component of ORA bonds issued by Monoprix (€79 million) (see note 26.6), and (iv) net cash flows from commercial paper (€167 million).

(2) Loan repayments are mainly related to: (i) Casino, Guichard-Perrachon, GPA and Exito bonds (€544 million, €195 million and €30 million, respectively), (ii) other borrowings and financial liabilities relating to Franprix-Leader Price, GPA, Casino, Guichard-Perrachon and Big C Thailand (€355 million, €340 million, €184 million and €66 million, respectively), (iii) the repayment of lines of credit drawn down by Monoprix (€453 million) and (iv) overdrafts (€109 million).

(3) Changes in the scope of consolidation during the year mainly relate to the takeover of Monoprix (see note 3.1) and the Franprix-Leader Price sub-group (see note 3.3) (up to €311 million and €301 million, respectively). In 2012, the change resulted largely from the takeover of GPA.

(4) Changes in put options of non-controlling interests largely concern the share exchange with the Diniz family for €399 million (see note 3.4) as well as the transactions carried out in the Franprix-Leader Price sub-group (see note 3.3).

Financing transactions in 2012

On 18 January 2013, the Group issued €750 million in new 10-year (2023) bonds under its EMTN programme, paying interest at 3.31%. The effective interest rate of this bond is 3.23% (see note 30.2).

On 29 April 2013, the Group made two bond issues for a total consideration of €600 million, €350 million added to the existing bonds due 2019 and €250 million added to the existing bonds due 2023. These bonds are repaid at a rate of 3.16% and 3.31%, respectively, and mature between 2019 and 2023. The effective interest rate of these bonds is 2.83% and 3.23%, respectively (see note 30.2).

On 4 July 2013, Casino, Guichard-Perrachon signed a 5-year confirmed credit facility of US$1 billion (approximately €770 million) with a group of 10 banks. This line refinances the three-year US$900 million facility established in August 2011 (see note 30.3).

Big C Thailand financing transactions in 2012

On 27 December 2013, Big C Thailand refinanced bank debt of THB10 billion (€221 million) which was maturing in July 2014 through new bank facilities of THB9 billion (€199 million). The revolving facility of THB8 billion (€177 million) was also extended from June 2015 to December 2016.

On 31 December 2013, Big C Thailand's funding mechanism was therefore made up of a revolving facility (undrawn at 31 December 2013) of THB8 billion (€221 million) and THB20,325 billion (€450 million) of drawn down credit facilities:

- two loans of THB3 billion (€66 million) repayable at maturity due December 2015 and THB 6 billion (€133 million) due December 2016;
- two redeemable bonds due July 2017 and July 2019 with balances of THB4,325 billion (€96 million) and THB7 billion (€155 million) at 31 December 2013, respectively.

The debts pay interest at 3- or 6-month THBFIX plus a margin (BIBOR 3-month plus a margin in case of drawdown of the revolving facility).

These facilities are subject to financial covenants (net debt to EBITDA and net debt to equity); these covenants were respected at 31 December 2013.

30.2. Bonds

€ millions	Amount	Interest rate[1]	Effective interest rate	Issue date	Due	2013[2]	2012[3]
Bonds in euros							
2013 bonds	544	F: 6.38	6.36%	April 2008 June 2008 May 2009	April 2013	-	552
2014 bonds	578	F: 4.88	5.19%	April 2007 June 2008	April 2014	582	600
2015 bonds	750	F: 5.50	5.60%	July 2009	January 2015	771	789
2016 bonds	600	F: 4.47	4.58%	October 2011	April 2016	600	601
2017 bonds	888	F: 4.38	5.85%	February 2010	February 2017	863	855
2018 bonds	508	F: 4.48	5.25%	May 2010	November 2018	530	539
2019 bonds	1,000	F: 3.16	2.83%	August 2012 April 2013	August 2019	1,015	655
2020 bonds	600	F: 3.99	4.05%	March 2012	March 2020	608	620
2021 bonds	850	F: 4.73	5.13%	May 2011	May 2021	843	862
2023 bonds	1,000	F: 3.31	3.23%	January 2013 April 2013	January 2023	993	-
Bonds in COP							
Exito bond issue	32	V: CPI + 5.45%	CPI + 5.45%	April 2006	April 2013	-	32
Carulla bond issue	64	V: CPI + 7.50%	CPI + 7.50%	May 2005	May 2015	56	64
Bonds in BRL							
GPA bond issue	96	V: CDI + 0.5%	CDI + 0.5%	March 2007	March 2013	-	96
GPA bond issue	61	V: 109.5% CDI	109.5% CDI	December 2009	December 2014	61	146
GPA bond issue	187	V: 107.7% CDI	107.7% CDI	January 2011	January 2014	187	226
GPA bond issue	245	V: 108.5% CDI	108.5% CDI	December 2011	June 2015	245	295
GPA bond issue	368	V: CDI + 1%	CDI + 1%	May 2012	November 2015	368	443
GPA bond issue	123	V: 100% CDI + 1%	100% CDI + 1%	January 2012	July 2015	123	148
GPA bond issue	37	V: 105.35% CDI	105.35% CDI	April 2012	April 2013	-	37
GPA bond issue	61	V: CDI + 0.72%	V: CDI + 0.72%	June 2012	December 2014	61	74
GPA bond issue	61	V: CDI + 0.72%	V: CDI + 0.72%	June 2012	January 2015	61	74
TOTAL BONDS						**7,967**	**7,708**

(1) F (Fixed rate) – V (Variable rate) – CPI (Consumer Price Index) – CDI (Certificado de Deposito Interbancario).
(2) The amounts shown above include the impact of fair value hedges.

30.3. Other borrowings

€ millions	Amount	Type of rate	Issue date	Due	2013	2012
France						
Calyon structured loan	184	Variable rate	June 2007	June 2013	-	184
Alaméa	300	Variable rate	April 2010	April 2015	300	300
Commercial paper					402	235
Other(1)					247	226
International						
Latin America(2)					804	1,223
Other(3)					635	752
Bank overdrafts					**199**	**504**
Accrued interest(4)					**382**	**387**
TOTAL OTHER BORROWINGS					**2,969**	**3,811**

(1) Including Franprix-Leader Price for €113 million in 2013 and €175 million in 2012.
(2) GPA for €768 million and Exito for €36 million in 2013 (€1,222 million and €1 million respectively in 2012).
(3) Mainly Big C Thailand for €583 million in 2013 and €719 million in 2012.
(4) Accrued interest relates to all financial liabilities including bonds.

Confirmed bank lines of credit 2013

		Due			
€ millions	Interest rate	Within one year	More than one year	Amount of the facility	Drawdowns
Casino, Guichard-Perrachon syndicated credit line(1)	Variable rate	-	1,925	1,925	-
Other confirmed bank lines of credit	Variable rate	505	677	1,182	-

(1) Includes the €1,200 million syndicated line of credit renewed in August 2010 for five years and the US$1 billion line due in July 2018.

Confirmed bank lines of credit 2012

		Due			
€ millions	Interest rate	Within one year	More than one year	Amount of the facility	Drawdowns
Casino, Guichard-Perrachon syndicated credit line(1)	Variable rate	-	1,882	1,882	-
Other confirmed bank lines of credit	Variable rate	390	693	1,083	190

(1) Includes the €1,200 million syndicated line of credit renewed in August 2010 for five years and the US$900 million line due in 2014.

30.4. Put options granted to owners of non-controlling interests

These put options correspond to liabilities towards various counterparties arising from commitments made by the Group to purchase shares in consolidated companies. They have therefore been recognised as financial liabilities and break down as follows at 31 December 2013:

€ millions	% interest	Commitment	Price	Fixed or variable exercise price	Non-current financial liabilities	Current financial liabilities
Franprix-Leader Price(1)	26.00% to 74.00%	26.00% to 74.00%		F/V	33	14
Lanin/Devoto (Uruguay)(2)	96.55%	3.45%		V	-	15
Monshowroom	60.61%	39.39%		V	8	2
Monoprix (Somitap)	55.20%	45.80%		F	-	1
TOTAL COMMITMENTS					**42**	**33**

(1) The value of put options on subsidiaries of the Franprix-Leader Price sub-group is generally based on net profit. A +/- 10% change in the indicator would have an impact of +/- €3 million. They expire between 2014 and 2035.
(2) The option is exercisable until 21 June 2021.

30.5. Net debt

€ millions	2013 Non-current portion	2013 Current portion	2013 Total	2012 Non-current portion	2012 Current portion	2012 Total
Bonds	7,085	881	7,967	6,934	773	7,708
Other financial liabilities	1,301	1,669	2,969	1,931	1,881	3,811
Finance leases	68	29	97	69	46	115
Put options granted to owners of non-controlling interests	42	33	75	443	69	512
Fair value hedges (liabilities)	20	11	31	17	17	34
Gross financial liabilities	**8,516**	**2,623**	**11,139**	**9,394**	**2,786**	**12,180**
Fair value hedges (assets)	(102)	(189)	(291)	(246)	(139)	(385)
Other financial assets	-	-	-	(40)	-	(40)
Cash and cash equivalents	-	(5,433)	(5,433)	-	(6,303)	(6,303)
Cash and cash equivalents and other financial assets	**(102)**	**(5,622)**	**(5,723)**	**(286)**	**(6,443)**	**(6,729)**
NET DEBT	**8,414**	**(2,998)**	**5,416**	**9,108**	**(3,657)**	**5,451**

NOTE 31. OTHER LIABILITIES

	2013 Non-current	2013 Current	2013 Total	2012 restated Non-current	2012 restated Current	2012 restated Total
Derivative liabilities	5	179	184	28	4	32
Accrued taxes and employee benefits expense	361	1,830	2,192	576	1,773	2,350
Other liabilities	15	1,105	1,120	28	1,199	1,227
Amounts due to suppliers of fixed assets	28	210	238	29	236	266
Current account advances	-	17	17	-	36	36
Finance payables (credit business)	44	837	881	48	924	973
Deferred income	153	64	217	191	133	324
TOTAL	**606**	**4,242**	**4,848**	**900**	**4,307**	**5,207**

NOTE 32. FAIR VALUE OF FINANCIAL INSTRUMENTS

32.1. Financial assets and liabilities by category of instrument

32.1.1. Financial assets

The following tables show financial assets by category.

€ millions	**2013**		2013
Financial assets	**Carrying amount (A)**	**Non-financial assets (B)**	**Total financial assets (A-B)**
Other non-current assets	1,593	703	891
Trade receivables	1,510	-	1,510
Other current assets	1,647	623	1,024
Cash and cash equivalents	5,433	-	5,433

€ millions	**2012**		2012
Financial assets	**Carrying amount (A)**	**Non-financial assets (B)**	**Total financial assets (A-B)**
Other non-current assets	2,001	762	1,239
Trade receivables	1,734	-	1,734
Other current assets	1,714	668	1,047
Cash and cash equivalents	6,303	-	6,303

Carrying amount						
Assets held for trading	Financial instruments designated as at fair value	Hedging instruments	Held-to-maturity investments	Loans and receivables	AFS – measured at fair value	AFS – measured at cost
-	-	102	-	673	57	59
-	-	-	-	1,510	-	-
-	-	189	-	835	-	-
485	-	-	-	4,949	-	-

Carrying amount						
Assets held for trading	Financial instruments designated as at fair value	Hedging instruments	Held-to-maturity investments	Loans and receivables	AFS – measured at fair value	AFS – measured at cost
133	-	246	-	738	54	68
-	-	-	-	1,734	-	-
2	-	139	-	906	-	-
485	-	-	-	5,818	-	-

32.1.2. Financial liabilities

The following tables show financial liabilities by category.

	2013		2013	Carrying amount			
€ millions	Carrying amount	Non-financial liabilities	Total financial liabilities	Liabilities at amortised cost	Liabilities held for trading	Liabilities designated as at fair value	Hedging instruments
Bonds	7,967	-	7,967	7,967	-	-	-
Other financial liabilities	3,075	-	3,075	2,969	75	-	31
Finance leases	97	-	97	97	-	-	-
Trade payables	7,016	-	7,016	7,016	-	-	-
Other liabilities	4,848	1,775	3,073	2,890	175	-	9

	2012		2012	Carrying amount			
€ millions	Carrying amount	Non-financial liabilities	Total financial liabilities	Liabilities at amortised cost	Liabilities held for trading	Liabilities designated as at fair value	Hedging instruments
Bonds	7,708	-	7,708	7,708	-	-	-
Other financial liabilities	4,357	-	4,357	3,811	512	-	34
Finance leases	115	-	115	115	-	-	-
Trade payables	6,655	-	6,655	6,655	-	-	-
Other liabilities	5,207	2,007	3,200	3,168	28	-	4

32.2. Fair value hierarchy for assets and liabilities

The tables below compare the carrying amount and fair value of consolidated financial assets and liabilities, other than those of which the carrying amount is given by reasonable approximations of the fair values such as trade receivables, trade payables, cash and cash equivalents and bank overdrafts. The fair value of investment properties is shown in note 17.

32.2.1. Assets

€ millions	Carrying amount	Fair value	Hierarchy of fair value Level 1	Level 2	Level 3	Other additional information
31 December 2013						
Assets measured at fair value						
Available-for-sale financial assets	57	57	-	-	57	(1)
Fair value hedges (assets)	291	291	-	291	-	(2)
Other derivative assets			-	-	-	
31 December 2012						
Assets measured at fair value						
Available-for-sale financial assets	54	54	2	-	53	(1)
Fair value hedges (assets)	385	385	-	385	-	(2)
Other derivative assets	134	134	-	2	133	(3)

(1) The fair value of financial assets available for sale is mainly measured using standard methods of analysis. If their fair value cannot be determined reliably, they are not included in this note.
(2) Derivative financial instruments are valued (internally or externally) on the basis of the widely used valuation techniques for this type of instrument. Valuation models are based on observable market inputs (mainly the yield curve) and counterparty quality.
(3) €133 million relates to a call option of up to €114 million on 75% of Bartira's shares held by GPA; this call option was exercised during 2013 (see note 3.5). The fair value of the option was measured until the exercise date based on the Black & Scholes model with 28% volatility and a risk-free rate of 5.8%.

32.2.2. Liabilities

€ millions	Carrying amount	Fair value	Hierarchy of fair value			Other additional information
			Level 1	Level 2	Level 3	
31 December 2013						
Liabilities measured at fair value						
Fair value hedges (liabilities)	31	31	-	31	-	(1)
Other derivative liabilities	184	184	-	184	-	(1)
Put options granted to owners of non-controlling interests	75	75	-	-	75	(2)
Liabilities not measured at fair value						
Bonds	7,967	8,375	8,375	-	-	(3)
Other financial liabilities	2,969	2,994		2,994	-	(4)
31 December 2012						
Fair value hedges (liabilities)	34	34	-	34	-	(1)
Other derivative liabilities	32	32	-	32	-	(1)
Put options granted to owners of non-controlling interests	512	512	-	399	113	(2)
Liabilities not measured at fair value						
Bonds	7,708	8,216	8,216	-	-	(3)
Other financial liabilities	3,811	3,846	-	3,846	-	(4)

(1) Derivative financial instruments are valued (internally or externally) on the basis of the widely used valuation techniques for this type of instrument. Valuation models are based on observable market inputs (mainly the yield curve) and counterparty quality.
(2) The fair value of commitments to buy back minority interests is measured in application of the contract's calculation formulae and is discounted, if necessary; these formulae are considered to be representative of the fair value which uses notably EBITDA multiples. The disclosure about the sensitivity of minority interest buybacks for 2013 is shown in note 30.4.
(3) The fair value of bonds issued is based on the latest known quoted price on the closing date.
(4) The fair value of other loans has been measured on the basis of other valuation methods such as the discounted cash flow method and taking in the Group's credit risk and interest rate conditions at 31 December 2013.

NOTE 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks associated with the Group's financial instruments are market risks (currency, interest rate and equity risk), counterparty risk and liquidity risk.

Financial risk monitoring and management is the responsibility of the Corporate Finance Department, which is part of Group Finance department. This team manages all financial exposures in coordination with the finance departments of the Group's main subsidiaries and reports to Senior Management. It has issued good practice guidance governing all financing, investment and hedging operations carried out by Group entities.

The Group uses derivative financial instruments such as interest rate swaps and forward currency transactions to manage its exposure to interest rate changes and currency risks. These instruments are mainly over-the-counter instruments transacted with first-class bank counterparties. Most of these transactions or instruments qualify for hedge accounting.

However, like many other large corporates, the Group has the possibility of taking very small, strictly controlled speculative positions as part of its hedging policy, for more dynamic and versatile management of its interest rate positions.

33.1. Breakdown of derivative financial derivatives

The table below shows a breakdown of derivative financial instruments by type of risk and accounting classification:

€ millions	Note	2013	Interest rate risk	Currency risk	Other market risks	2012
Derivative assets						
Financial instruments at fair value through profit or loss	21 – 24.1	-	-	-	-	134
Cash flow hedges		-	-	-	-	-
Fair value hedges	30.5	291	263	28	-	385
TOTAL DERIVATIVE ASSETS		**291**	**263**	**28**	**-**	**520**
of which current		*189*	*161*	*28*	-	*141*
of which non-current		*102*	*102*	-	-	*379*
Derivative liabilities						
Financial instruments at fair value through profit or loss	31	175	-	-	175	28
Cash flow hedges	31	9	-	9	-	4
Fair value hedges	30.5	31	31	-	-	34
TOTAL DERIVATIVE LIABILITIES		**215**	**31**	**9**	**175**	**66**
of which current		*190*	*11*	*9*	*170*	*21*
of which non-current		*25*	*20*	-	*5*	*45*

At 31 December 2013, the IFRS cash flow hedge reserve totalled €(9) million compared with €(4) million at 31 December 2012. The ineffective portion of these cash flow hedges is not material.

The fair value of derivative instruments that do not qualify for hedge accounting under IAS 39 amounted to €(175) million at 31 December 2013 compared with €107 million at 31 December 2012.

The appraisal of derivatives at 31 December 2013 was carried out taking into account the credit valuation adjustment (CVA) and the debit valuation adjustment (DVA) in accordance with IFRS 13. The impact of these adjustments is not significant.

33.2. Market risk

33.2.1. Interest rate risk

The Group's objective is to manage its exposure to the risk of interest rate changes and optimise its financing cost. Its strategy therefore consists of dynamically managing debt by monitoring and, where necessary, adjusting its hedging ratio based on forecast trends in interest rates.

Various derivative instruments are used to manage interest rate risks, mainly interest rate swaps. These instruments do not always qualify for hedge accounting; however all interest-rate instruments are used in connection with the above risk management policy.

Group financial policy consists of managing finance costs by combining variable and fixed rate derivatives.

Sensitivity analysis to a change in interest rates

€ millions	2013	2012
Borrowings	1,957	1,832
Finance lease liabilities	29	46
Bank overdrafts	199	504
Total variable rate borrowings (excluding accrued interest)(1)	**2,185**	**2,382**
Cash equivalents	3,358	3,783
Cash	2,075	2,520
TOTAL CASH AND CASH EQUIVALENTS	**5,433**	**6,303**
NET POSITION BEFORE HEDGING	**(3,247)**	**(3,922)**
Derivative financial instruments	5,860	4,990
NET POSITION AFTER HEDGING	**2,612**	**1,069**
Net position to be rolled over within one year	2,612	1,069
Effect of a 1-point change in interest rates	26	11
Average remaining duration of hedges	1	1
Effect of a 1-point change in interest rates on finance costs	27	11
Finance costs, net	635	519
EFFECT OF A 1-POINT CHANGE IN INTEREST RATES, AS A % OF FINANCE COSTS, NET	**4.11%**	**2.06%**

(1) Adjustable rate financial assets and liabilities are considered as maturing on the interest reset date. The above total does not include liabilities not exposed to interest rate risk, corresponding mainly to put options granted to owners of non-controlling interests and accrued interest.

33.2.2. Exposure to currency risk

Due to its geographical diversification, the Group is exposed to currency translation risk, in other words its balance sheet and income statement, and consequently its financial ratios, are sensitive to change in exchange rates as part of the consolidation of the financial statements of its foreign subsidiaries outside the euro zone. It is also exposed to currency risk on transactions not denominated in euros.

The Group's policy in this respect is to hedge highly probable budgeted exposures, which mainly involve purchases made in a currency other than its functional currency and particularly purchases in US dollars. Substantially all budgeted purchases are hedged using forward currency purchases and currency swaps with the same maturities as the underlying transactions.

The Group's net exposure based on notional amounts after hedging is mainly to the following currencies (excluding the functional currencies of entities):

€ millions	USD	EUR	Total exposure 2013	Total exposure 2012
Trade receivables exposed	(8)	(1)	(9)	(8)
Other financial assets exposed	(224)	(7)	(232)	(263)
Trade payables exposed	105	11	116	116
Financial liabilities exposed	104	1	104	361
Gross exposure payable/(receivable)	**(23)**	**3**	**(20)**	**207**
Trade receivables hedged	-	-	-	-
Other financial assets hedged	(10)	-	(10)	(106)
Trade payables hedged	45	-	45	19
Financial liabilities hedged	101	-	101	364
NET EXPOSURE PAYABLE/(RECEIVABLE)	**(159)**	**3**	**(156)**	**(71)**
Future purchase hedges	**262**			**90**

At 31 December 2012, the net balance sheet exposure of €(71) million mainly concerned the US dollar.

Sensitivity of net exposure after hedging to exchange rate changes

A 10% appreciation of the euro against those currencies at 31 December would have decreased net profit by the amounts shown in the table below. A 10% depreciation of the euro against those currencies at 31 December would have produced the opposite effect.

For the purposes of the analysis, all other variables, particularly interest rates, are assumed to be constant.

€ millions	2013	2012
US dollar	(16)	(7)
Other	-	-
TOTAL	**(16)**	**(7)**

Exchange rates against the euro

	2013		2012	
Exchange rates against the euro	Closing rate	Average rate	Closing rate	Average rate
US dollar (USD)	1.3791	1.3281	1.3194	1.2856
Polish zloty (PLN)	4.1543	4.1975	4.0740	4.1843
Argentine peso (ARS)	8.9838	7.2859	6.4879	5.8485
Uruguayan peso (UYP)	29.4805	27.1368	25.5737	26.0332
Thai baht (THB)	45.1780	40.8297	40.347	39.944
Colombian peso (COP)	2,657.29	2,482.68	2,333.00	2,311.59
Brazilian real (BRL)	3.2576	2.8702	2.7036	2.5097
Vietnamese dong (VND)	29,010.750	27,915.096	27,480.000	26,771.000

33.3. Counterparty risk

The Group is exposed to various aspects of counterparty risks in its operating activities, its short-term investment activities and its interest rate and currency hedging instruments. It monitors these risks regularly, using several objective indicators, and diversifies its exposure by dealing with the least risky counterparties (based mainly on their credit ratings and their reciprocal commitments with the Group).

Counterparty risk related to trade receivables

Retail credit risk

Group policy consists of checking the financial health of all customers applying for credit payment terms. Customer receivables are regularly monitored and the Group's exposure to the risk of bad debts is not material.

Trade receivables break down as follows by maturity:

		Receivables past due on the balance sheet date					
€ millions	Receivables not yet due, not impaired	Receivables not more than one month past due	Receivables between one and six months past due	Receivables more than six months past due	Total	Impaired receivables	Total
2013	633	80	53	24	158	150	941
2012	746	94	53	22	170	164	1,080

Receivables past due but not impaired can vary substantially in length of time overdue depending on the type of customer, *i.e.* private companies, consumers or public authorities. Impairment policies are determined on an entity-by-entity basis according to customer type. As indicated above, the Group believes that it has no material risk in terms of credit concentration.

Counterparty risk related to other assets

Other assets, mainly comprising tax receivables, and repayment rights are neither past due nor impaired.

Credit risk on other financial assets – mainly comprising cash and cash equivalents, available-for-sale financial assets and certain derivative financial instruments – corresponds to the risk of failure by the counterparty to fulfil its obligations. The maximum risk is equal to the instruments' carrying amount. The Group's cash management policy consists of investing cash and cash equivalents with first-class counterparties and in first-class rated instruments.

33.4. Liquidity risk

The Group's liquidity policy is to ensure, as far as possible, that it always has sufficient liquid assets to settle its liabilities as they fall due, in either normal or impaired market conditions.

The main methods used are:

- diversifying sources of financing: public and private capital markets, banks (confirmed and non-confirmed facilities), commercial paper, discounting;
- diversifying currencies of financing: euro, other functional currencies used by the Group, dollar;
- maintaining a level of confirmed financing facilities significantly in excess of the Group's liabilities at any time;
- limiting the amount of annual repayments and proactive management of the repayment schedule;
- managing the average maturity of financing facilities and, where appropriate, refinancing them before they fall due.

Most of the Group's debt is carried by Casino, Guichard-Perrachon. Financing is managed by the Corporate Finance Department. The main subsidiaries (GPA, Big C Thailand, Monoprix, Exito) also have their own sources of financing.

All subsidiaries report weekly to the Group on their cash management and all new financing facilities require prior approval from the Corporate Finance Department.

The Group liquidity position was robust at 31 December 2013, with:

- undrawn confirmed credit facilities totalling €3,107 (including €2,250 million at Casino, Guichard-Perrachon level);
- available cash of €5,233 million.

Notes issued under Casino, Guichard-Perrachon's €9 billion Euro Medium Term Notes (EMTN) programme totalled €6,774 million at 31 December 2013.

Furthermore, notes issued under Casino, Guichard-Perrachons's €1 billion commercial paper programme totalled €402 million at 31 December 2013.

The Group's loan and bond agreements include the usual commitment and default provisions of this type of contract: limitations to *pari passu* senior debt, negative pledges and cross default.

Casino, Guichard-Perrachon's loan agreements contain a mandatory acceleration clause in the event of a change of control of the Company.

In addition, bonds issued by Casino, Guichard-Perrachon contain an acceleration clause at the investors' discretion (except for two TSSDI issues) should its long-term senior debt be downgraded to non-investment grade, but only if this downgrade is due to a change of majority shareholder. These bonds (except for TSSDI) are rated BBB- by the rating agencies Standard & Poor's and Fitch Ratings.

With the exception of the €578 million April 2014 bond issue, they also contain a coupon step-up clause increasing the interest rate should Casino, Guichard-Perrachon's long-term senior debt rating be downgraded to non-investment grade.

Financing subject to covenants

At 31 December 2013, the covenants to which Casino, Guichard-Perrachon is exposed were as follows:

Nature of covenant	Main types of debt subject to covenant	Result from the covenant at 31 December 2013
Consolidated net debt(2) / Consolidated EBITDA(1) < 3.5	€1.2 billion syndicated credit line Credit line of US$1 billion Bilateral funding totalling €150 million	1.6
Consolidated net debt(2) / Consolidated EBITDA(1) < 3.7	Bilateral funding totalling €50 million Alaméa loan of €300 million	

(1) EBITDA (earnings before interest, taxes, depreciation and amortisation) = trading profit plus operating depreciation and amortisation.
(2) Net debt as defined in the loan agreements may differ from net debt recognised in the consolidated financial statements (see note 1.4.29). It corresponds to borrowings and financial liabilities less cash and cash equivalents, as increased or reduced by the net impact of fair value hedges of debt with a positive or negative fair value.

The Group considers that it can comply very comfortably with its covenants over the next twelve months.

Note that Casino, Guichard-Perrachon's bonds and commercial paper are not subject to any financial covenant.

Financing of subsidiaries subject to covenants

Most of the financing contracts of the Group contain financial covenants mainly for GPA (see table below) and Big C Thailand subsidiaries (see note 30.1).

Subsidiary	Nature of covenant	Main types of debt subject to covenant
GPA(1)	Net debt(2) may not be higher than equity(3)	All bonds financing
	Consolidated net debt to EBITDA may not exceed 3.25	
	Equity/total assets ≥ 0.3	BNDES financing totalling €96 million
	EBITDA/net financial debt ≥ 0.35	

(1) All of GPA's covenants are based on the consolidated data of GPA.
(2) Marked down cash, cash equivalents and receivables.
(3) Consolidated equity (of the Group and minority shareholders).

At 31 December 2013, these covenants were upheld. GPA's consolidated net debt/EBITDA ratio is equal to 0.34 (0.19 at 31 December 2012).

Exposure to liquidity risk

The table below shows a maturity schedule for financial liabilities at 31 December 2013, including principal and interest but excluding discounting.

Regarding the derivative financial instruments, the table has been drawn up based on the contractual net cash inflows and outflows on instruments that settle on a net basis and the gross inflows and outflows on those instruments that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the yield curves existing at the end of reporting period.

	Maturity						
€ millions	**Due within one year**	**Due in one to two years**	**Due in two to three years**	**Due in three to five years**	**Due beyond five years**	**2013 Total**	**Carrying amount**
NON-DERIVATIVE FINANCIAL INSTRUMENTS RECOGNISED IN LIABILITIES:							
Bonds and other borrowings	2,965	2,732	1,171	1,989	3,877	12,733	10,936
Put options granted to owners of non-controlling interests	33	-	3	20	26	82	75
Finance lease liabilities	37	20	19	34	58	168	97
Trade payables and other financial liabilities	9,800	61	23	7	15	9,906	9,906
TOTAL	**12,835**	**2,813**	**1,215**	**2,050**	**3,977**	**22,888**	
DERIVATIVE FINANCIAL INSTRUMENTS ASSETS/(LIABILITIES):							
Interest rate derivatives							
Derivative contracts – received	191	166	145	209	189	899	
Derivative contracts – paid	(95)	(100)	(103)	(180)	(205)	(684)	
Derivative contracts – settled net	4	4	-	-	-	8	
Currency derivatives							
Derivative contracts – received	217	96	-	-	-	313	
Derivative contracts – paid	(219)	(96)	-	-	-	(315)	
Derivative contracts – settled net	26	-	-	-	-	26	
Other derivative instruments							
Derivative contracts – received	-	-	-	-	-	-	
Derivative contracts – paid	(170)	-	-	(5)	-	(175)	
Derivative contracts – settled net	-	-	-	-	-	-	
TOTAL	**(47)**	**71**	**42**	**23**	**(17)**	**72**	**75**

€ millions	Maturity: Due within one year	Due in one to two years	Due in two to three years	Due in three to five years	Due beyond five years	2012 restated Total	Carrying amount
NON-DERIVATIVE FINANCIAL INSTRUMENTS RECOGNISED IN LIABILITIES:							
Bonds and other borrowings	3,071	2,187	2,878	2,105	3,168	13,409	11,519
Put options granted to owners of non-controlling interests	69	399	14	15	28	525	512
Finance lease liabilities	51	31	16	28	44	170	115
Trade payables and other financial liabilities	9,733	56	1	5	27	9,823	9,823
TOTAL	**12,923**	**2,675**	**2,909**	**2,152**	**3,267**	**23,926**	
DERIVATIVE FINANCIAL INSTRUMENTS ASSETS/(LIABILITIES):							
Interest rate derivatives							
Derivative contracts – received	169	181	152	237	207	947	
Derivative contracts – paid	(107)	(89)	(86)	(110)	(98)	(491)	
Derivative contracts – settled net	3	6	8	-	-	17	
Currency derivatives							
Derivative contracts – received	149	-	-	-	-	149	
Derivative contracts – paid	(113)	-	-	-	-	(113)	
Derivative contracts – settled net	-	18	-	-	-	18	
Other derivative instruments							
Derivative contracts – received	-	-	-	-	-	-	
Derivative contracts – paid	-	2	-	(2)	-	-	
Derivative contracts – settled net	-	-	-	-	-	-	
TOTAL	**102**	**117**	**74**	**125**	**109**	**527**	**454**

33.5. Equity risk

At 31 December 2013, the Group did not hold any significant interests in listed companies other than its subsidiaries or treasury shares.

The Group may use derivative instruments (*e.g.* total return swaps with no call option, forward contracts, call options) with the aim of building a synthetic exposure to the shares of its listed subsidiaries (see note 9.2). The carrying amount of these instruments corresponds to their estimated value as provided by a financial institution on the closing date. These values take account of market data such as interest rates and share prices.

In addition, the Group has no exposure to call options on ordinary shares. Its policy as regards cash management is to invest only in money market instruments that are not exposed to equity risk.

NOTE 34. OFF-BALANCE SHEET COMMITMENTS

Management believes that, to the best of its knowledge, there were no off-balance sheet commitments at 31 December 2013, other than those described below, likely to have a material impact on the Group's current or future financial position.

The completeness of this information is checked by the Finance, Legal and Tax departments, which also participate in drawing up contracts that are binding on the Group.

Commitments entered into in the ordinary course of business mainly concern the Group's operating activities except for undrawn confirmed lines of credit, which represent a financing commitment.

Other commitments are relative to the Group's consolidated scope.

34.1. Commitments entered into in the ordinary course of business

34.1.1. Commitments given

The amounts disclosed in the table below represent the maximum potential amounts (not discounted) that the Group might have to pay in respect of commitments given. They are not netted against sums which the Group might recover through legal actions or counter-indemnities received.

€ millions	2013	2012
Assets pledged as collateral(1)	263	315
Bank bonds and guarantees given(2)	1,696	1,454
Firm purchase commitments* (3)	30	43
Other commitments	48	37
Due:		
Within one year	*54*	*57*
In one to five years	*1,945*	*1,678*
Beyond five years	*37*	*114*
TOTAL COMMITMENTS GIVEN	**2,037**	**1,849**

* *Reciprocal commitments.*
(1) Assets pledged, mortgaged or otherwise given as collateral.
(2) In 2013, included €1,646 million in bonds and bank guarantees by GPA mainly for tax-related disputes (€1,324 million in 2012).
(3) Commitments to purchase goods and services, less any advance payments made.

French subsidiaries' commitments in respect of the mandatory personal training entitlement ("DIF") amounted to 6,719,618 hours at 31 December 2013, *versus* 5,681,607 at 31 December 2012. The amount of entitlement used during the year totalled 60,504 hours.

34.1.2. Commitments received

The amounts disclosed in the table below represent the maximum potential amounts (not discounted) that the Group might receive in respect of commitments received.

€ millions	2013	2012
Bonds and guarantees received from banks	80	78
Security for receivables	79	63
Undrawn confirmed lines of credit (see notes 30.3)	3,107	2,775
Other commitments	10	20
Due:		
Within one year	*528*	*215*
In one to five years	*2,616*	*2,603*
Beyond five years	*132*	*119*
TOTAL COMMITMENTS RECEIVED	**3,277**	**2,937**

34.2. Other commitments

34.2.1. Commitments given

The amounts disclosed in the table above represent the maximum potential amounts (not discounted) which the Group might have to pay in respect of commitments given, except for written put options which are measured at their fair value.

The table does not include commitments given by the Group to associates and joint ventures (see notes 19 and 20 respectively).

€ millions	2013	2012
Seller's warranties[(1)]	15	57
• Polish business[(2)]	13	47
• Property assets	-	8
• Other assets	2	2
Written put options* [(3)]	155	262
• Franprix-Leader Price	68	157
• Disco (Uruguay)	87	90
Monoprix* [(4)]	-	1,175
Coopérateurs de Normandie* [(5)]	-	-
Other commitments given[(6)]	210	16
TOTAL COMMITMENTS GIVEN	**380**	**1,510**

** Reciprocal commitments.*

(1) Following the property disposals, the Group is the tenant under traditional fixed-rent commercial leases. The Group has issued a guarantee covering the risk of vacancy should it decide to vacate the premises after the first three-year lease break and fails to find a new tenant on similar financial terms and conditions. The guarantee is valid from the first day of the fourth year to the final day of the sixth year. The guarantee is conditional and cannot be quantified.
When Vindémia sold its production activities in Reunion, it committed to specific purchase volumes for a period of five years. To date, these volumes have been met.

(2) The Group has given the customary warranties in connection with its disposals and notably in connection with the sale of hypermarkets business, Mayland has given the buyer a seller's warranty covering any risks pre-dating the sale that are not covered by provisions in the balance sheet. The amount of the warranty is capped at €46 million and is valid for 24 months as of the sale date and for eight years in the case of environmental claims. The amount of the warranty decreases gradually as of 2008 and was €18 million at 31 December 2013. After deduction of a provision for risks, the net amount presented in the table above is €13 million.

(3) In accordance with IAS 32, put options granted to owners of non-controlling interests in fully-consolidated subsidiaries are recognised as financial liabilities at their discounted present value or their fair value (see notes 1.4.20 and 30.4).
Under the terms of the option contracts, the exercise price of written put and call options may be determined using earnings multiples, based on the latest published earnings for options exercisable at any time and earnings forecasts or projections for options exercisable as of a given future date. In many cases, the put option written by the Group is matched by a call option written by the other party. For these options, the value shown corresponds to that of the written put.

- *Franprix-Leader Price*
  Put options on master franchises not controlled by Casino. Put options on master franchises not controlled by Casino. The options are exercisable until 2032 at a price based on the operating profits of the companies concerned.
- *Uruguay*
  Casino has granted a put option on 29.3% of Disco's capital to the family shareholders. The option is exercisable until 21 June 2021 at a price based on the Disco sub-group's consolidated operating profit, with a floor of USD41 million plus interest at 5% per year.

(4) Monoprix
Acquisition of control in Monoprix (see note 3.1).

(5) Signature of a strategic partnership with the Coopérateurs de Normandie-Picardie group.
On 28 October 2013, Casino Group signed an agreement with Mutant Distribution, subsidiary of the Coopérateurs de Normandie-Picardie group, dealing with the purchase of 47 stores by Leader Price, mainly situated in the southwest of France, and the establishment of an affiliate partnership with the Leader Price brand through a trademark licensing agreement and provisions dealing with close to 90 stores in Normandie-Picardie. These stores currently run the "Le Mutant" discount brand. Through this partnership and new acquisition, the Casino Group continues to reinforce its presence in the discount category in France. The acquisition will be submitted for prior approval of the Competition Authority.
These transactions should be carried out in the course of the first quarter of 2014.

(6) The variation observed between 31 December 2012 and 31 December 2013 relates mainly to the guarantee of Monoprix's consolidated shareholders' equity (ended 31 December 2013) that the Group granted to CACIB in connection with the issue of ORA bonds. The cap of this guarantee is €200 million to which a franchise of €20 million is built in. This guarantee runs until 26 June 2017.

34.2.2. Commitments received

Commitments received amounted to €15 million at 31 December 2013 (€8 million at 31 December 2012).

34.3. Lease commitments

34.3.1. Finance leases where the Group is lessee

The Group has leases on owner-occupied property and investment property. Actual future minimum lease payments under these leases and the present value of the future minimum payments are as follows:

Finance leases on property where the Group is lessee

	2013	
€ millions	Future minimum lease payments	Present value of future minimum lease payments
Due within one year	6	3
Due in one to five years	13	2
Due beyond five years	49	10
Total future minimum lease payments	**68**	
Interest cost	(52)	
TOTAL PRESENT VALUE OF FUTURE MINIMUM LEASE PAYMENTS	**16**	**16**

	2012	
€ millions	Future minimum lease payments	Present value of future minimum lease payments
Due within one year	13	9
Due in one to five years	14	4
Due beyond five years	43	13
Total future minimum lease payments	**70**	
Interest cost	(42)	
TOTAL PRESENT VALUE OF FUTURE MINIMUM LEASE PAYMENTS	**27**	**27**

The Group has finance leases and leases with purchase options on equipment. Actual future minimum lease payments under these leases and the present value of the future minimum payments are as follows:

Finance leases on equipment where the Group is lessee

	2013	
€ millions	Future minimum lease payments	Present value of future minimum lease payments
Due within one year	31	26
Due in one to five years	60	48
Due beyond five years	8	7
Total future minimum lease payments	**100**	**81**
Interest cost	(19)	
TOTAL PRESENT VALUE OF FUTURE MINIMUM LEASE PAYMENTS	**81**	**81**

€ millions	2012 Future minimum lease payments	2012 Present value of future minimum lease payments
Due within one year	39	36
Due in one to five years	61	55
Due beyond five years	2	1
Total future minimum lease payments	**101**	
Interest cost	(10)	
TOTAL PRESENT VALUE OF FUTURE MINIMUM LEASE PAYMENTS	**91**	**91**

34.3.2. Operating leases where the Group is lessee

The Group has operating leases on properties used in the business that do not meet the criteria for classification as finance leases. The present value of future minimum payments under non-cancellable operating leases breaks down as follows:

Operating leases on property where the Group is lessee

	Future minimum lease payments	
€ millions	**2013**	**2012**
Due within one year	752	669
Due in one to five years	895	909
Due beyond five years	577	686

Future minimum lease payments receivable under non-cancellable sub-leases amounted to €6 million at 31 December 2013 (€11 million at 31 December 2012).

The Group has operating leases on certain items of equipment that it does not wish to ultimately own. The present value of future minimum payments under non-cancellable operating leases breaks down as follows:

Operating leases on equipment where the Group is lessee

	Future minimum lease payments	
€ millions	**2013**	**2012**
Due within one year	40	42
Due in one to five years	59	67
Due beyond five years	-	-

34.3.3. Operating leases where the Group is lessor

The Group is also a lessor through its property activity. Future minimum lease payments receivable under non-cancellable operating leases break down as follows:

	Future minimum lease payments	
€ millions	**2013**	**2012**
Due within one year	93	185
Due in one to five years	75	138
Due beyond five years	25	22

Conditional rental revenue received by the Group included in the income statement in 2013 amounted to €10 million (€9 million in 2012).

NOTE 35. CONTINGENT ASSETS AND LIABILITIES

In the normal course of its business, the Group is involved in a number of legal or arbitration proceedings with third parties or with the tax authorities in certain countries. Provisions are set aside to cover these proceedings when the Group has a legal, contractual or constructive obligation towards a third party at the year-end, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

Contingent liabilities in associates and joint ventures are presented in notes 19.4 and 20.

Dispute with the Baud family

Following various demands by the Baud family considered unfounded by the Group, various disputes remain ongoing at 31 December 2013.

Defence proceedings by the sellers of the controlling block in Globex Utilidades SA

In June 2009, GPA, through one of its subsidiaries, acquired the controlling block in Globex Utilidades SA, a leading retailer of electronics and home appliances under the "Ponto Frio" banner.

The former majority shareholder (Morzan Empreendimentos) initiated an arbitration proceeding with the International Chamber of Commerce on 30 May 2012 considering that GPA and its controlling shareholders, including Wilkes (GPA's head holding company), as well as Casino, Guichard-Perrachon and three of its other sub-holding companies, had failed to comply with the contractual terms regarding payment of the portion payable in GPA shares.

At this stage, the arbitration board is being initiated. In any event, neither GPA nor its controlling shareholders believe the claim is founded. In addition, aside from GPA and Wilkes, which are parties to the share sale agreement, none of the other defendants can be bound by the provisions of the agreement.

Property damage in Thailand

During the unrest in Bangkok in the second quarter of 2010, the Group's subsidiary Big C Thailand sustained partial and total property damage and business interruption losses due to a fire. Discussions with the insurers are being completed, which should result in settlement during 2014 of the €9 million compensation recognised in the financial statements.

GPA contingent liabilities

€ millions	2013	2012 restated
INSS (employer's contributions to the employee protection plan)	87	105
IRPJ – IRRF and CSLL (corporate income taxes)	398	290
PIS, COFINS and CPMF (VAT and similar taxes)	302	372
ISS, IPTU and ITBI (service tax, urban property tax and tax on property transactions)	96	111
ICMS (VAT)	995	1,039
Employee disputes	164	150
Civil litigation	209	191
TOTAL	**2,251**	**2,257**

NOTE 36. RELATED PARTY TRANSACTIONS

Related parties are:

- parent companies (mainly Rallye, Foncière Euris, Finatis and Euris);
- entities that exercise joint control or significant influence over the entity;
- subsidiaries (see note 39);
- associates (mainly Mercialys and those within the Franprix-Leader Price sub-group);
- joint ventures;
- members of the entity's administrative, management and supervisory bodies.

The Company has relations with all its subsidiaries in its day-to-day management of the Group. It also receives advice from its majority shareholder, Groupe Rallye, through Euris, the ultimate holding company, under a strategic advice and assistance contract signed in 2003.

Cdiscount sold €122 million of trade receivables to Banque du Groupe Casino in the first half of 2013.

The related party transactions presented below mainly concern routine transactions with companies over which the Group exercises joint control or significant influence, which are respectively proportionately consolidated or accounted for by the equity method. These transactions are carried out on arm's length terms.

Related party transactions with individuals (directors, corporate officers and members of their families) are not material.

36.1. Related party transactions

	2013 (*)		2012	
€ millions	Transactions	Balances	Transactions	Balances
Transactions with joint ventures				
Loans	-	-	-	-
Receivables	(3)	3	(12)	91
Payables	(1)	12	(3)	98
Expense	44	-	53	-
Income	39	-	68	-
Transactions with associates				
Loans	(43)	8	45	51
Receivables	5	6	-	1
Payables	14	13	-	-
Expense	65		29	
Income	62		3	

(1) 2013 transactions do not include flows related to Monoprix.

36.2. Gross remuneration and benefits of the members of the Executive Committee and the Board of Directors

€ millions	2013	2012
Short-term benefits excluding payroll taxes(1)	9	15
Payroll taxes on short-term benefits	2	3
Termination benefits	-	2
Share-based payments(2)	1	3
TOTAL	**12**	**23**

(1) Gross salaries, bonuses, discretionary and statutory profit-sharing, benefits in kind and directors' fees.
(2) Expense recognised in the income statement in respect of stock option and share grant plans.

The members of the Group Executive Committee are not entitled to any specific pension benefit.

NOTE 37. SUBSEQUENT EVENTS

Launch of 3 new Cdiscount sites in Thailand, Vietnam and Colombia

The Group's electronic commerce activities moved a further step forward with the launch of three new Cdiscount sites in Thailand, Vietnam and Colombia.

Capitalising on its expertise, know-how and familiarity with the e-commerce market acquired with its Cdiscount brand, the French leader in this segment, Casino decided to launch three new Cdiscount sites in partnership with its subsidiaries, Big C in Thailand and Vietnam and Exito in Colombia.

These activities will complement existing sites at its international subsidiaries and ultimately will enable Casino to build a strong position in markets where e-commerce is just starting to grow.

Agreement between Exito and Super Inter

On 8 February 2014, Exito signed a contract to purchase and manage the 50 stores of the Colombian chain Super Inter. Exito will buy 19 stores in 2014 and will sign management lease contracts for the 31 remaining stores, for which it has a purchase option exercisable in 2015.

Founded in 1992, Super Inter is an independent chain based in Cali and the Coffee Region, with sales expected to reach around US$425 million in 2013.

The deal will be financed in cash by Exito and will have a positive impact on net profit as from the first year. The closing of the transaction remains subject to the approval of the Colombian competition authorities.

NOTE 38. STATUTORY AUDITORS' FEES

The fees recorded in respect of the audit of Casino's accounts amounted to €10 million at 31 December 2013 (€9 million at 31 December 2012).

Fees for other direct audit-related work amounted to €0.6 million for the year ended 31 December 2013 (€0.4 million at 31 December 2012).

NOTE 39. MAIN CONSOLIDATED COMPANIES

At 31 December 2013, the Casino Group comprised 1,860 consolidated companies. The main companies are listed below.

	2013			2012		
Company	% control	% interest	Consolidation method	% control	% interest	Consolidation method
Casino, Guichard-Perrachon SA			**Parent**			**Parent**
FRANCE – RETAILING						
Casino Carburants SAS	100.00	100.00	FC	100.00	100.00	FC
Casino Services SAS	100.00	100.00	FC	100.00	100.00	FC
Casino Vacances SNC	100.00	100.00	FC	100.00	100.00	FC
Casino Information Technology SAS	100.00	100.00	FC	100.00	100.00	FC
Comacas SNC	100.00	100.00	FC	100.00	100.00	FC
Distribution Casino France SAS (DCF)	100.00	100.00	FC	100.00	100.00	FC
Distridyn SA	49.99	49.99	PC	49.99	49.99	PC
Easydis SAS	100.00	100.00	FC	100.00	100.00	FC
EMC Distribution SAS	100.00	100.00	FC	100.00	100.00	FC
Floréal SA	100.00	100.00	FC	100.00	100.00	FC
Geimex SA	49.99	49.99	PC	49.99	49.99	PC
Régie Média Trade SAS	50.00	50.00	PC	50.00	50.00	PC
Serca SAS	100.00	100.00	FC	100.00	100.00	FC

Company	2013 % control	2013 % interest	2013 Consolidation method	2012 % control	2012 % interest	2012 Consolidation method
Monoprix SA group	**100.00**	**100.00**	**FC**	**50.00**	**50.00**	**PC**
Société Auxiliaire de Manutention Accélérée de Denrées Alimentaires (SAMADA)(1)	100.00	100.00	FC	100.00	100.00	FC
Monoprix Exploitation (MPX)(1)	100.00	100.00	FC	100.00	100.00	FC
Societe L.R.M.D.(1)	100.00	100.00	FC	100.00	100.00	FC
Naturalia(1)	100.00	100.00	FC	100.00	100.00	FC
Monop'(1)	100.00	100.00	FC	100.00	100.00	FC
Franprix-Leader Price group						
Franprix-Leader Price	100.00	100.00	FC	100.00	100.00	FC
Addy Participations	100.00	100.00	FC	51.00	51.00	FC
Barat	100.00	100.00	FC	100.00	100.00	FC
Distri Sud-Ouest (DSO)	100.00	100.00	FC	49.00	49.00	EM
Cafige	100.00	100.00	FC	49.00	49.00	EM
Distribution Leader Price	100.00	100.00	FC	100.00	100.00	FC
Distribution Franprix	100.00	100.00	FC	100.00	100.00	FC
Cofilead	100.00	100.00	FC	60.00	60.00	FC
Cogefisd	100.00	100.00	FC	84.00	84.00	FC
Figeac	100.00	100.00	FC	84.00	84.00	FC
Ecomag	49.00	49.00	EM	49.00	49.00	EM
Franprix Holding	100.00	100.00	FC	100.00	100.00	FC
H2A	100.00	100.00	FC	100.00	100.00	FC
HDRIV	100.00	100.00	FC	100.00	100.00	FC
Leader Price Exploitation (ex-LPH)	100.00	100.00	FC	100.00	100.00	FC
LCG	49.00	49.00	EM	49.00	49.00	EM
Norma	100.00	100.00	FC	-	-	-
Patrick Fabre Distribution	100.00	100.00	FC	100.00	100.00	FC
Parfidis	36.00	36.00	EM	36.00	36.00	EM
Pro Distribution	60.00	60.00	FC	60.00	60.00	FC
R.L.P.I	100.00	100.00	FC	100.00	100.00	FC
Sarjel	60.00	60.00	FC	60.00	60.00	FC
Sédifrais	100.00	100.00	FC	100.00	97.00	FC
SI2M	100.00	100.00	FC	49.00	74.00	EM
Sodigestion	60.00	60.00	FC	60.00	60.00	FC
Sofigep	100.00	100.00	FC	100.00	100.00	FC
Surgénord	100.00	100.00	FC	100.00	97.00	FC
Sud Est	100.00	100.00	FC	100.00	100.00	FC
Taleb	60.00	60.00	FC	60.00	60.00	FC
Volta 10	51.00	51.00	EM	51.00	51.00	FC

Company	2013 % control	2013 % interest	2013 Consolidation method	2012 % control	2012 % interest	2012 Consolidation method
Codim group						
Balcadis 2 SNC	100.00	100.00	FC	100.00	100.00	FC
Codim 2 SA	100.00	100.00	FC	100.00	100.00	FC
Costa Verde SNC	100.00	100.00	FC	100.00	100.00	FC
Fidis 2 SNC	100.00	100.00	FC	100.00	100.00	FC
Hyper Rocade 2 SNC	100.00	100.00	FC	100.00	100.00	FC
Lion de Toga 2 SNC	100.00	100.00	FC	100.00	100.00	FC
Pacam 2 SNC	100.00	100.00	FC	100.00	100.00	FC
Poretta 2 SNC	100.00	100.00	FC	100.00	100.00	FC
Prical 2 SNC	99.00	99.00	FC	99.00	99.00	FC
Prodis 2 SNC	100.00	100.00	FC	100.00	100.00	FC
Semafrac SNC	100.00	100.00	FC	100.00	100.00	FC
SNC des Cash Corses	100.00	100.00	FC	100.00	100.00	FC
Sodico 2 SNC	100.00	100.00	FC	100.00	100.00	FC
Sudis 2 SNC	100.00	100.00	FC	100.00	100.00	FC
Unigros 2 SNC	100.00	100.00	FC	100.00	100.00	FC
FRANCE – PROPERTY						
Property Group						
IGC Services SAS	100.00	100.00	FC	100.00	100.00	FC
L'Immobilière Groupe Casino SAS	100.00	100.00	FC	100.00	100.00	FC
Dinetard SAS	100.00	100.00	FC	100.00	100.00	FC
Sudéco SAS	100.00	100.00	FC	100.00	100.00	FC
Uranie SAS	100.00	100.00	FC	100.00	100.00	FC
Green Yellow SAS	90.76	92.87	FC	96.00	92.87	FC
Mercialys group (listed company)						
Mercialys SA	40.27	40.27	EM	40.20	40.20	FC
Property development						
Plouescadis	100.00	100.00	FC	100.00	100.00	FC
Sodérip SNC	100.00	100.00	FC	100.00	100.00	FC
IGC Promotion SAS	100.00	100.00	FC	100.00	100.00	FC
Onagan	100.00	100.00	FC	100.00	100.00	FC
Alcudia Promotion	100.00	100.00	FC	100.00	100.00	FC
SCI Les Halles des Bords de Loire	100.00	100.00	FC	100.00	100.00	FC
France – Other businesses						
Banque du Groupe Casino	50.00	50.00	EM	50.00	50.00	EM
Casino Restauration SAS	100.00	100.00	FC	100.00	100.00	FC
Restauration Collective Casino SAS	100.00	100.00	FC	100.00	100.00	FC
Villa Plancha	100.00	100.00	FC	100.00	100.00	FC
France – Other businesses						
Cdiscount SA	99.78	99.78	FC	99.78	99.78	FC
Monshowroom.com	71.28	60.61	FC	49.89	60.57	EM
INTERNATIONAL – POLAND						
Mayland	100.00	100.00	FC	100.00	100.00	FC
INTERNATIONAL – THAILAND						
Big C group (listed company)	58.55	58.55	FC	58.55	58.55	FC
INTERNATIONAL – ARGENTINA						
Libertad SA	100.00	100.00	FC	100.00	100.00	FC

Company	2013 % control	2013 % interest	2013 Consolidation method	2012 % control	2012 % interest	2012 Consolidation method
INTERNATIONAL – BRAZIL						
Wilkes	100.00	100.00	FC	52.45	70.37	FC
GPA group (listed company)	**99.94**	**38.07**	**FC**	**99.94**	**38.17**	**FC**
Novasoc Comercial Ltda (Novasoc)[(2) (3)]	99.98	10.00	FC	99.98	10.00	FC
Sé Supermercados Ltda (Sé)[(2)]	100.00	100.00	FC	100.00	100.00	FC
Sendas Distribuidora S.A. (Sendas)[(2)]	100.00	100.00	FC	100.00	100.00	FC
GPA Malls & Properties Gestão de Ativos e Serviços Imobiliários Ltda. (GPA M&P)[(2)]	100.00	100.00	FC	100.00	100.00	FC
Financeira Itaú CBD S.A. – Crédito, Financiamento e Investimento (FIC)[(2) (4)]	50.00	41.93	EM	50.00	43.22	EM
Via Varejo (listed company)[(2)]	62.25	43.35	FC	52.41	52.41	FC
Indústria de Móveis Bartira Ltda. (Bartira)[(5) (6)]	100.00	100.00	FC	25.00	25.00	PC
Banco Investcred Unibanco S.A. (BINV)[(2) (4)]	50.00	21.67	EM	50.00	26.21	EM
INTERNATIONAL – COLOMBIA						
Exito group (listed company)	**54.77**	**54.77**	**FC**	**54.77**	**54.77**	**FC**
Devoto[(7)]	96.55	96.55	FC	96.55	96.55	FC
Grupo Disco Uruguay[(7)]	62.49	62.49	PC	62.49	62.49	PC
Distribuidora de Textiles y Confecciones SA (DIDETEXCO)[(7)]	94.00	94.00	FC	94.00	94.00	FC
Alm Exito Inversiones Sas[(7)]	100.00	100.00	FC	-	-	-
Patrimonio Autonomo Laureles[(7)]	80.00	80.00	FC	-	-	-
Patrimonio Autonomo Sincelejos[(7)]	51.00	51.00	FC	-	-	-
Patrimonio Autonomo Villavicencio[(7)]	54.00	54.00	FC	-	-	-
Patrimonio Autonomo San Pedro Plaza 1[(7)]	51.00	51.00	FC	51.00	51.00	FC
Patrimonio Autonomo San Pedro Plaza 2[(7)]	51.00	51.00	FC	51.00	51.00	FC
INTERNATIONAL – INDIAN OCEAN						
Vindémia group	100.00	100.00	FC	100.00	100.00	FC
INTERNATIONAL – VIETNAM						
Cavi Retail Ltd	100.00	100.00	FC	100.00	100.00	FC
Espace Bourbon Than Long	100.00	65.00	FC	100.00	65.00	FC
Espace BigC An Lac	100.00	80.00	FC	100.00	80.00	FC
Espace BigC Dong Nai	100.00	65.00	FC	100.00	65.00	FC
Espace BigC Hai Phong	100.00	100.00	FC	100.00	100.00	FC
EB Danang	100.00	100.00	FC	100.00	100.00	FC
EBG	100.00	100.00	FC	100.00	100.00	FC
Espace Business Hue	100.00	94.10	FC	100.00	94.10	FC
Viet Nhat Real Estate	100.00	100.00	FC	100.00	100.00	FC
EB Vinh	100.00	100.00	FC	100.00	100.00	FC
EB Phu Thanh	100.00	100.00	FC	100.00	100.00	FC
EB NamDinh	100.00	100.00	FC	100.00	100.00	FC
EB Tan Phu	100.00	100.00	FC	-	-	-
EB Vinh Phuc	100.00	100.00	FC	100.00	100.00	FC
Tan Hiep	100.00	100.00	FC	100.00	100.00	FC
Savico LB	100.00	100.00	FC	100.00	100.00	FC
Can Tho	100.00	100.00	FC	100.00	100.00	FC
Hai Duong	100.00	100.00	FC	100.00	100.00	FC
Thanh Hoa	100.00	100.00	FC	100.00	100.00	FC
New Cho	100.00	61.14	FC	100.00	61.14	FC
GreenBuildings	100.00	80.00	FC	100.00	80.00	FC

Company	2013 % control	2013 % interest	2013 Consolidation method	2012 % control	2012 % interest	2012 Consolidation method
FRENCH AND INTERNATIONAL HOLDING COMPANIES						
Alaméa Investments(8)	5.00	99.95	FC	5.00	99.95	FC
Bergsaar BV	100.00	100.00	FC	100.00	100.00	FC
Casino International SAS	100.00	100.00	FC	100.00	100.00	FC
Casino Ré SA	100.00	100.00	FC	100.00	100.00	FC
Coboop BV	100.00	100.00	FC	100.00	100.00	FC
Cofidol	100.00	100.00	FC	100.00	100.00	FC
Géant Foncière BV	100.00	100.00	FC	100.00	100.00	FC
Géant Holding BV	100.00	100.00	FC	100.00	100.00	FC
Géant International BV	100.00	100.00	FC	100.00	100.00	FC
FRENCH AND INTERNATIONAL HOLDING COMPANIES						
Gelase SA	100.00	100.00	FC	100.00	100.00	FC
Intexa (listed company)	97.91	97.91	FC	97.91	97.91	FC
Forézienne de Participations	100.00	100.00	FC	100.00	100.00	FC
IRTS	100.00	100.00	FC	100.00	100.00	FC
Latic	100.00	100.00	FC	100.00	100.00	FC
Marushka Holding BV	100.00	100.00	FC	100.00	100.00	FC
Pachidis SA	100.00	100.00	FC	100.00	100.00	FC
Polca Holding SA	100.00	100.00	FC	100.00	100.00	FC
Saowanee	100.00	48.99	FC	100.00	48.99	FC
Ségisor SA	100.00	100.00	FC	100.00	100.00	FC
Tevir SA	100.00	100.00	FC	100.00	100.00	FC
Theiadis SAS	100.00	100.00	FC	100.00	100.00	FC
Tonquin BV	100.00	100.00	FC	100.00	100.00	FC
Spice Espana	100.00	100.00	FC	100.00	100.00	FC

(1) The percentage interest corresponds to the percentages held by the Monoprix sub-group.
(2) The percentage interest corresponds to the percentages held by the GPA sub-group.
(3) Although GPA only owns 10% of Novasoc, it is fully consolidated as GPA controls 99.98% of the voting rights under the shareholder pact.
(4) FIC and BINV finance purchases made by GPA's customers. These entities were created through a partnership between Banco Itaú Unibanco S.A. (Itaú Unibanco), GPA and Via Varejo. They are accounted for by the equity method as GPA only exercises significant influence over their operating and financial policies.
(5) The percentage interest corresponds to the percentages held by the Via Varejo sub-group.
(6) Until end-October 2013, Bartira was proportionally consolidated even though GPA only held 25% of the voting rights through its subsidiary Via Varejo. The remaining 75% were owned by the Klein family through the subsidiary Casa Bahia Comercial Ltda. GPA and the Klein family had entered into a partnership giving them joint control over the subsidiary, which stipulated that all operating and financial decisions must be unanimously approved by the partners.
(7) The percentage interest corresponds to the percentages held by the Exito sub-group.
(8) Alaméa Investments is a Luxembourg société anonyme owned 95% by a bank and 5% by the Group. It is a special purpose entity and has been fully consolidated due to the way it is structured.

PARENT COMPANY FINANCIAL STATEMENTS AT 31 DECEMBER 2013

4.1. STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

(Free translation of a French language original)

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English-speaking readers. This report includes information specifically required by French law in such reports, whether qualified or not. This information is presented below the opinion on the financial statements and includes (an) explanatory paragraph(s) discussing the auditors' assessment(s) of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside the financial statements.

This report should be read in conjunction with, and is construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholders' meeting, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the accompanying annual financial statements of Casino, Guichard-Perrachon,
- the justification of our assessments,
- the specific verifications and information required by French law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2013 and of the results of its operations for the year then ended in accordance with French accounting principles.

II. Justification of assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

The Note 4.2.2 "Significant Accounting policies" of the financial statements describes the methods of determination of the recoverable value of investments. The Note 4.3.6 discloses the data related to this closing and the variation of investments.

We examined the available documentation, assessed the reasonableness of the estimates and verified that the footnotes give adequate information on the assumptions used therein.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the documents addressed to shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L. 225-102-1 of the French Commercial Code (*Code de commerce*) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine and Lyon, March 10, 2014

The Statutory Auditors

Deloitte & Associés
Gérard Badin — Antoine de Riedmatten

Ernst & Young et Autres
Daniel Mary-Dauphin

4.2. PARENT COMPANY FINANCIAL STATEMENTS AND NOTES

INCOME STATEMENT

(€ millions)	Notes	2013	2012
Operating income	1	137.2	175.4
Operating expense	1	(133.2)	(149.9)
Operating profit		**4.0**	**25.5**
Net financial income/(expense)	2	453.3	383.5
Recurring profit before tax		**457.3**	**409.0**
Net non-recurring income/(expense)	3	(110.7)	(127.5)
Income tax benefit	4	85.4	131.2
NET PROFIT		**432.0**	**412.7**

BALANCE SHEET

Assets

(€ millions)	Notes	2013	2012
FIXED ASSETS			
Intangible assets		30.2	18.2
Amortisation and impairment		(2.0)	(2.0)
	5	**28.2**	**16.2**
Property, plant and equipment		29.6	26.4
Depreciation and impairment		(10.4)	(7.9)
	5	**19.2**	**18.5**
Long-term investments (1)		17,342.2	9,953.2
Impairment		(35.6)	(47.2)
	6	**17,306.6**	**9,906.0**
Total fixed assets		**17,354.0**	**9,940.7**
CURRENT ASSETS			
Trade and other receivables (2)	7	802.0	6,005.5
Marketable securities	8	1.7	5.4
Cash	8	526.3	1,287.2
Total current assets		**1,330.0**	**7,298.1**
Accruals and other assets (2)	**9**	**89.7**	**120.0**
TOTAL ASSETS		**18,773.7**	**17,358.8**
(1) o/w loans due within one year		*8.8*	*6.1*
(2) o/w due beyond one year		*4.0*	*4.5*

Equity and liabilities

(€ millions)	Notes	2013	2012
Equity	**10**	**7,929.6**	**7,820.9**
Quasi-equity	**11**	**1,350.0**	**600.0**
Provisions	**12**	**192.4**	**102.4**
Borrowings	13	7,729.3	6,927.2
Trade payables		44.8	60.8
Accrued taxes and employee benefits expense		54.4	15.0
Other liabilities	14	1,473.2	1,832.5
Total liabilities (1)		**9,301.7**	**8,835.5**
TOTAL EQUITY AND LIABILITIES		**18,773.7**	**17,358.8**
(1) o/w:			
Due within one year		*3,066.0*	*3,394.1*
Due in one to five years		*2,778.4*	*2,832.3*
Due beyond five years		*3,457.3*	*2,609.1*

CASH FLOW STATEMENT

(€ millions)	**2013**	**2012**
Net profit for the period	432.0	412.7
Elimination of non-cash items		
• Depreciation, amortisation and provisions (other than on current assets)	100.4	8.9
• (Gains)/losses on disposal of fixed assets	3.1	(42.8)
Net cash provided by operations	**535.5**	**378.8**
Change in working capital requirement – operating activities	(1,139.3)	353.9
Net cash from operating activities	**(603.8)**	**732.7**
INVESTING ACTIVITIES		
Purchases of fixed assets	(1,403.8)	(4.3)
Proceeds from disposals of fixed assets	0.3	118.9
Change in working capital requirement – investing activities	0.4	0.1
Change in loans granted	14.3	(13.5)
Net cash from investing activities	**(1,388.9)**	**101.2**
FINANCING ACTIVITIES		
Dividends paid to shareholders	(337.8)	(205.1)
Proceeds from issuance of shares for cash	13.9	0.5
Purchase and sales of treasury shares	-	-
Proceeds from new borrowings	2,119.4	1,270.3
Repayments of borrowings	(727.7)	(1,021.0)
Net cash flow from financing activities	**1,067.8**	**44.7**
CHANGES IN CASH AND CASH EQUIVALENTS	**(924.9)**	**878.6**
Cash and cash equivalents at beginning of year	**1,051.0**	**172.5**
Cash and cash equivalents at year-end	**126.1**	**1,051.0**

NOTES TO THE FINANCIAL STATEMENTS

4.2.1. Significant events of the year

Financing transactions in 2013

On 18 January 2013, Casino, Guichard-Perrachon issued €750 million of new 10-year (2023) bonds under its EMTN programme, paying an annual coupon of 3.31%.

On 29 April 2013, the Company made two bond issues totalling €600 million, including €350 million added to the existing bonds due 2019 and €250 million added to the existing bonds due 2023. The bonds pay an annual coupon of 3.16% and 3.31% respectively.

On 4 July 2013, the Company obtained a 5-year confirmed credit line of USD1 billion (about €770 million) from a pool of ten banks. The line refinanced the existing 3-year USD900 million credit facility obtained in August 2011.

On 18 October 2013, the Company made a hybrid bond issue of €750 million. The notes have a perpetual maturity, with a first call date on 31 January 2019 and pay a coupon of 4.87% until that date, with a reset every five years thereafter. In terms of accounting treatment, given the specific characteristics of the notes, their maturity and coupon, they are classified as quasi-equity in the sum of €750 million.

The Company also repaid €727.4 million of bonds and bank loans during the year.

Acquisition of controlling interests in Monoprix

On 5 April 2013, Casino exercised its right to have a subsidiary of Crédit Agricole Corporate & Investment Bank (CACIB) temporarily hold the 50% stake in Monoprix, previously owned by Galeries Lafayette (GL), in accordance with the terms of the memorandum of settlement signed on 26 July 2012.

The sale by GL was accordingly completed on 5 April 2013 at a price of €1,175 million, funded by Casino.

On 10 July 2013, the French Competition Authority gave the go-ahead for Casino to obtain control of Monoprix, with the requirement to sell 58 of the Group's stores (50 directly owned stores and eight independents), including 55 in Paris.

Payment of the price to GL put an end to the joint control of Monoprix by Casino and GL, as CACIB did not take GL's place as a partner to the Group.

As required by the French Competition Authority, Casino modified Monoprix's governance structure and placed Monoprix under self-management during the temporary holding period.

On 24 July 2013, further to the French Competition Authority's approval for Casino to take exclusive control of the Monoprix Group, Casino finalised the acquisition of the remaining 50% of Monoprix held by a subsidiary of Crédit Agricole Corporate and Investment Bank through a temporary holding arrangement.

4.2.2. Significant accounting policies

Generalities

The financial statements have been prepared in accordance with French generally accepted accounting principles (1999 general chart of accounts, approved by decree of 22 June 1999) applied consistently from one period to the next.

Intangible assets

In accordance with standard CRC 2004-01 of 4 May 2004, the deficit arising from merger transactions due to technical reasons is automatically recognised in intangible assets.

Intangible assets are stated at cost and primarily correspond to goodwill, software and technical deficits arising from merger transactions.

Where appropriate, they are written down to their fair value, determined mainly on the basis of profitability criteria.

Software is amortised over a period of three years.

Property, plant and equipment

Property, plant and equipment are stated at cost.

Depreciation is calculated using the straight-line or reducing balance method, with residual values deemed to be zero. Accelerated capital allowances, corresponding to the difference between depreciation expense calculated by the reducing balance method for tax purposes and that calculated by the straight-line method, are recorded under provisions.

The main depreciation periods are as follows:

Asset category	Depreciation period
Buildings	40 years
Fixtures, fittings and refurbishments	5 to 25 years
Equipment	5 to 10 years

The depreciable amount is the cost of property, plant and equipment with a nil residual value.

Property, plant and equipment acquired through mergers or asset transfers are depreciated over the remaining depreciation period applied by the company that originally held the assets concerned.

Long-term investments

Investments in subsidiaries and associates are stated at the lower of cost and fair value. However, treasury shares recorded under long-term investments are not remeasured to fair value when the Company intends to cancel them.

Fair value is determined using a number of indicators, including (i) Casino, Guichard-Perrachon's equity in the underlying net assets of the companies concerned at the balance sheet date; (ii) profitability criteria; (iii) earnings outlooks; (iv) the share price for listed companies; and (v) the usefulness of the companies for the Group. Further information on investments in subsidiaries and associates is provided in Note 6 – Long-term investments.

A similar method of determining fair value is also used where appropriate for the Company's other long-term investments.

In accordance with opinion no. 2007-C issued by the CNC's Emerging Accounting Issues Committee on 15 June 2007, Casino, Guichard-Perrachon has elected to capitalise transaction costs on the acquisition of long-term investments and defer them over a period of five years.

Marketable securities

Marketable securities are stated at cost.

An impairment provision is booked when cost is lower than their probable realisable value.

In the case of treasury shares, probable realisable value corresponds to the average share price for the last month of the year.

Probable realisable value of other categories of marketable securities also corresponds to the average market price for the last month of the year.

Receivables

Receivables are stated at their nominal value. Provisions are booked to cover any default risks.

Exchange differences on translating foreign operations

Assets and liabilities denominated in foreign currencies are translated into euros at the rate prevailing on the balance sheet date and gains or losses arising on translation are recorded in the balance sheet under «Unrealised exchange gains» or «Unrealised exchange losses». A provision is recorded for unrealised exchange losses.

Provisions

In accordance with CRC standard 2000-06 relating to liabilities, the Company records a provision to cover its obligations to third parties where the settlement of the obligation is expected to result in an outflow of resources embodying economic benefits for the third party and where the amount concerned can be estimated with sufficient reliability.

The Company grants its employees retirement bonuses, determined on the basis of length of service.

In accordance with CNC recommendation 2003 R-01, the projected benefit obligation representing the full amount of the employees' accrued entitlements is recognised in the balance sheet as a provision. The amount set aside is calculated using the projected unit credit method, taking into account payroll taxes.

Actuarial gains and losses on retirement benefit obligations are recognised in profit by the corridor method. This method consists of recognising a specified portion of the net cumulative actuarial gains and losses that exceed the greater of (i) 10% of the present value of the defined benefit obligation and (ii) 10% of the fair value of any plan assets. The portion of actuarial gains and losses recognised for each defined benefit plan is the excess that fell outside the 10% "corridor" at the previous reporting date, divided by the expected average remaining working lives of the employees participating in that plan.

The Company has also set up stock option and share grant plans for executives and employees.

A liability is recognised when it is probable that the Company will allot existing shares to plan beneficiaries measured on the probable outflow of economic benefits, which is the probable cost of purchasing the shares if they are not already held by the company or their «entry cost» on the date of their allocation to the plan. If the stock options or share grants are contingent upon the employee's presence in the Company for a specific period, the liability is deferred over the vesting period.

No liability is recognised for plans settled in new shares.

No liability is recognised if the Company has not yet decided at the year-end whether to settle the plans in new or existing shares.

Other provisions concern specifically identified liabilities and charges.

Currency and interest rate instruments

The Company uses various financial instruments to reduce its exposure to currency and interest rate risks. The nominal amounts of forward contracts entered into by the Company are included in off-balance sheet commitments. Gains and losses arising on interest rate hedges are recognised in the income statement on an accruals basis.

Recurring profit

Recurring profit includes all income and expense relating to the Company's ordinary activities.

Net non-recurring income/(expense)

Non-recurring income and expense result from events or transactions that do not relate to Casino, Guichard-Perrachon's ordinary activities as a holding company in view of their nature, frequency or amounts.

Income tax expense

Casino, Guichard-Perrachon is the head of a tax group that includes the majority of its subsidiaries (411 at 31 December 2013). Each company in the tax group accounts for taxes as if it were taxed on a stand-alone basis.

4.3. NOTES TO THE INCOME STATEMENT AND BALANCE SHEET

NOTE 1. OPERATING PROFIT

Breakdown

(€ millions)	2013	2012
Revenue from services (excluding VAT)	133.0	172.0
Other revenue	2.8	3.4
Provision and impairment reversals	1.4	-
Operating income	**137.2**	**175.4**
Purchases and external charges	(114.0)	(122.6)
Taxes other than on income	(3.1)	(3.0)
Employee benefits expense	(12.3)	(20.1)
Additions to depreciation, amortisation and provisions:		
• non-current assets	(2.2)	(2.5)
• provisions for contingencies	(0.8)	(0.2)
Other expenses	(0.8)	(1.5)
Operating expense	**(133.2)**	**(149.9)**
OPERATING PROFIT	**4.0**	**25.5**

Expense transfers break down as follows:

(€ millions)	2013	2012
Purchases and external charges	10.7	7.6
Employee benefits expense	7.0	10.9
Additions to depreciation, amortisation and provisions	0.1	0.1
EXPENSE TRANSFERS	**17.8**	**18.6**

Revenue from services (excluding VAT)

(€ millions)	2013	2012
Seconded employees	6.6	7.8
Brand royalties	48.6	51.6
Other	77.8	112.6
REVENUE FROM SERVICES (EXCLUDING VAT)	**133.0**	**172.0**

As Groupe Casino's parent and holding company, Casino, Guichard-Perrachon's revenue mainly corresponds to royalties received from subsidiaries for the use of trademarks and brands owned by the company, as well as management fees billed to subsidiaries.

Casino, Guichard-Perrachon generates 96% of its revenue with companies based in France.

Average number of employees

(number)	2013	2012
Managers	19	27
Supervisors	-	-
Other	1	1
TOTAL	**20**	**28**

NOTE 2. NET FINANCIAL INCOME/(EXPENSE)

(€ millions)	2013	2012
Income from investments in subsidiaries and associates:		
• Immobilière Groupe Casino	561.5	477.7
• Théiadis	-	0.5
• Monoprix	-	58.2
• Vindémia	25.1	25.1
• Green Yellow	23.0	11.3
• Other	8.1	4.8
Total	**617.7**	**577.6**
Other investment income	0.1	0.3
Other financial income	360.2	246.8
Provision and impairment reversals	58.3	71.3
Net income from disposals of marketable securities	1.3	0.4
Financial income	**1,037.6**	**896.4**
Interest expense:		
• Bonds	(287.3)	(273.2)
• Additions to amortisation and provisions	(156.7)	(85.2)
• Other financial expense	(132.6)	(149.6)
• Net expenses on disposals of marketable securities	(7.7)	(4.9)
Financial expense	**(584.3)**	**(512.9)**
NET FINANCIAL INCOME/(EXPENSE)	**453.3**	**383.5**

Other financial income and expense mainly comprised interest on current accounts with subsidiaries and gains and losses on interest-rate hedges.

In 2013, it also included:

- a cash balance of €50.1 million, received on 25 March 2013, arising from the renegotiation of the TRS on 7,812,900 GPA preferred shares;
- a cash balance of €42.6 million, received on 17 April 2013, arising from the renegotiation of the forward agreement on 5,813,200 GPA shares entered into on 20 December 2012;
- a cash balance of €77.8 million, received on 30 December 2013, arising from the transfer by novation of 54 interest rate swaps for a total nominal amount of €5,780.0 million to Casino Finance, a treasury unit created in France.

In 2012, it included a cash balance of €69.3 million arising from the renegotiation of the TRS on 7,812,900 GPA preferred shares entered into on 21 December 2011.

Sales of treasury shares resulted in a loss of €6.5 million at end 2013, *versus* a loss of €4.5 million at end 2012.

The main movements in provisions in 2013 were as follows:

- provision for impairment of Géant Argentina shares (€7.2 million);
- provision for amortisation of bond redemption premiums (€19.5 million);
- reversal of provision for impairment of Geimex shares (€19.2 million);
- net reversal of provision for foreign exchange losses (€11.2 million, comprising €1.5 million in charges and €12.7 million in reversals);
- net provision for losses on the GPA TRS and forward (€101.0 million).

The main movements in provisions in 2012 were as follows:

- provision for impairment of Geimex shares (€19.2 million) and Banque du Groupe Casino shares (€7.1 million);
- provision for amortisation of bond redemption premiums (€17.7 million);
- reversal of provision for impairment of Casino Entreprise shares (€25.3 million);
- net reversal of provision for foreign exchange losses (€18.0 million, comprising €11.5 million in charges and €29.5 million in reversals);
- reversal of provision for the allocated Casino Développement loss (€12.5 million);
- provision for losses on the GPA and Big C TRSs (€26.2 million).

NOTE 3. NET NON-RECURRING INCOME/(EXPENSE)

(€ millions)	2013	2012
Net gains/(losses) on disposals of intangible assets and property, plant and equipment	-	-
Net gains/(losses) on disposals of investments in subsidiaries and associates	(3.2)	42.8
Gains/(losses) on disposal of non-current assets	**(3.2)**	**42.8**
Provision expense	(3.3)	(8.3)
Provision reversals	0.8	1.4
Other non-recurring expense	(106.4)	(166.7)
Other non-recurring income	1.3	3.3
NET NON-RECURRING INCOME/(EXPENSE)	**(110.7)**	**(127.5)**

In 2013, non-recurring items mainly comprised expenses totalling €77.2 million related to (i) obtaining control of GPA and defending the Group's interests in Brazil, and (ii) acquiring control of Monoprix.

In 2012, non-recurring items mainly comprised:

- gain on disposal of Latic shares to Cofidol (€42.9 million);
- expenses totalling €145.0 million related to (i) obtaining control of GPA and defending the Group's interests in Brazil, (ii) acquiring control of Monoprix and (iii) the loss of control process for Mercialys.

NOTE 4. INCOME TAX BENEFIT

(€ millions)	2013	2012
Recurring profit	457.3	409.0
Net non-recurring income/(expense)	(110.7)	(127.5)
Profit before tax	**346.6**	**281.5**
Group relief	85.4	131.2
Income tax benefit	**85.4**	**131.2**
NET PROFIT	**432.0**	**412.7**

Casino Guichard-Perrachon is the head of the French tax group and would not have been taxable had it not elected for group tax relief. Group relief recorded by the Company corresponds to tax savings arising from netting off the losses of Casino, Guichard-Perrachon and its subsidiaries against the profits of the consolidated Group, amounting to €94.1 million, less the 3% dividend tax due for €10.1 million.

As head of the tax group, Casino Guichard-Perrachon had no tax liability at 31 December 2013.

The tax group had €641.6 million of tax loss carryforwards under the group relief agreement at 31 December 2013.

At that date, timing differences between book income and expenses and income and expenses for tax purposes gave rise to an unrecognised deferred tax asset of €25.0 million.

NOTE 5. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Breakdown

(€ millions)	2013	2012
Goodwill	28.2	16.1
Other	2.0	2.1
Impairment	(2.0)	(2.0)
	28.2	**16.2**
Intangible assets	**28.2**	**16.2**
Land and land improvements	1.3	0.6
Depreciation	(0.2)	(0.1)
	1.1	**0.5**
Buildings, fixtures and fittings	3.8	2.6
Depreciation	(1.8)	(1.4)
	2.0	**1.2**
Other	24.5	23.1
Depreciation	(8.4)	(6.3)
	16.1	**16.8**
Property, plant and equipment	**19.2**	**18.5**
TOTAL INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT, NET	**47.4**	**34.7**

Movements for the period

(€ millions)	Cost	Amortisation, depreciation and impairment	Net
At 1 January 2012	**42.5**	**(7.3)**	**35.2**
Increases	2.3	(2.7)	(0.4)
Decreases	(0.2)	0.1	(0.1)
At 31 December 2012	**44.6**	**(9.9)**	**34.7**
Increases	15.7	(2.8)	12.9
Decreases	(0.5)	0.3	(0.2)
AT 31 DECEMBER 2013	**59.8**	**(12.4)**	**47.4**

The increase in intangible assets was mainly due to the technical deficits arising from the Chamer and Orgecourt mergers for, respectively, €9.2 million and €2.8 million.

NOTE 6. LONG-TERM INVESTMENTS

Breakdown

(€ millions)	2013	2012
Investments in subsidiaries and associates	16,200.6	9,915.9
Impairment [(1)]	(35.6)	(47.2)
	16,165.0	**9,868.7**
Loans	21.9	36.7
Impairment	-	-
	21.9	**36.7**
Other	1,119.7	0.6
Impairment	-	-
	1,119.7	**0.6**
LONG-TERM INVESTMENTS	**17,306.6**	**9,906.0**

(1) In accordance with the accounting policies described in the section on Significant Accounting Policies, at 31 December 2013 the Company measured the fair value of its investments in subsidiaries based either on market value, as assessed by an independent valuer where appropriate, or on value in use determined by the discounted cash flows method.
Value in use determined by the discounted cash flows method is based on after-tax cash flows and using the following rates.

Inputs used for internal calculations of 2013 values in use

Region	Perpetual growth rate 2013 [(1)]	After-tax discount rate in 2013 [(2)]	After-tax discount rate in 2012 [(2)]
France (retailing) [(3)]	1.6%	5.5% [(4)]	6.0% [(4)]
France (other) [(3)]	1.6% and 2.1%	5.5% to 7.6%	6.0% to 8.8%
Argentina	11.4%	18.0%	17.0%
Brazil [(6)]	5.7%	10.5% and 11.3%	[(5)]
Colombia [(6)]	3.6%	8.2%	9.2%
Uruguay	7.5%	14.1%	13.1%
Thailand [(6)]	2.4%	7.7%	6.9%
Vietnam	8.5%	15.1%	14.8%
Indian Ocean [(7)]	1.6 to 7.0%	5.50% to 13.9%	6.0% to 11.9%

(1) The inflation-adjusted perpetual growth rate ranges from 0% to +0.5% depending on the nature of the CGU's business/banner.
(2) The discount rate used is the weighted average capital cost (WACC) for each country. WACC is calculated at least once a year during the annual impairment testing by taking account of the sector's indebted beta, a market risk premium and the Group's cost of debt.
(3) For the French retailing businesses, the discount rate also takes account of the CGU's type of business/banner and the associated operational risks.
(4) With the exception of Geimex, for which the after-tax discount rate is 7.0%.
(5) As control of GPA had only recently been obtained and its carrying amount is lower than its market capitalisation, value in use was not calculated in 2012.
(6) The market capitalisation of listed subsidiaries GPA, Big C and Exito was €8,517 million, €3,360 million and €5,053 million respectively at 31 December 2013. In all three cases, market capitalisation was higher than the carrying amount of the shares held by Casino, Guichard-Perrachon directly or through intermediate holding companies.
(7) The Indian Ocean region includes Réunion, Mayotte, Madagascar and Mauritius. The discount rates used reflect the risks inherent in each of these geographical areas.

The impairment testing resulted in a net impairment charge of €11.5 million, bringing total impairment up to €35.6 million at 31 December 2013.

The change for the year mainly comprises an impairment charge for Géant Argentina shares (€7.2 million) and an impairment reversal for Geimex shares (€19.2 million).

A sensitivity analysis reveals an additional impairment risk of between €2 million and €9 million for Banque du Groupe Casino.

For other investments, in view of the positive difference between values in use and carrying amounts, the Company believes that on the basis of reasonably foreseeable events, any changes in the key assumptions set out above would not lead to the recognition of an additional impairment loss. For example, a 100-basis point increase in the discount rate or a 25-basis point decrease in the perpetual growth rate used to calculate terminal value or a 50-basis point decrease in the EBITDA margin for the cash flow projection used to calculate the terminal value would not have led to the recognition of an impairment loss.

A list of the Company's subsidiaries and associates is provided at the end of this document.

Movements for the period

(€ millions)	Cost	Amortisation and impairment	Net
At 1 January 2012	**10,013.7**	**(43.4)**	**9,970.3**
Increases	17.9	(29.2)	(11.3)
Decreases	(78.4)	25.4	(53.0)
At 31 December 2012	**9,953.2**	**(47.2)**	**9,906.0**
Increases	7,407.9	(7.8)	7,400.1
Decreases	(18.9)	19.4	0.5
AT 31 DECEMBER 2013	**17,342.2**	**(35.6)**	**17,306.6**

The increases in long-term investments correspond mainly to:

- take-up of the rights issues made by Distribution Casino France (€3,845.8 million), Immobilière Groupe Casino (€1,089.4 million), Ségisor (€837.4 million), Casino International Technology (€128.6 million), Easydis (€62.3 million) and Tévir (€52.1 million);
- increase in Géant Holding BV shares (€197.0 million);
- acquisition from Cacib of shares and mandatory convertible bonds issued by Investeur 103, the subsidiary temporarily holding the 50% interest in Monoprix (€1,179.0 million).

The decrease in long-term investments was mainly due to repayment of the Polca Holding loan (€15.3 million).

NOTE 7. TRADE AND OTHER RECEIVABLES

(€ millions)	2013	2012
Trade receivables	**77.6**	**114.1**
Other operating receivables	6.7	4.8
Other receivables	121.5	607.1
Current account advances	598.4	5,279.5
Provisions for impairment of other receivables	(2.2)	-
	724.4	**5,891.4**
TRADE AND OTHER RECEIVABLES	**802.0**	**6,005.5**

The decrease in current account advances was due to Casino, Guichard-Perrachon's take-up of the rights issues made by its subsidiaries (see note 6), payment for which was made by set off.

Trade and other receivables included €117.5 million in accrued income, primarily corresponding to:

- Casino, Guichard-Perrachon's share of the 2013 profits of companies whose by-laws provide for profit to be distributed as of the balance sheet date (€63.0 million);
- accrued interest on hedging instruments (€44.4 million);

In 2012, accrued income totalled €637.5 million.

All of the Company's trade and other receivables are due within one year.

NOTE 8. NET CASH AND CASH EQUIVALENTS

(€ millions)	2013	2012
Mutual fund units	1.0	1.0
Treasury shares	0.7	4.4
Marketable securities	**1.7**	**5.4**
Cash	**526.3**	**1,287.2**
Bank overdrafts	-	-
Commercial paper issued [1]	(401.9)	(235.0)
Short-term credit facilities	-	(6.6)
Total short-term bank credit facilities	**(401.9)**	**(241.6)**
NET CASH AND CASH EQUIVALENTS	**126.1**	**1,051.0**

(1) Rollover notes due in under 6 months.

The fair value of mutual fund units approximates their carrying amount.

Treasury shares

	2013	2012
NUMBER OF SHARES HELD		
At 1 January	**64,811**	**-**
Shares purchased	1,930,088	837,218
Shares sold	(1,985,619)	(772,407)
AT 31 DECEMBER	**9,280**	**64,811**
VALUE OF SHARES HELD *(€ MILLIONS)*		
At 1 January	**4.4**	**-**
Shares purchased	150.6	57.2
Shares sold	(154.3)	(52.8)
AT 31 DECEMBER	**0.7**	**4.4**
Average purchase price per share *(€)*	72.14	68.08
% of share capital	0.01	0.06
Underlying net assets *(€ millions)*	0.6	4.2

In February 2005, Casino Guichard-Perrachon signed a liquidity contract with Rothschild & Cie Banque authorising Rothschild & Cie to trade in the Company's shares on Euronext Paris in order to ensure a liquid market for the shares. The Company allocated 700,000 ordinary shares and the sum of €40.0 million to the liquidity account. At 31 December 2013, no Casino, Guichard-Perrachon shares were held under the contract.

At the year-end, the Company owned 9,280 shares with a par value of €1.53.

Their fair value at 31 December 2013 was €0.8 million. Based on the average share price in the last month, no impairment provision was deemed necessary.

NOTE 9. ACCRUALS AND OTHER ASSETS

(€ millions)	2013	2012
Bond issue premium	81.8	101.3
Prepaid expenses	6.5	6.0
Unrealised exchange losses	1.4	12.7
TOTAL ACCRUALS AND OTHER ASSETS	**89.7**	**120.0**

Bond issue premiums are amortised on a straight-line basis over the life of the bonds.

NOTE 10. EQUITY

Changes in equity, before and after appropriation of net profit

(€ millions)	2013	2012
Share capital	173.1	172.4
Additional paid-in capital	4,033.8	4,020.6
Legal reserve:		
• before appropriation of net profit	17.2	17.1
• after appropriation of net profit	17.3	17.2
Available reserves	207.5	207.5
Special long-term capital gains reserve:		
• before appropriation of net profit	56.4	56.4
• after appropriation of net profit	56.4	56.4
Retained earnings:		
• before appropriation of net profit	3,005.2	2,930.4
• after appropriation of net profit	3,084.3	3,005.1
Net profit for the period:		
• before appropriation of net profit	432.0	412.7
• after appropriation of net profit	-	-
Untaxed provisions	4.3	3.7
EQUITY		
• before appropriation of net profit	7,929.6	7,820.9
• after appropriation of net profit	7,576.7	7,482.9

Changes in equity

(€ millions)	2013	2012
At 1 January	**7,820.9**	**7,612.4**
Profit for the period	432.0	412.7
Dividend payout for the prior year	(337.8)	(331.9)
Issuance of new shares	0.7	3.1
Increase in additional paid-in capital	13.2	124.2
Other movements	0.5	0.4
AT 31 DECEMBER	**7,929.6**	**7,820.9**

Movements in share capital and the number of shares

	2013	2012
At 1 January	**112,674,236**	**110,646,652**
Share grants	235,630	-
Shares issued on exercise of stock options	195,756	8,474
Stock dividend payments	-	2,019,110
Shares issued to minority shareholders in connection with mergers	209	-
AT 31 DECEMBER	**113,105,831**	**112,674,236**

At 31 December 2013, the share capital was divided into 113,105,831 ordinary shares with a par value of €1.53 each.

Potential dilution

	2013	2012
Number of shares at 31 December	113,105,831	112,674,236
Share equivalents:		
• exercise of stock options	149,162	474,465
• share grants	-	757,398
TOTAL NUMBER OF POTENTIAL SHARES	**113,254,993**	**113,906,099**

The Board of Directors has decided to grant existing shares in respect of share grants outstanding at 31 December 2013. Accordingly, share grants are no longer potentially dilutive.

NOTE 11. QUASI-EQUITY

In 2005, Casino, Guichard-Perrachon issued €600 million worth of deeply subordinated perpetual bonds (TSSDI). The bonds are redeemable solely at the Group's discretion and interest payments are due only if the Group pays a dividend on its ordinary shares in the preceding twelve months.

On 18 October 2013, the Company made a hybrid bond issue of €750 million. The notes have a perpetual maturity, with a first call date on 31 January 2019 and pay a coupon of 4.87% until that date, with a reset every five years thereafter.

These bonds are classified as quasi-equity as they are undated, direct commitments with no collateral and subordinated to all other liabilities.

Accrued interest on the bonds is included under «Miscellaneous borrowings».

NOTE 12. PROVISIONS

Breakdown

(€ millions)	2013	2012
Provisions for foreign exchange losses	1.5	12.7
Provision for other liabilities	178.9	80.3
Provisions for charges	12.0	9.4
TOTAL	**192.4**	**102.4**

In 2013, provisions for other liabilities included €123.7 million corresponding to the negative fair value of GPS equity derivatives.

Other provisions for liabilities and charges correspond to specifically identified liabilities and charges.

Movements for the period

(€ millions)	2013	2012
At 1 January	**102.4**	**100.2**
Additions	131.1	45.5
Reversals	(41.1)	(43.3)
At 31 December	**192.4**	**102.4**
o/w operating	0.7	(0.1)
o/w financial	(90.6)	4.5
o/w non-recurring	(0.1)	(6.6)
TOTAL	**(90.0)**	**(2.2)**

Retirement obligations

Provision for retirement obligations *(€ millions)*	**Provision at 1 January 2013**	**Movement for the period**	**Provision at 31 December 2013**	**Unrecognised actuarial gains and losses**	**Obligation at 31 December 2013**
Projected benefit obligation	3.2	(1.0)	2.2	(1.1)	1.1
Fair value of plan assets	-	-	-	-	-
PROVISION	**3.2**	**(1.0)**	**2.2**	**(1.1)**	**1.1**

Provision movements *(€ millions)*	**Interest cost**	**Benefit/ contributions paid**	**Service cost**	**Recognised actuarial gains and losses**	**Cost for the period**	**Expected return on plan assets**	**Movement for the period**
Projected benefit obligation	-	-	0.1	(1.1)	(1.0)	-	(1.0)
Fair value of plan assets	-	-	-	-	-	-	-
PROVISION	**-**	**-**	**0.1**	**(1.1)**	**(1.0)**	**-**	**(1.0)**

The main actuarial assumptions used in 2013 to calculate the benefit obligation were as follows:

- discount rate: 3.2% (determined by reference to the Bloomberg 15-year AA corporate composite index);
- rate of future salary increases: 2.5%;
- retirement age: 64 years;
- mortality table: TGH05/TGF05;
- payroll taxes: 38%.

NOTE 13. BORROWINGS

Breakdown

(€ millions)	**2013**	**2012**
Bonds	6,978.5	6,163.1
Other borrowings	-	183.5
Spot loans and confirmed credit facilities	-	6.6
Bank overdrafts	-	-
Commercial paper	401.9	235.0
Bank loans	**7,380.4**	**6,588.2**
Miscellaneous borrowings	348.9	339.0
TOTAL BORROWINGS	**7,729.3**	**6,927.2**

Maturity of borrowings

(€ millions)	**2013**	**2012**
Due within one year	1,533.8	1,503.3
Due in one to five years	2,745.5	2,816.2
Due beyond five years	3,450.0	2,607.7
TOTAL	**7,729.3**	**6,927.2**

Net debt

(€ millions)	**2013**	**2012**
Total borrowings	7,729.3	6,927.2
Marketable securities	(1.7)	(5.4)
Cash	(526.3)	(1,287.2)
NET DEBT	**7,201.30**	**5,634.6**

Total borrowings include €232.8 million in accrued interest.

Breakdown of borrowings

	Interest rate	Effective interest rate	Amount *(€ millions)*	Term	Due	Hedging[1]
2014 bonds	Fixed rate					FRB
2007-2014	4.88 %	5.19 %	578.4	7 years	April 2014	FRL
2015 bonds	Fixed rate					
2009-2015	5.50%	5.60%	750.0	6 years	January 2015	
2016 bonds	Fixed rate					
2011-2016	4.47%	4.58%	600.0	5 years	April 2016	FRL
2017 bonds	Fixed rate					
2010-2017	4.38%	5.85%	887.8	7 years	February 2017	FRL
2018 bonds	Fixed rate					
2010-2018	4.48%	5.25%	507.7	8 years	November 2018	
2019 bonds	Fixed rate					
2012-2019	3.16%	2.83%	1,000.0	7 years	August 2019	FRL
2020 bonds	Fixed rate					
2012-2020	3.99%	4.05%	600.0	8 years	March 2020	
2021 bonds	Fixed rate					
2011-2021	4.73%	5.13%	850.0	10 years	May 2021	FRL
2023 bonds	Fixed rate					
2013-2023	3.31%	3.23%	1,000.0	10 years	January 2023	FRL
TOTAL BONDS			**6,773.9**			

(1) FRB (fixed rate borrower) – FRL (fixed rate lender).

Other

(€ millions)	Amount
Spot loans and confirmed credit facilities	-
Bank overdrafts	-
Commercial paper	401.9
Miscellaneous borrowings (1)	320.7
Accrued interest	232.8
TOTAL OTHER BORROWINGS	**955.4**

(1) Including €315.5 million loan from Marushka BV (Casino, Guichard-Perrachon subsidiary).

Liquidity risk

Casino Guichard-Perrachon had confirmed credit facilities totalling €2,250.1 million and available cash of €126.1 million at 31 December 2013, ensuring that it has sufficient liquidity to meet its needs.

Confirmed bank lines of credit		Amount of the facility	Drawdowns	Due
Syndicated lines of credit [1]	Variable rate	1,925.1	-	2014-2018
Confirmed bank lines of credit	Variable rate	125.0	-	2014
Confirmed bank lines of credit	Variable rate	100.0	-	2015
Confirmed bank lines of credit	Variable rate	100.0	-	2016
TOTAL		**2,250.1**	**-**	

(1) Includes the €1,200 million syndicated line of credit renewed in August 2010 for five years and the US$1,000 million line due 2018.

Notes issued under Casino, Guichard-Perrachon's €9 billion Euro Medium Term Note (EMTN) program totalled €6,773.9 million at 31 December 2013. All notes issued are rated BBB-, the rating assigned to Groupe Casino by Standard & Poor's and Fitch Ratings.

Commercial paper issued under Casino, Guichard-Perrachon's €1 billion CP program totalled €401.9 million at 31 December 2013.

These programs are not subject to any financial covenants.

At 31 December 2013, Casino, Guichard-Perrachon's main covenants were as follows:

- The €1.2 billion syndicated credit line renewed in August 2010, the US$1 billion club deal renewed in July 2013 and confirmed credit lines totalling €150 million are subject to a consolidated net debt (2) to consolidated EBITDA (1) ratio of < 3.5;
- one confirmed credit line for €50 million is subject to a consolidated net debt to consolidated EBITDA ratio of < 3.7;
- the other confirmed credit lines totalling €125 million are not subject to any covenants.

At 31 December 2013, the consolidated net debt to consolidated EBITDA ratio stood at 1.6. The Group considers that it can comply very comfortably with its covenants over the next twelve months.

The Company's loan and bond agreements issues include the usual covenants and default clauses, including *pari passu*, negative pledge and cross-default clauses.

Its loan agreements contain a mandatory acceleration clause in the event of a change of control of the Company.

In addition, its bond issues contain an acceleration clause at the investors' discretion should its long-term senior debt rating be downgraded to non-investment grade due to a change of majority shareholder. With the exception of the €578.4 million bond issue due April 2014, they also contain a coupon step-up clause increasing the interest rate should Casino, Guichard-Perrachon's long-term senior debt rating be downgraded to non-investment grade.

NOTE 14. OTHER LIABILITIES

(€ millions)	**2013**	**2012**
Related companies	1,407.1	1,779.8
Other liabilities	16.7	30.5
Deferred income	49.4	22.2
OTHER LIABILITIES	**1,473.2**	**1,832.5**
• o/w due within one year	1,433.0	1,815.1
• o/w due beyond one year	40.2	17.4

Other liabilities include €8.7 million in accrued expenses.

(1) EBITDA (earnings before interest, taxes, depreciation and amortisation) = trading profit plus operating depreciation and amortisation.

(2) Net debt as defined in the loan agreements is not the same as net debt recognised in the consolidated financial statements . It corresponds to borrowings and financial liabilities less cash and cash equivalents, as increased or reduced by the net impact of fair value hedges of debt with a positive or negative fair value.

NOTE 15. TRANSACTIONS AND BALANCES WITH RELATED COMPANIES

(€ millions)	**2013**	**2012**
ASSETS		
Investments in subsidiaries and associates	16,017.6	8,891.9
Loans and advances to subsidiaries	-	-
Trade receivables	76.7	112.5
Related companies	468.1	5,108.0
LIABILITIES		
Borrowings	337.0	335.0
Trade payables	26.4	16.1
Related companies	1,397.5	1,778.2
INCOME STATEMENT		
Financial income	39.7	48.1
Financial expense	10.8	36.5
Dividends	617.6	518.6

Related companies correspond to Group companies that are fully consolidated.

NOTE 16. OFF-BALANCE SHEET COMMITMENTS

Commitments entered into in the ordinary course of business

(€ millions)	**2013**	**2012**
Bonds and guarantees received from banks	0.2	0.3
Undrawn confirmed lines of credit	2,250.1	2,427.1
Total commitments received	**2,250.3**	**2,427.4**
Bonds and guarantees given [(1)]	772.3	725.0
Repayment to loss-making subsidiaries of the tax saving arising from group tax relief [(2)]	465.5	361.7
Other commitments given	-	5.0
Total commitments given	**1,237.8**	**1,091.7**
Interest rate hedges – nominal amount [(3)]	1,693.9	7,001.8
Interest rate swaps	*1,693.9*	*7,001.8*
Caps	-	-
Other reciprocal commitments		
TOTAL RECIPROCAL COMMITMENTS	**1,693.9**	**7,001.8**

(1) Including €682.1 million concerning related companies at 31 December 2013.
(2) See note 4.
(3) Financial instruments are used solely for hedging purposes.

At 31 December 2013, their fair value totalled €42.8 million, breaking down as follows:

Type of instrument	**Number of contracts**	**Fair value**	**O/w accrued interest and premiums recognised in the balance sheet**
Interest rate swaps	17	42.8	42.9

Aggregate accrued training rights under the «*Droit Individuel à la Formation*» (D.I.F.) system represented 1,964 hours at 31 December 2013. At 31 December 2012, the total was 2,326 hours. The number of hours used during the year was not material.

Other commitments

(€ millions)	2013	2012
Seller's warranty given in connection with:		
• disposal of the Polish business	-	33.8
• Monoprix mandatory convertible bonds (1)	200.0	-
Total commitments given	**200.0**	**33.8**
Written put options (2)	102.1	1,679.4
• Monoprix	-	1,175.0
• Uruguay (3)	102.1	105.4
• Brazil	-	399.0
Derivative financial instruments (4)	939.4	363.3
TOTAL RECIPROCAL COMMITMENTS	**1,041.5**	**2,042.7**

(1) Corresponds to the warranty regarding Monoprix's consolidated net assets (at 31 December 2013) given by the Company to CACIB at the time of the mandatory convertible bond issue. The warranty is capped at €200 million and the minimum claim level is €20 million. The warranty is valid until 26 June 2017.
(2) Under the terms of the option contracts, the exercise price of written put and call options may be determined using earnings multiples, based on the latest published earnings for options exercisable at any time and earnings forecasts or projections for options exercisable as of a given future date. In many cases, the put option written by the Company is matched by a call option written by the other party. For these options, the value shown corresponds to that of the written put.
(3) Disco Uruguay: Groupe Casino has granted a put option on 29.3% of Disco's capital to the family shareholders. The option is exercisable until 21 June 2021 at a price based on Disco Uruguay's consolidated operating profit, with a floor of USD 41 million plus interest at 5% per year.
(4) In December 2011, the Company entered into a Total Return Swap (TRS) with a financial institution covering 7.9 million American Depositary Receipts (ADRs) representing 3% of GPA's share capital. At inception, the TRS had a maturity of 2.5 years and a notional amount of €215 million. It will be settled in cash. Following a change to the entry price, the Company received the sum of €69.3 million in 2012 and €50.1 million in 2013. At 31 December 2013, the swap covered 7.8 million ADRs. Its fair value at 31 December 2013 was measured at €(80.2) million versus €22.7 million at 31 December 2012.
At the end of December 2012, the Company entered into a 2-year forward contract on GPA shares, paying interest at Libor + 300 bp. The contract will be settled in cash. Following a change to the entry price in 2013, the Company received the sum of €42.6 million. At 31 December 2013, the forward contract covered 5.8 million shares. Its fair value at 31 December 2013 was measured at €(43.5) million versus zero at 31 December 2012.
On 27 December 2013, Monoprix issued three tranches of mandatory convertible bonds totalling €500 million to CACIB. They have a 3-year maturity and pay a coupon of EUR6M +5.1%. The conversion ratio is fixed.
The Company also has a call option on the mandatory convertible bonds exercisable in part or in full at par plus accrued interest from June 2014 to October 2016.

Maturities of contractual commitments

		Payments due by period		
(€ millions)	Total	Due within one year	Due in one to five years	Due beyond five years
Long-term borrowings	7,729.3	1,533.8	2,745.5	3,450.0
Non-cancellable written puts	102.1	102.1		
TOTAL	**7,831.4**	**1,635.9**	**2,745.5**	**3,450.0**

NOTE 17. CURRENCY RISK

(€ millions)	USD
Assets	19.5
Liabilities	6.2
Net position before hedging	**13.3**
Off-balance sheet positions	141.0
NET POSITION AFTER HEDGING	**154.3**

NOTE 18. EQUITY RISK

(€ millions)	2013
Carrying value of treasury shares	0.7
Fair value	0.8
Impairment	-
Sensitivity to a 10% fall in the share price	-

NOTE 19. COMPENSATION AND BENEFITS PAID TO DIRECTORS AND OFFICERS

(€ millions)	2013	2012
Compensation paid	1.5	1.8
Loans and advances	-	-

NOTE 20. CONSOLIDATION

Casino, Guichard-Perrachon is consolidated by Rallye SA.

NOTE 21. SUBSEQUENT EVENTS

No significant events have occurred since the year-end.

4.4. FIVE-YEAR FINANCIAL SUMMARY

	2013	2012	2011	2010	2009
CAPITAL AT THE YEAR-END					
Share capital *(€ millions)*	173.1	172.4	169.3	169.3	168.9
Number of outstanding shares with voting rights[1]	113,105,831	112,674,236	110,646,652	110,668,863	110,360,987
Number of outstanding preferred non-voting shares	-	-	-	-	-
RESULTS OF OPERATIONS *(€ MILLIONS)*					
Revenue (excluding VAT)	133.0	172.0	161.0	153.7	151.2
Profit before tax, employee profit-sharing, depreciation, amortisation and provisions	449.2	305.1	661.1	157.4	48.9
Income tax expense	(85.4)	(131.2)	(122.4)	(132.8)	(116.9)
Employee profit-sharing for the period	-	0.1	0.1	0.1	0.1
Net profit/(loss) for the period	432.0	412.7	731.4	371.6	403.4
Dividends paid on voting shares	352.9	338.0	331.9	307.7	292.5
Dividends paid on non-voting shares	-	-	-	-	-
Total dividend payout	352.9	338.0	331.9	307.7	292.5
PER SHARE DATA *(€)*					
Weighted average number of shares outstanding during the year [2]	112,766,174	111,741,859	109,984,894	110,288,938	110,159,544
Earnings per share after tax and employee profit-sharing but before amortisation, depreciation and provisions	4.74	3.90	7.12	2.63	1.50
Net earnings per share	3.83	3.69	6.65	3.37	3.66
Dividend paid per voting share	3.12	3.00	3.00	2.78	2.65
Dividend paid per non-voting share	-	-	-	-	-
EMPLOYEE DATA					
Number of employees (full-time equivalent)	20	28	44	42	39
Total payroll[3] *(€ millions)*	9.3	15.0	15.4	16.5	15.8
Total benefits *(€ millions)*	3.0	5.1	7.4	6.0	5.6

(1) The increase in share capital during the year reflects the issuance of 195,756 shares on exercise of stock options, 235,630 shares in share grants and 209 shares to shareholders of merged companies.
(2) Excluding treasury shares.
(3) Excluding discretionary profit-sharing.

4.5. LIST OF SUBSIDIARIES AND RELATED COMPANIES

Company	Share capital (€ millions)	Equity (€ millions)	% ownership	Number of shares held	Carrying amount Gross (€ millions)	Carrying amount Net (€ millions)	Loans and advances granted by the Company (€ millions)	Guarantees given by the Company (€ millions)	2013 net sales (€ millions)	2013 net profit (loss) (€ millions)	Dividends received by the Company in the prior year (€ millions)
A - Data on investments whose carrying amount exceeds 1% of the share capital											
1. SUBSIDIARIES (50% OR MORE)											
Distribution Casino France 1, Esplanade de France 42008 Saint-Étienne Cedex	106	6,722	98.84	105,163,898	7,137	7,137		2	8,803	(241)	-
Immobilière Groupe Casino 1, Esplanade de France 42008 Saint-Étienne Cedex	250	1,817	100.00	249,938,991	2,219	2,219			117	65	561
Segisor 1, Esplanade de France 42008 Saint-Étienne Cedex	1,774	1,482	100.00	1,774,479,080	1,774	1,774			-	81	-
CIT 1, Esplanade de France 42008 Saint-Étienne Cedex	134	131	100.00	133,593,485	178	178		4	126	19	-
Tévir 1, Esplanade de France 42008 Saint-Étienne	410	690	100.00	409,911,786	689	689			-	1	-
Easydis 1, Esplanade de France 42008 Saint-Étienne Cedex	63	50	100.00	3,953,968	106	106			551	(6)	-
Pachidis 1, Esplanade de France 42008 Saint-Étienne Cedex	84	84	100.00	84,419,248	84	84			-	-	-
Théiadis 1, Esplanade de France 42008 Saint-Étienne Cedex	2	3	100.00	2,372,736	3	3			-	1	-
Intexa 1, Esplanade de France 42008 Saint-Étienne Cedex	2	2	97.91	990,845	7	7			-	-	-
Green Yellow 1, Esplanade de France 42008 Saint-Étienne Cedex	9	84	76.57	35,164	7	7			61	45	23
Casino Services 1, Esplanade de France 42008 Saint-Étienne Cedex	-	13	100.00	100,000	19	19			111	(1)	-
Banque du Groupe Casino 58-60 avenue Kléber 75116 Paris	23	73	50.00	117,346	107	86			79	1	-
Boidis 1, Esplanade de France 42008 Saint-Étienne Cedex	-	-	99.68	2,492	4	2			-	-	-
Casino Entreprise 1, Esplanade de France 42008 Saint-Étienne Cedex	167	170	100.00	166,616,203	285	285			-	(1)	-
Comacas 1, Esplanade de France 42008 Saint-Étienne Cedex	-	1	100.00	99,999	3	3			27	0	-
Vindémia 5, impasse du Grand Prado 97438 Sainte-Marie	60	413	100.00	3,750,250	440	440			27	13	25
Investeur 103 1, Esplanade de France 42008 Saint-Étienne Cedex	60	60	100.00	6,003,700,000	60	60			-	-	-

Company	Share capital (€ millions)	Equity (€ millions)	% ownership	Number of shares held	Carrying amount Gross (€ millions)	Carrying amount Net (€ millions)	Loans and advances granted by the Company (€ millions)	Guarantees given by the Company (€ millions)	2013 net sales (€ millions)	2013 net profit (loss) (€ millions)	Dividends received by the Company in the prior year (€ millions)
Foodservice											
Casino Restauration 1, Esplanade de France 42008 Saint-Étienne Cedex	36	49	100.00	35,860,173	103	103		9	203	(15)	-
International											
Via Artika Gabriel Otero 6603, Montevideo, Uruguay	134	135	100.00	10,000	149	149			-	-	-
Gelase 5, place du Champ-de-Mars, Bastion Tower B-1050 Brussels Belgium	520	725	100.00	28,476,254	520	520			-	8	-
2. ASSOCIATES (10 TO 50%)											
Monoprix 14-16, rue Marc Bloch 92116 Clichy Cedex	62	789	50.00	3,859,481	843	843			249	164	-
Geimex (1) 15, rue du Louvre 75001 Paris	-	52	49.99	4,999	63	63			204	7	-
Uranie 1, Esplanade de France 42008 Saint-Étienne	44	85	26.81	11,711,600	31	31			4	6	-
Keran 1, Esplanade de France 42008 Saint-Étienne	1	0	72.59	42,992	2	2			1	-	-

(1) 2012 data.
Certain data was unavailable and is therefore not included in this table.

Company	Share capital (€ millions)	Equity (€ millions)	% ownership	Number of shares held	Carrying amount Gross (€ millions)	Carrying amount Net (€ millions)	Loans and advances granted by the Company (€ millions)	Guarantees given by the Company (€ millions)	2013 net sales (€ millions)	2013 net profit (loss) (€ millions)	Dividends received by the Company in the prior year (€ millions)
International											
Géant Holding BV 1 Beemdstraadt 5653 MA Eindhoven Netherlands	1	1,505	25.00	3,900	1,278	1,278			-	16	-
B - Aggregated data for all other subsidiaries or associates											
1. SUBSIDIARIES (NOT INCLUDED IN A ABOVE)											
CBD Avenida Brigadeiro Luiz Antonio, 3142 São Paulo, Brazil	2,076	2,911	2.12	5,600,052	52	52			6,716	327	2
Geant Argentina Corrientes Av. 587 – Piso 4 1043 Capital Federal Argentina	36	54	18.02	387,267,369	23	14			-	9	-
Various companies					8	7					

Company	Share capital *(€ millions)*	Equity *(€ millions)*	% ownership	Number of shares held	Carrying amount Gross *(€ millions)*	Carrying amount Net *(€ millions)*	Loans and advances granted by the Company *(€ millions)*	Guarantees given by the Company *(€ millions)*	2013 net sales *(€ millions)*	2013 net profit (loss) *(€ millions)*	Dividends received by the Company in the prior year *(€ millions)*
2. INVESTMENTS (NOT INCLUDED IN A ABOVE)											
Other companies					7	4					
Total investments											
o/w consolidated companies					16,201	16,165					
• French companies					16,188	16,157					
• Foreign companies					14,164	14,142					
o/w non-consolidated companies					2,024	2,015					
• French companies					13	8					
• Foreign companies					13	8					
Other long-term investments											
Marketable securities					**-**	**-**					
Casino shares					**-**	**-**					
Mutual funds					**1**	**1**					
Total					**1**	**1**					

Information on investments in non-French subsidiaries and associates is provided on a country-by-country basis in note 6.

As a result of the judgement applied when measuring the fair value of investments in foreign entities, provisions for the carrying amount and the amount of the Company's share of the underlying assets are not systematically recognised (see note 6).

4.6. STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS WITH RELATED PARTIES

SHAREHOLDERS' MEETING HELD TO APPROVE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

*This is a free translation into English of the Statutory Auditors' special report on regulated agreements and commitments with related parties that is issued in the French language and is provided solely for the convenience of English speaking readers. This report on regulated agreements and commitments should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code (*Code de commerce*) and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.*

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements and commitments with related parties.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention or which we may have discovered during the course of our audit, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (*Code de commerce*), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information provided for in Article R. 225-31 of the French Commercial Code in respect of the performance of the agreements and commitments, already authorized by the Shareholders' Meeting and having continuing effect during the year, if any.

We conducted our procedures in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. These guidelines require that we agree the information provided to us with the relevant source documents.

Agreements and commitments subject to the approval of the Shareholders' Meeting

We hereby inform you that we have not been advised of any agreement or commitment authorized during the year to be submitted to the approval of the Shareholders' Meeting pursuant to article L. 225-38 of the French Commercial Code.

Agreements and commitments already approved by the Shareholders' Meeting

Agreements and commitments already approved during previous years

a) Having continuing effect during the year

Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed that the following agreements and commitments, already approved by the Shareholders' Meeting in previous years, continued during the year.

1. Agreement concerning loans and current account advances entered into with Monoprix SA

Person concerned: Mr. Jean-Charles Naouri (director of Monoprix SA)

Nature and purpose: Pursuant to the agreement concerning loans and current account advances, your Company provides loans and current account advances to Monoprix with maturity going from 7 days to 6 months. The interest payable on the loans and the current account advances between your Company and Monoprix is calculated at Euribor with an 80 basis point mark-up.

Terms and conditions: Under this agreement, your Company recorded interest income of K€ 145 in its financial statements for the year ended December 31, 2013.

2. Real estate partnership agreement entered into with Mercialys

Person concerned: Mr. Michel Savart (director of Mercialys)

Nature and purpose: The partnership agreement signed on July 2, 2012 terminated the agreement signed on March 19, 2009.

The general principles of the New Partnership Agreement conserve the substance of the original agreement:

- Maintain, for the benefit of Mercialys, a privileged access to the real estate development projects portfolio of your Company (priority right).
- Increased security of real estate development projects by an upstream reciprocal commitment, since your Company will begin the work only after Mercialys has confirmed the order; it being noted that the order can only be confirmed after the authorizations have been duly obtained.
- Maintain the current economic balances between your Company and Mercialys (capitalization rate defined according to a matrix updated every 6 months based on changes in the value of Mercialy's real estate assets and a 50/50 sharing of the "upside/downside" noted at the start of the project compared to estimated rent).
- Extension of the Partnership term: expires on December 31, 2015.

In consideration of the priority right, the new agreement includes a non-compete clause for the benefit of your Company. As such, Mercialys may not invest in a "New Project" that competes with a Casino Group food store having a retail surface area in excess of 1,500 square meters and has substantial impact, without the consent of your Company. A "New Project" is defined as follows:

- Any project developed on a new site including a food store with a retail surface area in excess of 1,500 square meters and a shopping arcade.
- Any existing shopping mall with a food product sales area in excess of 1,500 square meters subject to an extension representing a floor area in excess of or equal to 30% of the shopping mall's surface area prior to the extension project.

The various steps and commitments provided for are as follows:

- Identification of "Projects to be Confirmed" (projects underway which do not yet have good visibility or are not yet sufficiently secure for an order to be placed).
- Placing of the "Validated Projects" order (projects offering good visibility and a sufficient level of profitability for the two parties).
- Confirmation of the order based on a final and specific project (except for customary flexibility/tenant requests), subject to obtaining final authorizations and provided that the pre-commercialization rate of 60% of signed leases has been reached (in value).
- Sale of the asset (transfer of the property at the start of the project and payment by Mercialys on delivery with a 50/50 sharing of the "upside/downside").

Furthermore, the terms and conditions for setting and adjusting prices are as follows:

- Setting of the price, when the order is placed based on actual or budgeted rent set by an independent expert, capitalized on the basis of rates determined in accordance with the type of relevant assets (see below).
- Updating of the price upon confirmation of the order to take into account changes in lease commercialization and capitalization rates.
- Updating of the price upon sale based on the rental situation 2 months prior to the public opening, without updating of the capitalization rate.

For fiscal year 2013, capitalization rates were as follows under the former and new agreements:

	Shopping centers		Retail parking lots		
Type of assets	Metropolitan France	Corsica and French overseas departments and territories (DOM TOM)	Metropolitan France	Corsica and French overseas departments and territories (DOM TOM)	Town center
Regional centers/Large shopping centers (> 20,000 sq. meters)	6.3%	6.9%	6.9%	7.3%	6.0%
Neighborhood shopping centers (from 5,000 to 20,000 sq. meters)	6.8%	7.3%	7.3%	7.7%	6.4%
Other assets (< 5,000 sq. meters)	7.3%	7.7%	7.7%	8.4%	6.9%

Terms and conditions: During fiscal year 2013, transactions within the scope of the agreement were the following: extension of H&M store in Clermont-Ferrand, acquisition of sites in Albertville, Lanester, Aix-en-Provence, Clermont-Ferrand, Besançon and Saint-Paul in La Réunion.

3. Advisory agreement entered into with Euris

Person concerned: Mr. Jean-Charles Naouri (Chairman of Euris)

Nature and purpose: Pursuant to the terms of this agreement, Euris provides consulting and advisory services to your Company to determine its strategic planning and development.

Terms and conditions: For the year ended December 31, 2013, your Company recorded an expense of K€ 350 excluding taxes, to pay for these services.

4. Membership of Mr. Jean-Charles Naouri, Chairman and Chief Executive Officer, in a healthcare, death and disability insurance plan

Nature, purpose and terms and conditions: With respect to this plan, employer contributions relating to healthcare coverage and death and disability coverage amounted to K€ 74 and K€ 2 for the year ended December 31, 2013.

In addition, the Chairman and Chief Executive Officer is also a member of group compulsory pension plans, the contributions to which are determined by national joint agreements.

b) Not having continuing effect during the year

Furthermore, we have been informed that the following agreements and commitments, already approved by the Shareholders' Meeting in previous years, were not continued during the year.

1. Current account advances entered into with Mercialys

Person concerned: Mr. Michel Savart (director of Mercialys)

Nature and purpose: Pursuant to this agreement, your Company granted a credit line to Mercialys for a maximum amount of M€ 50 in the form of A Advances that refer to any advance of a principal amount of less than M€ 10 and/or B Advances that refer to any principal amount equal to or in excess of M€ 10. These advances are exclusively intended to finance Mercialys' short-term needs.

The maturity date for this new agreement is December 31, 2015.

Interest: All A Advances will bear interest at the 1 month Euribor rate plus the A Margin; it being specified that the A Margin may change at each anniversary date based on the updated re-financing costs of your Company. As of July 25, 2013, the A Margin was set to 0.60% compared to 0.70% in prior year.

All B Advances will bear interest at the Euribor rate applicable to the drawdown period plus the B Margin corresponding to 1.20% per year.

2. Trademark license agreement entered into with Mercialys

Person concerned: Mr. Michel Savart (director of Mercialys)

Nature, purpose and terms and conditions: Under this agreement, your Company grants Mercialys, for no consideration, a non-exclusive right to use, in France only, the "Nacarat" wordmark and figurative trademark, the "Beaulieu" wordmark and the "Beaulieu… pour une promenade" semi-figurative trademark.

Mercialys has a right of first refusal over these trademarks should your Company intend to sell them.

Lyon and Neuilly-sur-Seine, March 10, 2014

The Statutory Auditors

Deloitte & Associés		Ernst & Young et Autres
Gérard Badin	Antoine de Riedmatten	Daniel Mary-Dauphin

CORPORATE GOVERNANCE

5.1. BOARD OF DIRECTORS

5.1.1. COMPOSITION OF THE BOARD AND BOARD PRACTICES

As of 17 February 2014, the date on which the 2013 financial statements were approved, the Board of Directors had fourteen members:

- Jean-Charles Naouri, Chairman and Chief Executive Officer;
- Didier Carlier, representing Euris;
- Henri Giscard d'Estaing*;
- Gérard Koenigheit, representing Matignon-Diderot;
- Lady Sylvia Jay*;
- Marc Ladreit de Lacharrière;
- Didier Lévêque, representing Foncière Euris;
- Catherine Lucet*;
- Gilles Pinoncély;
- Gérald de Roquemaurel*;
- David de Rothschild;
- Frédéric Saint-Geours*;
- Michel Savart, representing Finatis;
- Rose-Marie Van Lerberghe*, senior independent non-executive director.

Non-voting director: Pierre Giacometti.

Antoine Guichard, Honorary Chairman, passed away on 18 May 2013.

Board Secretary: Jacques Dumas.

* *Independent director.*

The following table shows the date on which each director's current term ends.

	2014 (AGM held to approve the 2013 financial statements)	2015 (AGM held to approve the 2014 financial statements)	2016 (AGM held to approve the 2015 financial statements)
Gérald de Roquemaurel	X		
David de Rothschild	X		
Frédéric Saint-Geours	X		
Foncière Euris	X		
Euris	X		
Sylvia Jay		X	
Catherine Lucet		X	
Rose-Marie Van Lerberghe		X	
Finatis		X	
Jean-Charles Naouri			X
Henri Giscard d'Estaing			X
Marc Ladreit de Lacharrière			X
Gilles Pinoncély			X
Matignon Diderot			X

In accordance with the Company's articles of association and the Afep-Medef Code, a proportion of the Board members retires by rotation each year.

Five directors are due to retire by rotation at the Annual General Meeting of 6 May 2014.

In this respect, in accordance with its remit, the Appointments and Compensation Committee carried out its annual review of the composition of the Board of Directors with regard to good governance criteria and, more particularly, assessed the gender mix and the number of independent directors as well as the skills, experience and complementarity of its members. The Board also performed a new assessment of its practices and procedures. This included reviewing the relationships between the directors and Group companies to ensure that there is nothing which could interfere with their freedom or judgement or lead to a conflict of interest.

At the proposal of the Appointments and Compensation Committee, the Board of Directors will propose the re-election of Gérald de Roquemaurel, David de Rothschild, Frédéric Saint-Geours, Euris and Foncière Euris for a normal term of three years.

If the directors are re-elected at the Annual General Meeting of 6 May 2014, the Board of Directors will have 14 members, including six who are independent based on the criteria set out in the Afep-Medef corporate governance code: Sylvia Jay, Catherine Lucet, Rose-Marie Van Lerberghe, Henri Giscard d'Estaing, Gérald de Roquemaurel and Frédéric Saint-Geours.

The number of independent directors will therefore be more than 40% and the number of women directors more than 20%.

The Board will also include three directors who are external prominent business people: Marc Ladreit de Lacharrière, Gilles Pinoncély and David de Rothschild.

The Company's controlling shareholder will still have five seats on the Board and will not therefore have a majority of the voting power.

The rules and procedures governing the functioning of the Board of Directors are defined by law, the Company's articles of association, the Board Charter and the Afep-Medef Code, the Company's reference code. They are described in detail in the Chairman's Report, which follows, and the Board Charter, included in an appendix.

According to the Board Charter, each director must own a number of registered shares equal to at least one year's director's fees.

In May 2012, the Board appointed Rose-Marie Van Lerberghe, Chairman of the Appointments and Compensation Committee, as senior independent non-executive director to monitor an appropriate balance to the combined Chairman and Chief Executive role in terms of governance.

The Board of Directors is not affected by the provisions of articles L. 225-23, L. 225-27 and the new article L. 225-27-1 of the French Commercial Code (*Code de commerce*) and therefore does not have any directors representing the employees or any employee directors.

The composition of the Board did not change in 2013 with the exception of a change in the permanent representative of Matignon-Diderot.

Non-voting director

The articles of association permit the appointment of one or more non-voting directors, who are either elected at an ordinary general meeting of the shareholders or, between two meetings, appointed by the Board of Directors subject to ratification at the next shareholders' meeting. The non-voting directors are elected for a term of three years. They attend Board meetings and express their opinions but act in a consultative capacity only. The number of non-voting directors may not exceed five. The age limit for holding office as non-voting director is 80.

Pierre Giacometti was appointed non-voting director on 3 March 2010.

5.1.2. DIRECTORSHIPS AND OTHER POSITIONS HELD BY MEMBERS OF THE BOARD OF DIRECTORS

Jean-Charles Naouri

Chairman and Chief Executive Officer

Date of birth

8 March 1949, aged 65, French

Business address

1, Esplanade de France, 42000 Saint-Étienne, France

Biography

A graduate of the *École normale supérieure* (Sciences), Harvard University and the *École nationale d'administration*, Jean-Charles Naouri began his career as an *inspecteur des Finances* at the French Treasury. He was appointed chief of staff for the Minister of Social Affairs and National Solidarity in 1982, then for the Minister of the Economy, Finance and Budget in 1984. He founded Euris in 1987, which became the controlling shareholders of Rallye in 1991 and then of Casino in 1998. He has been Chairman and Chief Executive Officer of Casino since March 2005.

Main executive positions

Chairman and Chief Executive Officer of Casino

Chairman of Euris

Current office within the Company

Office	Elected/appointed	Term expires
Director	4 September 2003	2016 AGM
Chairman	4 September 2003	2016 AGM
Chief Executive Officer	21 March 2005	2016 AGM

Other directorships and positions held in 2013 and as of 17 February 2014

Within Casino/Euris Group

- Chairman of the Board of Directors of Rallye (listed company);
- Chairman of the Board of Directors of Wilkes Participações (Brazil) and CBD (listed company – Brazil);
- Member of the Supervisory Board of Monoprix;
- Deputy Chairman of Fondation Casino;
- Chairman of Fondation Euris.

Outside Casino/Euris Group

- Director of Fimalac (listed company);
- Member of the Bank of France Consultative Committee;
- Chairman of the *Promotion des Talents Association*;
- Honorary Chairman and director of the *Institut de l'École normale supérieure.*

Directorships and positions held during the past five years (other than those listed above)

- Chairman of the Board of Directors of Finatis (listed company);
- Member of the Supervisory Board of Natixis (listed company);
- Chief Executive Officer of Rallye (listed company);
- Chairman and Chief Executive Officer then Chairman of Monoprix;
- Legal Manager of SCI Penthièvre Neuilly and Penthièvre Seine;
- Director of Natixis (listed company);
- Deputy Chairman of Fondation Euris.

Number of Casino shares held: 367

Henri Giscard d'Estaing

Independent director

Date of birth

17 October 1956, aged 57, French

Business address

11, rue de Cambrai, 75019 Paris, France

Biography

Henri Giscard d'Estaing is a graduate of the *Institut d'études politiques de Paris* and holds a Master's degree in economics. He began his career in 1982 with Cofremca, where he was associate director specialising in food-consumer behaviour patterns and their impact on market and strategy.

In 1987, he joined the Danone Group as head of business development, subsequently becoming Managing Director of UK subsidiary HP Food Lea & Perrins, then Chief Executive Officer of Évian-Badoit and lastly director of the Mineral Waters division.

In 1997, he joined Club Méditerranée where he was, successively, Deputy Chief Executive Officer responsible for finance, business development and international relations (1997-2001), Chief Executive Officer (2001-2002), Chairman of the Management Board (2002-2005) and Chairman and Chief Executive Officer (2005 to date).

Main executive position

Chairman and Chief Executive Officer of Club Méditerranée (listed company)

Current office within the Company

Office	Elected/appointed	Term expires
Director	8 April 2004	2016 AGM

Other directorships and positions held in 2013 and as of 17 February 2014

Outside the Casino Group	
Within the Club Méditerranée Group	**Outside the Club Méditerranée Group**
• Chairman and founder of *Fondation d'entreprise Club Méditerranée.*	• Member of the Supervisory Board of Randstad (listed company – Netherlands).

Directorships and positions held during the past five years (other than those listed above)

• Chairman of the Board of Directors of Club Med World Holding and Club Med Services Singapore Pte Ltd;	• Director of ADP (listed company), Club Med Management Asia Ltd (Hong Kong), Holiday Hotels AG (Switzerland) and Carthago (Tunisia).

Number of Casino shares held: 313

Lady Sylvia Jay

Independent director

Date of birth

1 November 1946, aged 67, British

Business address

38 Markham Street, London SW3 3NR, UK

Biography

Lady Sylvia Jay, CBE(1) was educated at the University of Nottingham and the London School of Economics. She held various positions as a senior civil servant in the British civil service between 1971 and 1995, being involved in particular in financial aid to developing countries. She was seconded to the French Ministry of Co-operation and the French Treasury and was later Assistant Director in Jacques Attali's office at the European Bank for Reconstruction and Development. She entered the private sector in 2001, as Director General of the UK Food and Drink Federation until 2005, when she became Vice-Chairman of L'Oréal UK & Ireland. In 2011, she was appointed Chairman of L'Oréal UK & Ireland, a position she held until August 2013.

Main position

Independent director

Current office within the Company

Office	Elected/appointed	Term expires
Director	11 May 2012	2015 AGM

Other directorships and positions held in 2013 and as of 17 February 2014

Outside the Casino Group

- Director of Alcatel Lucent, Saint-Gobain and Lazard Ltd and Lazard Ltd (listed companies);
- Chairman of the Pilgrim Trust;
- Trustee of the Entente Cordiale Scholarship Scheme and the Prison Reform Trust.

Directorships and positions held during the past five years (other than those listed above)

- Chairman of Food from Britain;
- Vice-Chairman then Chairman of L'Oréal UK;
- Trustee of the Body Shop Foundation.

Number of Casino shares held: 400

(1) Commander of the Order of the British Empire.

Marc Ladreit de Lacharrière

Director

Date of birth

6 November 1940, aged 73, French

Business address

97, rue de Lille, 75007 Paris, France

Biography

A graduate of the *École nationale d'administration*, Marc Ladreit de Lacharrière began his career with Banque de Suez et de l'Union des Mines, which subsequently became Indosuez after merging with Banque de l'Indochine. He left his position as the Head of Indosuez's Investment Banking Department in 1976 to join L'Oréal as Chief Financial Officer, later becoming Vice-Chairman and Chief Operating Officer. In March 1991, he left L'Oréal to found his own company, Fimalac.

Main executive position

Chairman and Chief Executive Officer of Fimalac (listed company)

Current office within the Company

Office	Elected/appointed	Term expires
Director	4 September 2003	2016 AGM

Other directorships and positions held in 2013 and as of 17 February 2014

Outside the Casino Group

Within the Fimalac group

- Chairman of the Board of Directors of Fitch Group (USA);
- Chairman of the Management Board of Groupe Marc de Lacharrière;
- Vice-Chairman of the Supervisory Board of Webedia;
- Legal Manager of Fimalac Participations (Luxembourg).

Outside the Fimalac group

- Director of L'Oréal (listed company), Gilbert Coullier Productions (SAS), Groupe Lucien Barrière (SAS), Renault (listed company) and Société Fermière du Casino Municipal de Cannes (SFCMC) (listed company);
- Permanent representative of Fimalac on the Board of NextRadioTV;
- Honorary Chairman of *Comité National des Conseillers du Commerce Extérieur de la France*;
- Chairman of the Board of Directors of Agence France Museums (SAS);
- President of the *Fondation Culture et Diversité* and the *Fonds de dotation Abbaye de Lubilhac*;
- Member of the *Fondation des sciences politiques* and the *Conseil artistique des Musées Nationaux*;
- Member of the *Institut de l'Académie des beaux-arts*.

Directorships and positions held during the past five years (other than those listed above)

- Chairman of FitchRatings (USA);
- Director of Algorithmics (Canada);
- Legal Manager of Fimalac Participations;
- Member of the *Fondation Bettencourt-Schueller* and the *Fondation d'entreprise L'Oréal*;
- Member of the *Musée des arts décoratifs*.

Number of Casino shares held: 600

Catherine Lucet

Independent director

Date of birth

3 February 1959, aged 55, French

Business address

25, avenue Pierre-de-Coubertin, 75013 Paris, France

Biography

Catherine Lucet is a graduate of the *École polytechnique* (1979), the *École des mines de Paris* (1984) and holds an MBA from INSEAD. She began her career as an analyst at the Analysis and Forecasting Centre of the French Ministry of Foreign Affairs. She joined McKinsey in 1986 as a consultant, later becoming a project manager. In 1991, she was appointed Chief Executive Officer of Éditions Harlequin, a subsidiary of Éditions Hachette and Canadian publisher Torstar. In 1996, she joined Anglo-Dutch group Reed Elsevier where she headed their French scientific and medical publishing subsidiary until 2001, when she joined the Vivendi Group as head of Éditions Nathan. Catherine Lucet is now a member of the Executive Committee of Editis, Chief Executive Officer of its Education and Reference division, which includes Éditions Nathan, Bordas, Clé, Retz and Dictionnaires Le Robert. She is also Chairman of Éditions Nathan. In 2010, she was appointed Vice-President of the Cap Digital business cluster.

Main executive position

Chief Executive Officer of the Education and Reference division of Editis

Current office within the Company

Office	Elected/appointed	Term expires
Director	28 February 2011	2015 AGM

Other directorships and positions held in 2013 and as of 17 February 2014

Outside the Casino Group	
Within the Nathan group	**Outside the Nathan group**
• Chairman of Sejer; • Chairman of Librairie Fernand Nathan.	• Director of Cap Digital.

Directorships and positions held during the past five years (other than those listed above)

• Chairman of Dictionnaires Le Robert;	• Chairman of the association Savoir Livre.

Number of Casino shares held: 445

Gilles Pinoncély

Director

Date of birth

5 January 1940, aged 74 – Descendant of the Geoffroy-Guichard family (great-grandson of founder), French

Business address

1, Esplanade de France, 42000 Saint-Étienne, France

Biography

A graduate of the *École supérieure d'agriculture de Purpan* in Toulouse, Gilles Pinoncély began his career with L'Épargne, which was taken over by the Casino Group in 1970. He was appointed *fondé de pouvoir* in 1976, Managing Partner of Casino in 1981, then Statutory Manager in 1990. He became a member of Casino's Supervisory Board in 1994 and a director in 2003.

Main position

Director of Casino

Current office within the Company

Office	Elected/appointed	Term expires
Director	4 September 2003	2016 AGM

Other directorships and positions held in 2013 and as of 17 February 2014

Outside the Casino Group

- Director of Financière Célinor (Vie & Véranda);
- Director of the Centre long séjour Sainte-Élisabeth.

Directorships and positions held during the past five years (other than those listed above)

- Director of Monoprix.

Number of Casino shares held: 4,000 shares full title and 21,000 shares beneficial interest

Gérald de Roquemaurel

Independent director (standing for re-election)

Date of birth

27 March 1946, aged 68, French

Business address

64, rue de Belle Vue, Brussels 1000, Belgium

Biography

Gérald de Roquemaurel has a law degree, is a graduate of the Institut d'études politiques de Paris and an alumnus of the École nationale d'administration (1970 to 1972). A direct descendant of Louis Hachette (founder of Librairie Hachette), he joined Publications Filipacchi in 1972 and became a director of Paris-Match in 1976. In 1981, he was appointed Vice-Chairman and Chief Executive Officer of Groupe Presse Hachette (which became Hachette Filipacchi Presse in 1992). From 1983 to 1985, he was responsible for the Group's international expansion and in 1984 became director and Chief Executive Officer of Publications Filipacchi (later Filipacchi Medias), and then a member of the Executive and Strategic Committee of Lagardère S.C.A, a director of Hachette SA and Legal Manager of NMPP.

On 18 June 1997, he was appointed Chairman and Chief Executive Officer of Hachette Filipacchi Médias, then in 1998, Chief Operating Officer of the Lagardère Group in charge of the media division. In April 2001, he became Chairman of F.I.P.P. (Fédération Internationale de la Presse Périodique) for two years. In June 2001, he was appointed Chairman of the Club de la Maison de la Chasse et de la Nature. In early 2007, he became Managing Partner of HR Banque and was appointed Senior Partner of Arjil in January 2009. On 15 December 2012, he was appointed Manager of BGR Partners, Arjil's partner in Belgium.

Main position

Manager of BGR Partners

Current office within the Company

Office	Elected/appointed	Term expires
Director	31 May 2006	AGM of 6 May 2014

Other directorships and positions held in 2013 and as of 17 February 2014

Outside the Casino Group

- Member of the Supervisory Board of Baron Philippe de Rothschild SA;
- Deputy Chairman of Association Presse Liberté.

Directorships and positions held during the past five years (other than those listed above)

- Director of the Musée des arts décoratifs (association) and Nakama (Skyrock);
- Member of the Supervisory Board of Société Financière HR;
- Legal Manager of Compagnie pour la Télévision Féminine SNC.

Number of Casino shares held: 400

David de Rothschild

Director (standing for re-election)

Date of birth

15 December 1942, aged 71, French

Business address

29, avenue de Messine, 75008 Paris, France

Biography

A graduate of the *Institut d'études politiques de Paris*, David de Rothschild began his career with Le Nickel. From 1973 to 1978, he was Chief Executive Officer of Compagnie du Nord and then Chairman of the Management Board of Banque Rothschild. He founded Paris Orléans Banque in 1982 and then became Statutory Managing Partner of Rothschild & Cie Banque and Chairman and Chief Executive Officer of Francarep (now Paris Orléans).

Main executive positions

Chairman of PO Gestion, Legal Manager of Paris Orléans SCA;

Chairman of NM Rothschild & Sons Limited (London, United Kingdom);

Managing Partner of Rothschild & Cie Banque and Managing Partner of Rothschild & Cie.

Current office within the Company

Office	Elected/appointed	Term expires
Director	4 September 2003	AGM of 6 May 2014

Other directorships and positions held in 2013 and as of 17 February 2014

Outside the Casino Group

Within the Rothschild group

- Managing Partner of RCB Partenaires (SNC Paris) and Rothschild Ferrières (SC Paris);
- Chairman of Rothschild Concordia (SAS Paris), Rothschild North America (USA), Rothschilds Continuation Holding AG (Switzerland), Rothschild Europe BV (Netherlands), SCS Holding (SAS – Paris), PO Commandités (SAS – Paris), RCG Partenaires (SAS – Paris), RCI Partenaires (SAS Paris), Cavour (SAS – Paris), Verdi (SAS – Paris), Aida (SAS Paris), Paris Orléans Holding Bancaire (POHB) (SAS-Paris) and Financière Rabelais (SAS Paris);
- Vice-Chairman of Rothschild Bank AG (Switzerland);
- Director of Rothschild Holding AG (Switzerland), Rothschild Employee Trustees Limited (UK), Rothschild Asia Holding Limited (China) and Rothschild Concordia AG;
- Sole Director of GIE Five Arrows Messieurs de Rothschild Frères (Paris) and Sagitas (Paris);
- Legal Manager of Bero (SCA – Paris);
- Member of the Remuneration and Nomination Committee of Rothschilds Continuation Holdings AG; AG.

Outside the Rothschild group

- Chairman of Financière de Reux (SAS – Paris) and Financière de Tournon (SAS – Paris);
- Director of La Compagnie Financière Martin-Maurel SA, Edmond de Rothschild SA, Continuation Investments NV (Netherlands) and De Beers SA (Luxembourg).

Directorships and positions held during the past five years (other than those listed above)

- Chairman of RCG Gestion (SAS-Paris), RCB Gestion (SAS-Paris), RCBP Gestion (SAS-Paris), RCI Gestion (SAS-Paris) and Norma (SAS-Paris);
- Member of the Supervisory Board of Compagnie Financière Saint-Honoré (SA – Paris);
- Vice-Chairman of the Supervisory Board of Paris Orléans SA.

Number of Casino shares held: 400

Frédéric Saint-Geours

Independent director (standing for re-election)

Date of birth

20 March 1950, aged 64, French

Business address

75, avenue de la Grande-Armée, 75116 Paris, France

Biography

Frédéric Saint-Geours has a degree in economics, is a laureate of the *Institut d'études politiques de Paris* and an alumnus of the *École nationale d'administration*. After a career with the Ministry of Finance and in the offices of the President of the National Assembly and the Secretary of State for the Budget (1975 to 1986), he joined the PSA Peugeot Citroën group in 1986 as Deputy Chief Financial Officer and became Chief Financial Officer of the group in 1988. From 1990 to 1997, he was Deputy Chief Executive Officer of Automobiles Peugeot, where he was appointed Chief Executive Officer in early 1998. He was a member of the Management Board of PSA Peugeot-Citroën from July 1998 to December 2007. On 1 January 2008, he was appointed Adviser to the Chairman of the Management Board of PSA Peugeot Citroën and member of the Management Committee. He was elected Chairman of the UIMM trade federation on 20 December 2007. He was a member of the Management Board of Peugeot SA from 17 June 2009 to March 2013. During that time, he was also Chief Financial Officer and Head of Finance and Strategy for the PSA Peugeot Citroën Group from June 2009 to January 2012, and then head of the Peugeot and Citroën brands until March 2013. In April 2013, he was appointed special adviser to the Chairman of the Management Board of PSA Peugeot Citroën. In September 2013, he was elected Chairman of the *Groupe des Fédérations Industrielles* (GFI).

Main executive position

Special adviser to the Chairman of the Management Board of PSA Peugeot Citroën

Current office within the Company

Office	Elected/appointed	Term expires
Director	31 May 2006	AGM of 6 May 2014

Other directorships and positions held in 2013 and as of 17 February 2014

Outside the Casino Group

- Chairman of Union des industries et métiers de la métallurgie (UIMM);
- Chairman of the Groupe des Fédérations Industrielles (GFI);
- Director of BPI Investissements;
- Director of BPI Participations.

Directorships and positions held during the past five years (other than those listed above)

- Chairman of the Board of Directors of Banque PSA Finance;
- Chairman of Automobiles Citroën and Automobiles Peugeot;
- Vice-Chairman of Dongfeng Peugeot-Citroën Automobiles Company Ltd (China);
- Director of Peugeot Citroën Automobiles S.A.;
- Chairman and Chief Executive Officer of Banque PSA Finance;
- Chief Executive Officer and director of Automobiles Peugeot;
- Chairman of the Supervisory Board of Peugeot Finance International NV (Netherlands);
- Vice-Chairman and Managing Director of PSA International S.A.;
- Director of Faurecia;
- Director of Gefco;
- Director of Peugeot España S.A.;
- Director of PCMA Holding B.V. (Netherlands);
- Permanent representative of Automobiles Peugeot on the Board of Directors of Gefco and Bank PSA Finance;
- Permanent representative of Peugeot SA on the Board of Directors of Automobiles Peugeot;
- Director of Changan PSA Automobiles Co Ltd (China);
- Member of the Supervisory Board of Peugeot Deutschland GmbH.

Number of Casino shares held: 350

Rose-Marie Van Lerberghe

Independent director – Senior independent non-executive director

Date of birth

7 February 1947, aged 67, French

Business address

20, avenue de Ségur, 75007 Paris, France

Biography

Rose-Marie van Lerberghe is a graduate of the *École nationale d'administration*, the *Institut d'études politiques* in Paris and INSEAD Business School. She is an alumnus of the *École normale supérieure* and has a degree in history and a higher degree in philosophy. She started her career as inspector at the General Inspection of Social Affairs and subsequently became deputy director for labour defence and promotion at the employment delegation of the Ministry of Labour. She then joined the Danone group for ten years, where she became head of human resources. Subsequently, she was delegate general for employment and vocational training, and then became director of the network of Paris Hospitals. From 2006 to 2011, she was Chairman of the Management Board of the Korian group. Since 2011, she has been a member of the *Conseil supérieur de la magistrature*.

Main position

Member of the *Conseil supérieur de la magistrature*

Current office within the Company

Office	Elected/appointed	Term expires
Director	19 May 2009	2015 AGM

Other directorships and positions held in 2013 and as of 17 February 2014

Outside the Casino Group

- Director of Air France (listed company);
- Director of Klépierre (listed company);
- Director of Bouygues (listed company);
- Director of CNP (listed company);
- Director of the Hôpital Saint-Joseph foundation (FHSJ);
- Chairman of the Board of Directors of Institut Pasteur.

Directorships and positions held during the past five years (other than those listed above)

- Chairman of the Management Board of the Korian group;
- Director of the *École des hautes études de santé publique* (EHESP).

Number of Casino shares held: 300

Euris

Director (standing for re-election)

Société par actions simplifiée with share capital of €164,806

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

348 847 062 R.C.S. Paris

Current office within the Company

Office	Elected/appointed	Term expires
Director	4 September 2003	AGM of 6 May 2014

Other directorships and positions held in 2013 and as of 17 February 2014

Within Casino/Euris Group

- Director of Finatis, Foncière Euris and Rallye (listed companies).

Directorships and positions held during the past five years (other than those listed above)

None.

Number of Casino shares held: 365

Permanent representative of Euris

Didier Carlier, appointed on 2 March 2006

Date of birth

5 January 1952, aged 62, French

Business address

83, rue du Faubourg-Saint-Honoré, 75008 Paris, France

Biography

Didier Carlier is a graduate of the Reims *École supérieure de commerce* and a qualified accountant. He began his career in 1975 as an auditor with Arthur Andersen, rising to the grade of Manager. He subsequently became Corporate Secretary of Équipements Mécaniques Spécialisés and then Chief Financial Officer of the Hippopotamus restaurant group. He joined the Rallye group in 1994 as Chief Financial Officer and was appointed Deputy Chief Executive Officer in January 2002. He was appointed Chief Executive Officer of Rallye on 28 February 2013.

Main executive position

Chief Executive Officer of Rallye SA

Other directorships and positions held in 2013 and as of 17 February 2014

Within Casino/Euris Group

- Chief Executive Officer of Rallye (listed company);
- Chairman and Chief Executive Officer of Miramont Finance et Distribution SA and La Bruyère SA;
- Chairman of Alpétrol SAS, Cobivia SAS, Genty Immobilier et Participations SAS, L'Habitation Moderne de Boulogne SAS, Les Magasins Jean SAS, Matignon Sablons SAS and Parande SAS;
- Chairman of Crapon LLC, King LLC, Lobo I LLC, Oregon LLC, Parker I LLC, Pointer I LLC, Sharper I LLC and Summit I LLC (USA);
- Chairman and Chief Executive of MFD Inc. (USA);
- Representative of Parande SAS as Chairman of Pargest SAS and Parinvest SAS;
- Permanent representative of Matignon-Diderot SAS as director of Rallye (listed company);
- Permanent representative of Matignon Sablons on the Board of Directors of Groupe Go Sport (listed company);
- Legal Manager of SCI de Kergorju, SCI des Sables and SCI des Perrières.

Outside Casino/Euris Group

- Legal Manager of SC Dicaro.

Directorships and positions held during the past five years (other than those listed above)

- Chairman and Chief Executive Officer of Colisée Finance II SA and Colisée Finance VI;
- Chairman of MFD Finances SAS, Parande Développement SAS, Kerrous SAS, Marigny Percier SAS, Soparin SAS, Colisée Finance III SAS, Omnium de Commerce et de Participations SAS, Colisée Finance IV SAS and Colisée Finance V SAS;
- Managing Director of Club Sport Diffusion SA (Belgium) and Limpart Investments BV (Netherlands);
- Representative of Parande SAS as Chairman of Pargest Holding SAS;
- Permanent representative of Omnium de Commerce et de Participations SAS as director of Groupe Go Sport;
- Permanent representative of Foncière Euris as director of Rallye (listed company).

Finatis

Director

Société anonyme with share capital of €84,852,900

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

712 039 163 R.C.S. Paris

Current office within the Company

Office	Elected/appointed	Term expires
Director	15 March 2005	2015 AGM

Other directorships and positions held in 2013 and as of 17 February 2014

Within Casino/Euris Group

- Director of Carpinienne de Participations, Foncière Euris and Rallye (listed companies).

Directorships and positions held during the past five years (other than those listed above)

None.

Number of Casino shares held: 380

Permanent representative of Finatis

Michel Savart, appointed on 28 February 2011

Date of birth

1 April 1962, aged 52, French

Business address

83, rue du Faubourg-Saint-Honoré, 75008 Paris, France

Biography

Michel Savart is a graduate of the *École polytechnique* and the *École nationale supérieure des mines de Paris*. He began his career with Havas in 1986, joined Banque Louis Dreyfus as project manager in 1987 and Banque Arjil (Lagardère group) in 1988, where he was project manager then adviser to the Management Board until 1994. He joined Banque Dresdner Kleinwort Benson (DKB) in 1995, where he was notably Managing Director in charge of mergers and acquisitions until 1999. He joined the Euris-Rallye group in October 1999 as director and Advisor to the Chairman, responsible for private equity investments. He is currently Adviser to the Chairman of the Rallye-Casino Group and has also been Chairman and Chief Executive Officer of Foncière Euris since August 2009.

Main executive positions

Adviser to the Chairman of the Rallye-Casino Group

Chairman and Chief Executive Officer of Foncière Euris

Other directorships and positions held in 2013 and as of 17 February 2014

Within Casino/Euris Group	Outside Casino/Euris Group
• Director of Cdiscount SA; • Permanent representative of Rallye SA on the Board of Directors of Groupe Go Sport (listed company) • Representative of Foncière Euris as: - Chairman of Marigny Belfort SAS, Marigny Foncière SAS and Matignon Abbeville SAS; • Representative of Marigny Foncière as: - Chairman of Mat-Bel 2 SAS - Co-Legal Manager of SCI Les Deux Lions, SCI Ruban Bleu Saint-Nazaire and Legal Manager of SCI Pont de Grenelle and SNC Centre Commercial Porte de Châtillon; • Representative of Matignon Abbeville as Legal Manager of Centrum K Sarl, Centrum J Sarl and Centrum Z Sarl (Luxembourg) and Legal Manager A of Centrum NS Luxembourg Sarl; • Co-Legal Manager of Einkaufszentrum am Alex GmbH, Guttenbergstrasse BAB5 GmbH and Loop 5 Shopping Centre GmbH (Germany);	• Director of Mercialys (listed company); • Legal Manager of EURL Montmorency and EURL Aubriot Investments

Directorships and positions held during the past five years (other than those listed above)

- Chairman of the Board of Directors of Mercialys (listed company);
- Representive of Foncière Euris as Chairman of Marigny Expansion, Marigny Élysées SAS, Matignon Bail SAS and Matignon Corbeil Centre SAS, and Legal Manager of SNC Alta Marigny Carré de Soie, SCI Sofaret and SCI Les Herbiers;
- Representative of Matignon Abbeville as Chairman of Mat-Bel 2 SAS;
- Director of Groupe Go Sport;
- Representative of Parande SAS on the Board of Directors of Matussière et Forest SA;
- Representative of Marigny Élysées as Co-Legal Manager of SCCV des Jardins de Seine 1, SCCV des Jardins de Seine 2 and SNC Centre Commercial du Grand Argenteuil;
- Representative of Marigny Foncière as Co-Legal Manager of SCI Palais des Marchands;
- Co-Legal Manager of HBF Königswall, Alexa Holding GmbH, Alexa Shopping Centre GmbH and Alexanderplatz Voltairestrasse GmbH.

Foncière Euris

Director (standing for re-election)

Société anonyme with share capital of €149,488,110

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

702 023 508 R.C.S. Paris

Current office within the Company

Office	Elected/appointed	Term expires
Director	29 April 2010	AGM of 6 May 2014

Other directorships and positions held in 2013 and as of 17 February 2014

Within Casino/Euris Group

- Chairman of Matignon Abbeville SAS, Marigny Belfort SAS and Marigny Foncière SAS;
- Director of Rallye SA (listed company).

Directorships and positions held during the past five years (other than those listed above)

- Chairman of Marigny-Élysées SAS, Marigny Expansion SAS, Matignon Bail SAS and Matignon Corbeil Centre SAS
- Director of Apsys International
- Co-Legal Manager of SNC Alta Marigny Carré de Soie
- Legal Manager of SCI Sofaret and Les Herbiers

Number of Casino shares held: 365

Permanent representative of Foncière Euris

Didier Lévêque, appointed on 29 May 2008

Date of birth

20 December 1961, aged 52, French

Business address

83, rue du Faubourg-Saint-Honoré, 75008 Paris, France

Biography

Didier Lévêque is a graduate of the *École des hautes études commerciales*. From 1985 to 1989, he was research manager for the Finance Department of Roussel-Uclaf. He joined the Euris Group in 1989 as deputy Corporate Secretary and was appointed Corporate Secretary in 2008.

Main executive positions

Corporate Secretary of Euris

Chairman and Chief Executive Officer of Finatis (listed company)

Other directorships and positions held in 2013 and as of 17 February 2014

Within Casino/Euris Group	Outside Casino/Euris Group
• Chairman and Chief Executive Officer of Carpinienne de Participations (listed company) and of Euris North America Corporation (ENAC), Euristates Inc., Euris Real Estate Corporation (EREC) and Parande Brooklyn Corp. (USA); • Chairman of Par-Bel 2 (SAS) and Matignon Diderot (SAS); • Director of Euris Limited (UK); • Member of the Supervisory Board of Centrum Development SA, Centrum Leto SA, Centrum Poznan SA and Centrum Weiterstadt SA (Luxembourg); • Permanent representative of Finatis as director of Foncière Euris (listed company); • Permanent representative of Foncière Euris as director of Rallye (listed company); • Representative of Matignon-Diderot as Legal Manager of SCI Penthièvre Neuilly; • Co-Legal Manager of Silberhorn Sarl (Luxembourg); • Director and Treasurer of Fondation Euris.	• Legal Manager of SARL EMC Avenir 2.

Directorships and positions held during the past five years (other than those listed above)

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

Matignon-Diderot

Director

Société par actions simplifiée with share capital of €83,038,500

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

433 586 260 R.C.S. Paris

Current office within the Company

Office	Elected/appointed	Term expires
Director	17 October 2007	2016 AGM

Other directorships and positions held in 2013 and as of 17 February 2014

Within Casino/Euris Group

- Director of Finatis and Rallye (listed companies);
- Legal Manager of SCI Penthièvre Neuilly.

Directorships and positions held during the past five years (other than those listed above)

None.

Number of Casino shares held: 350

Permanent representative of Matignon Diderot

Gérard Koenigheit, appointed on 22 April 2013

Date of birth

10 September 1949, aged 64, French

Business address

148, rue de l'Université, 75007 Paris, France

Biography

Gérard Koenigheit is a graduate of the *École des mines de Nancy* engineering school and holds an MBA from the University of Chicago. He started his career as director of Citibank Paris, a position he held between 1975 and 1985. He then held the position of director of Finance and Administration of Midland Bank SA. In 1990, he joined Euris as a director. He has been Advisor to the Chairman of Casino, Guichard-Perrachon and Rallye. He continues to act in an advisory capacity to Casino.

Main position

Legal Manager of GK Advisor SARL

Other directorships and positions held in 2013 and as of 17 February 2014

Within Casino/Euris Group	Outside Casino/Euris Group
• Director of Equigest SA; • Chairman of Saris SAS; • Permanent representative of Miramont, Finance et Distribution as director of Groupe Go Sport (listed company); • Legal Manager of SNC Euriscom.	• Legal Manager of Arinal SARL.

Directorships and positions held during the past five years (other than those listed above)

- Advisor to the Chairman of Rallye;
- Advisor to the Chairman of Casino, Guichard-Perrachon;
- Chairman and Chief Executive Officer of Aubanne SA;
- Chief Executive Officer of Sofigep;
- Chairman of the Management Board of Leader Price;
- Chairman of the Management Board of Franprix-Holding SA; member of the Management Board of Leader Price Holding SA;
- Chairman of the Board of Sofigep SA, Saad and Villette Discount;
- Chairman of Franprix Leader Price Holding SAS;
- Member of the Supervisory Board of Jay Distribution SA;
- Director and Chairman of the Board of Directors of Gie Franleader;
- Director of Mercialys;
- Permanent representative of MFD Finances SAS on the Board of Directors of Groupe Go Sport;
- Chairman of SAS: Sofidis, Super Picpus, Jacodet, Jacobsons, Sogicergy, Super national, Saint-Martin Distribution, Distrivaugirard, Bertanne, SPF Distrileader Draguignan, Ansedis, Charlydis, Les Cygnes L. P. and Minimarché Val-d'Oise;
- Representative of Sofidis as Chairman of SAS: Aubanne, Société Alésienne de distribution, Villette Discount, Dbmh and Leader Price Magasin Quatre;
- Representative of Dbmh as Chairman of SAS: M.C.M. and Romabelle;
- Representative of Sofigep as Chairman of King Super Gobelins, Super 10, Établissement Panet, Sogiquatre, Nell SP and Sofigep Finances;
- Legal Manager of SNC Distrouet 13, Districolbert 13 and Distrilieutaud 13;
- Legal Manager of Sogilourmel, Vilezor, Sogipar, Sogimaine, Super Cardinet, Distrimonge, SDHN, S.A.V.Y., Lilou, Benson Sogirennes, Sogigarches, Distribezons, Distrilevis, Sogivilliers, Immodelambre 9, Distrireaumur, Saint Brice Distribution, Distriponthieu, Sogidourdan, Sogipontoise, Distrimahon, Distrigallieni, Aulnay Distrib, Superlidis, Sogilidis, SDS Distrib, Superodis, Sogiricher, Distribrune, Sogidiffusion 3, Sogidiffusion 4, Sogiboulogne, Distrileader Île-de-France, Distrileader Var, Distrileader Roussillon, Distrileader Nord Centre II, Distrileader Bourg Les Valence, Distrileader Davezieux, Cebadis, Sainpredis, DistrileaderHerault, Leader Grillon, Distrileader Drome, Leader Creusot, Distrileader Guillotière, Leader Morez, Distrileader Chatte, Leader Brassac, Distrileader Bron, Distrileader Villeurbanne, Distrileader Nivolas, Distrileader Chonas, Leader Neuville, Distrileader Lyon Faure, Ca Dis Saint-Genis Laval, Ca Dis Pont de Cheruy, Belleval, Leader Seynod, Leader Nimes, Leader Belley, Leader Saint-Peray, Leader Chaintre, Leader Arbent, Leader Pontcharra, Leader Bresse, Palaidis, Leader Les Ulis, Distrileader Cergy, Leader Aubenas, Distrileader Salaise, Leader Achères, Leader Domerat, Distrileader Manosque, Leader Dagneux, Leader Cazouls, Distrileader Chatou, Leader Fontenay, Leader Pantin, Leader Nanteuil, Leader Savitemple, Leader Nemours, Leader Fontainebleau, Leader Ferté Gaucher, Distrileader Varennes;
- Legal Manager of SARL: Super Duquesne, Lecogest, Formadis, Le Webmarché, Sithem, Semd, Sogigouvion, Super Carnot, Sogesm, Sogiec, Somepp, Distriparme, Super Montedour, Sogiduban, Sogidormoy, Superant, Super Mozart, Super Alesia, Districharcot, Distribraille, Distriberger, Sodi 15, Super Delambre, Distrisserand, Établissements Chanoit et Cie, Supermont, CFD, Ava, Sogiseize, Sogibergère, Garedis, Sogimontardat, Distriparis, Virodis, Super Paradis, Districannet, Sogiforville, Reuilly Distrib, Sogibatignolles, Distripigalle, Marest, Distripyrénées, Sogirépublique, Sogitemple, Distrivisy, Distrileader Allier, Leader Saint-Étienne, Distrileader Centre Est, Distrileader Rhône, Distrileader Macon, HD Avignon, Distrileader Auvergne, Distrileader Loire, Distrileader Sud, Distrileader Aude, Distrileader Bouches du Rhône, Fossedis, Distrileader Toulon, Distrileader Lyon, Distrileader Vaucluse, Montelidis, Distrileader Marseille, Valmartin, Distrileader Puy-de-Dôme, Distrileader Provence, Distrileader Pierrelatte, Distrileader Narbonne, Distrileader 13, Distrileader Lunes, Distrileader Mazargues, Distrileader Lyon Berthelot, Distrileader Arles, Distrileader Les Olives, Distrileader Istres, Distrileader Grenoble, Distrileader Montpellier, Distrileader Beaucaire, Soghis, Leader Sainte-Foy, Moulindis, Leader Castelette, Distrileader Roanne, Leader Bagnols-sur-Cèze, Leader Gardanne, Disalis, Montrodis, Leader Vendargues, Leader Babeau, Leadalis, Distrileader Choisey, Clermont Christal, Leader Seyssinet, Nord Libre Service, Campadis, Leader Distribution Yonne, Leader Distribution Autunoise, Belfort Distribution, Montbéliard Distribution, Soultz Distribution, Leader Distribution Saône, Leader Distribution Bleni, Leader Distribution Niepce, Leader Distribution Bourgogne, Saint-Thibault Distribution, Quetigny Distribution, Franche Comte Distribution, Bas Rhin Distribution, Leader Distribution Chenove, Kembs Distribution, Leader Distribution Fontaine, Leader Distribution Neuilly, Leader Distribution Creancey, Leader Distribution Mulhouse, Leader Price Seine Maritime;
- Legal Manager of Super Leader and Super Temple;
- Representative of Sofidis as Legal Manager of SNC: CP-MAG-LP, Leader Aoste, Distrileader Saint-Mars, Leader Price Val-de-Seine, Leader Garance, Distrileader Lognes, Leader Grenat, Leader Dionys, Leader Niort, SNC Distrileader 79, Distrileader Gruchet Le Valasse, SNC Distrileader 66, Distrileader Chateaubourg and Distrileader Loudeac;
- Representative of Sofigep as Legal Manager of A La Bonne Source, Sogilouvre, CP-Mag-FP and Sogipoissonnière;
- Representative of Franprix Leader Price Holding as Legal Manager of Palim SCI;
- Representative of DBMH as Legal Manager of SCI Creancey 21, STT La Courtilière, Neuilly La Combe, Fontaine Cortots, Ama-Toltec Quetigny;
- Liquidator of Rediseo.

Pierre Giacometti

Director until 3 March 2010, appointed non-voting director on that date

Date of birth

14 June 1962, aged 51, French

Business address

4, rue de la Planche, 75007 Paris, France

Biography

A graduate of the *Institut d'études politiques de Paris*, Pierre Giacometti began his career with BVA in 1985. He became head of political research in 1986 and was appointed executive director in 1990, responsible for the Opinion, Institutionals & Media division. In 1995, he joined the Ipsos group as Chief Executive Officer of Ipsos Opinion and international director responsible for developing global opinion research within the group. In 2000, he became co-Chief Executive Officer of Ipsos-France. In February 2008, he left Ipsos and set up his own strategy and communications consultancy, Giacometti Peron & Associés. Pierre Giacometti is a senior lecturer at the *Institut d'études politiques de Paris*.

Main executive position

Chairman and Chief Executive Officer of Giacometti Peron & Associés

Current office within the Company

Office	Elected/appointed	Term expires
Non-voting director	3 March 2010	2016 AGM

Other directorships and positions held in 2013 and as of 17 February 2014

Outside the Casino Group

- Member of the Supervisory Board of the *Fondation pour l'innovation politique*;
- Senior Lecturer at the IEP in Paris.

Directorships and positions held during the past five years (other than those listed above)

- Director of Casino, Guichard-Perrachon.

Number of Casino shares held: 300

***

To the best of the Company's knowledge, during the last five years none of the members of the Board of Directors has received any convictions in relation to fraudulent offences or has acted in the capacity of manager of a company that has undergone bankruptcy or been placed in receivership or liquidation. In addition, no director has received an official public incrimination and/or sanction by any statutory or regulatory authority or has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

There are no family ties between the directors.

5.2. MANAGEMENT

5.2.1. CHAIRMAN AND CHIEF EXECUTIVE OFFICER

At its meeting of 22 April 2013, acting on the recommendation of the Appointments and Compensation Committee, the Board of Directors re-appointed Jean-Charles Naouri as Chairman and Chief Executive Officer for a term of three years, corresponding with his term of office as director.

As Chairman of the Board of Directors, Jean-Charles Naouri organises and leads the work of the Board and reports thereon at Shareholders' Meetings. He is also responsible for ensuring that the Company's corporate governance structures function correctly.

Restrictions on the Chief Executive Officer's powers

Under Article L. 225-56 of the French Commercial Code (*Code de commerce*), the Chief Executive Officer has full powers to act in all circumstances in the name of the Company within the scope of the corporate purpose and except for those powers which are specifically vested in the shareholders in General Meeting or in the Board of Directors under the law. The Chief Executive Officer represents the Company in its dealings with third parties.

However, at the time of his re-appointment, with a view to ensuring good corporate governance, Jean-Charles Naouri requested that the restrictions on the Chief Executive Officer's powers relating to certain management transactions should remain in place, based on the type of transaction concerned and/or the amounts involved. These restrictions are set out in the Chairman's Report (see page 220).

Jean-Charles Naouri is the Company's only executive officer.

5.2.2. EXECUTIVE COMMITTEE

The Executive Committee, headed by the Chairman and Chief Executive Officer, is responsible for the day-to-day management of the Group's operations. It implements the strategic guidelines set out by the Board of Directors and the Chief Executive Officer. It helps to shape strategy, coordinates and shares initiatives, and tracks cross-functional projects to ensure the alignment of action plans deployed by the subsidiaries and operating divisions, and, in this capacity, sets priorities when necessary. It monitors the Group's results and financial position and draws up the Group's overall business plans. The Committee meets fortnightly.

The Executive Committee comprises the following members:

- Jean-Charles Naouri, Chairman and Chief Executive Officer;
- Yves Braibant, Chief Executive Officer, Big C Thailand;
- Hervé Daudin, Merchandise and Supply Chain Director, Chairman of the Board of EMCD;
- Yves Desjacques, Human Resources Director;
- Carlos Mario Giraldo Moreno, Chairman of the Éxito group in Colombia;
- Antoine Giscard d'Estaing, Chief Financial Officer
- Stéphane Maquaire, Chairman of Monoprix;
- Jean-Paul Mochet, Chief Executive Officer of Franprix;
- Tina Schuler, Chief Executive Officer of Leader Price;
- Arnaud Strasser, Corporate Development and Holdings Director, Deputy Chairman of CBD in Brazil;
- Gérard Walter, Chief Executive Officer of Géant Casino Hypermarkets;
- Committee Secretary: Julien Lagubeau.

5.2.3. EXECUTIVE OFFICERS' COMPENSATION AND DIRECTORS' FEES

The principles and rules approved by the Board of Directors for determining the compensation and benefits allocated to corporate officers are described in the Chairman's report on page 224.

Chairman and Chief Executive Officer's compensation

In his capacity as Chairman and Chief Executive Officer, Jean-Charles Naouri receives a fixed salary plus a performance-related bonus set annually on the recommendation of the Appointments and Compensation Committee, supported where appropriate by market surveys conducted by outside consultants.

His gross annual fixed salary for 2013 was €480,000 compared with €700,000 previously. His performance-related bonus can now represent up to 175% of his fixed salary. It is contingent on the achievement of quantitative targets concerning consolidated revenue, trading profit and net profit, consistent with those set for members of the Executive Committee. It is also contingent on a further condition, applicable only to the Chief Executive Officer, which is that the net profit target must first be achieved before any bonus can be triggered (see Chairman's report, page 224).

Compensation paid to the Chairman and Chief Executive Officer by Casino

Total compensation, directors' fees and benefits paid by the Company to Jean-Charles Naouri in his capacity as Chairman and Chief Executive Officer in 2012 and 2013:

	2012		2013	
€	Amount due[3]	Amount paid[4]	Amount due[3]	Amount paid[4]
Fixed salary[1]	700,000	700,000	480,000	480,000
Variable[1] [2]	-	641,568	515,312	-
Variable deferred	Not applicable	Not applicable	Not applicable	Not applicable
Variable based on a several year period	Not applicable	Not applicable	Not applicable	Not applicable
Exceptional bonus	Not applicable	Not applicable	Not applicable	Not applicable
Directors' fees	12,500	12,500	12,500	12,500
Benefits	Not applicable	Not applicable	Not applicable	Not applicable
TOTAL	**712,500**	**1,354,068**	**1,007,812**	**492,500**

(1) Gross before social security contributions and tax.
(2) The variable compensation due in respect of 2012 was not paid.
(3) Compensation and directors' fees due in respect of the relevant year regardless of payment date.
(4) Total compensation and directors' fees paid by the Company during the year. Variable compensation is paid the year after it has been earned.

Stock options and share grants awarded by the Company

€	2012	2013
Valuation of stock options granted during the year	Not applicable	Not applicable
Valuation of share grants made during the year	Not applicable	Not applicable

Pension & protection plans, employment contract, termination benefits and non-compete benefits

Employment contract	Top-up pension plan	Termination benefits	Non-compete benefits
No	No[1]	No	No

(1) Jean-Charles Naouri is a member of the mandatory group pension plans (ARRCO and AGIRC) and the death and disability plan covering all management employees within the Company.

In accordance with the recommendations of the Afep-Medef Code, at the Annual General Meeting of 6 May 2014 the shareholders will be asked to give a consultative opinion on the components of compensation due or paid to the Chairman and Chief Executive Officer in respect of 2013. For this purpose, a summary of this information and other related disclosures is provided on page 250.

Compensation paid to the Chairman and Chief Executive Officer by Casino, Guichard-Perrachon and other Euris group companies

The table below shows all compensation, directors' fees and benefits paid to the Chairman and Chief Executive Officer in 2012 and 2013 by Casino, Guichard-Perrachon, its subsidiaries, its controlling companies and companies controlled by them.

	2012		2013	
€	Amounts due	Amounts paid	Amounts due	Amounts paid
Gross compensation due for the year	2,092,500	2,734,068(1)	1,537,812	1,022,500(2)
Valuation of stock options granted during the year	Not applicable	Not applicable	Not applicable	Not applicable
Valuation of share grants made during the year	Not applicable	Not applicable	Not applicable	Not applicable
TOTAL	**2,092,500**	**2,734,068**	**1,537,812**	**1,022,500**

(1) Compensation and/or directors' fees paid in respect of 2012 by Casino, Guichard-Perrachon (€1,354,068, including €641,568 in respect of performance-related bonuses for 2011), Rallye (€10,000) and Euris (€1,370,000).
(2) Compensation and/or directors' fees paid in respect of 2013 by Casino, Guichard-Perrachon (€492,500), Rallye (€10,000) and Euris (€520,000).

No compensation or directors' fees were paid in 2013 to the Chief Executive Officer by subsidiaries of Casino, Guichard-Perrachon.

Directors' fees

At their meeting of 19 May 2009, the shareholders set the total amount of directors' fees to be allocated to members of the Board and the Committees of the Board at €650,000. These fees are allocated among directors on the following basis, in line with the recommendations made by the Appointments and Compensation Committee.

The total gross fee per director, unchanged since 2003, is set at €25,000, comprising a fixed fee (€8,500) and a variable fee (€16,500 maximum) based on their attendance rate at Board meetings. Variable fees not paid to absent members are not reallocated.

The total gross fee for the Chairman and for each director representing the majority shareholder is capped at €12,500.

On his appointment, the Chairman of the Board of Directors waived the additional fee of €25,000 previously paid to the Chairman.

Members of the Board Committees receive a gross fixed fee (€6,500) and a gross variable fee based on attendance (up to €13,500 for members of the Audit Committee and up to €8,745 for members of the Appointments and Compensation Committee). Variable fees not paid to absent members are not reallocated.

In 2013, as was the case in 2011, an additional gross fee of €5,000 was paid to members of the Audit Committee in respect of the two meetings held in 2013, under the derogation to the restrictions on management powers. The Board of Directors also decided to pay the senior independent non-executive director an additional gross fee of €10,000 in 2013.

Under the authority granted by the shareholders on 29 April 2010, the Board of Directors agreed to pay a fee to the non-voting director on exactly the same basis as to other directors, *i.e.* €25,000 comprising a fixed fee of €8,500 and an attendance-based fee of up to €16,500. This sum is deducted from the total amount of directors' fees voted by the shareholders at the annual general meeting held in 2009.

Total directors' fees paid in January 2014 in respect of 2013 to members of the Board of Directors, the non-voting Director and the Committees of the Board amounted to €468,046. Total directors' fees paid in January 2013 in respect of 2012 amounted to €477,775.

Compensation and/or directors' fees paid to the non-executive directors

- Compensation and directors' fees paid in 2012 (in respect of 2011) and in 2013 (in respect of 2012).

Total compensation and directors' fees paid in 2012 and 2013 by the Company, its subsidiaries, companies that control it and companies controlled by them, to directors other than the Chairman and Chief Executive Officer and to the non-voting director can be analysed as follows:

€	2012 in respect of 2011		2013 in respect of 2012	
Directors	**Directors' fees**	**Other compensation(1)**	**Directors' fees**	**Other compensation (1)**
Didier Carlier(2)	12,500	625,956	12,500	686,667(3)
Abilio Dos Santos Diniz(4)	21,333	2,332,546	5,375	-
Pierre Giacometti	25,000	-	23,167	-
Henri Giscard d'Estaing	32,912	-	35,497	-
Jean-Marie Grisard(5)	12,500	10,000	12,500	10,000
Sylvia Jay	-	-	14,833	-
Philippe Houzé(4)	21,333	372,751	10,875	
Gérard Koenigheit	-	-	-	64,061(6)
Marc Ladreit de Lacharrière	14,000	-	15,833	-
Didier Lévêque	12,500	614,745(7)	12,500	654,245(7)
Catherine Lucet	21,750	-	31,875	-
Gilles Pinoncély	50,000	-	45,000	-
Gérald de Roquemaurel	59,745	-	56,578	-
David de Rothschild	32,206	-	29,997	-
Michel Savart	10,875	829,500(8)	12,500	809,344 (8)
Frédéric Saint-Geours	46,333	-	45,000	-
Rose-Marie Van Lerberghe	40,245	-	40,245	-

(1) Directors' fees and/or compensation and benefits paid by Casino's subsidiaries and/or companies that control Casino or companies controlled by them.
(2) Representative of Euris, parent company of the Group, which in 2013 received a total of €3,942,465.76 in strategic advisory fees from companies it controls, including €350,000 from Casino (unchanged from 2012).
(3) Not including compensation for paid leave in the gross sum of €54,153, paid following the suspension of his employment contract with Rallye upon his appointment as Chief Executive Officer.
(4) Stood down on 11 May 2012.
(5) Stood down on 22 April 2013. Jean-Marie Grisard is also the Legal Manager of Frégatinvest, which received annual advisory fees of €130,000 in 2012 and €81,250 in 2013 from Euris, Parande and Casino.
(6) Elected on 22 April 2013. Gérard Koenigheit is also the Legal Manager of GK advisor, which received annual advisory fees of €114,838 in 2013.
(7) Excluding an exceptional bonus of €75,000 in 2012 and €245,000 in 2013. Didier Lévêque was also awarded 5,718 Rallye performance shares, valued at €20.88 per share, on 17 December 2013. They will vest on 17 December 2016 provided that he is still employed by the company and that the EBITDA/financial expenses and the cost of debt conditions are met. The shares will be transferable as of 17 December 2018.
(8) Excluding gross conditional deferred bonuses of €300,000 paid in 2012 and 2013.

- Compensation and directors' fees paid in 2014 in respect of 2013.

Total compensation and directors' fees paid in January 2014 in respect of 2013 by the Company to directors other than the Chairman and Chief Executive Officer and to the non-voting director break down as follows:

	Directors		Committees		
€	Fixed	Variable	Fixed	Variable	Total
Didier Carlier	4,250	6,875	-	-	11,125
Pierre Giacometti	8,500	16,500	-	-	25,000
Henri Giscard d'Estaing	8,500	16,500	6,500	6,559	38,059
Jean-Marie Grisard(1)	1,417	2,750	-	-	4,167
Sylvia Jay	8,500	8,250			16,750
Gérard Koenigheit(2)	2,833	5,500			8,333
Marc Ladreit de Lacharrière	8,500	8,250	-	-	16,750
Didier Lévêque	4,250	8,250	-	-	12,500
Gilles Pinoncély	8,500	16,500	6,500	18,500	50,000
Gérald de Roquemaurel	8,500	13,750	13,000	27,245	62,495
David de Rothschild	8,500	8,250	6,500	4,373	27,623
Frédéric Saint-Geours	8,500	13,750	6,500	18,500	47,250
Rose-Marie Van Lerberghe(3)	18,500	16,500	6,500	8,745	50,245
Catherine Lucet	8,500	13,750	6,500	18,500	47,250
Michel Savart	4,250	8,250	-	-	12,500

(1) Stood down on 22 April 2013.
(2) Elected on 22 April 2013.
(3) Including the additional gross fee of €10,000 allocated to the senior independent non-executive director in respect of 2013.

Antoine Guichard, Honorary Chairman, received an unchanged fee of €61,000 in 2012, and a fee calculated on a pro rata basis until 18 May 2013.

Executive Committee compensation

The executive compensation policy is designed to ensure a competitive compensation positioning relative to general market practices and to be in line with similar companies. It is also designed to encourage and reward performance both in terms of Group activity and results and individual performance.

Total compensation paid to Executive Committee members comprises a fixed and a variable component.

The variable component is contingent on the achievement of various targets:

- quantitative Group targets, which are identical to those set for the Chief Executive Officer;
- personal quantitative targets based on the operating units and departments for which the person is responsible (*e.g.* achievement of budget or strategic plan);
- personal qualitative targets based on a general appraisal mainly taking account of managerial attitudes and behaviour.

An annual "road map" sets out the applicable criteria, the weighting assigned to each criterion in the overall appraisal, and the targets to be met.

The variable component can be up to 50% of the fixed salary if targets are reached and up to 100% if they are exceeded.

In 2013, total compensation and benefits paid by the Company and its subsidiaries to Executive Committee members other than the Chairman and Chief Executive Officer amounted to €4,680,454, including €1,199,000 in performance-related bonuses for 2012 and €19,514 in benefits.

Stock options and share grants

- The Chairman and Chief Executive Officer is not and has never been entitled to receive stock options or share grants from Casino, Guichard-Perrachon, companies it controls or companies that control it.
- As employees, members of the Executive Committee may receive stock options and/or share grants, as part of a policy to retain key people and involve them in the Group's development.

Share grants are contingent on the achievement of a performance condition specific to the Company and on the grantee being employed by the Group on the vesting date. Stock options are contingent on the optionee being employed by the Group on the exercise date.

Options are granted with no discount to the share price calculated on the basis of the average quoted prices during the 20 trading days immediately prior to the grant date.

The Company may also make share grants to employees who have made a significant contribution to strategic or highly complex transactions.

In 2013, 12,133 share grants were made to members of the Executive Committee, subject only to a continued employment condition.

In 2013, no stock options on new Casino shares were granted to Executive Committee members and 40,908 stock options were exercised.

Board of Directors and senior management conflicts of interest

The Company has relations with all its subsidiaries in its day-to-day management of the Group. It also signed a strategic advice and assistance agreement in 2003 with Euris, the ultimate holding company whose Chairman and majority shareholder is Jean-Charles Naouri, under which it receives advice from the Rallye Group, Casino's majority shareholder. Fees paid under this agreement amounted to €350,000 before tax. No benefits are granted under the provisions of the agreement.

- Jean Charles Naouri, Didier Carlier, Jean-Marie Grisard, Gérard Koenigheit, Didier Lévêque and Michel Savart, directors or permanent representatives of the Rallye and Euris groups, are executives and/or members of the Board of companies belonging to those groups and/or the Casino Group and receive compensation and/or directors' fees in that capacity.

The responsibilities of the Audit Committee and the Appointments and Compensation Committee, both of which comprise a majority of independent directors and, now, the senior independent non-executive director (see page 224 for details of her remit), help to prevent conflicts of interest and ensure that the majority shareholder does not abuse its position.

The Statutory Auditors' special report on regulated agreements signed between the Company and (i) the Chairman and Chief Executive Officer, (ii) a director, or (iii) a shareholder owning more than 10% of the Company's voting rights, or in the case of a corporate shareholder the company controlling that shareholder, and which were not entered into on arm's length terms is presented on page 183 of this report. No new regulated agreements were entered into during 2013.

No loans or guarantees have been granted by the Company to any members of the Board of Directors.

5.3. AUDITING OF FINANCIAL STATEMENTS

5.3.1. THE STATUTORY AUDITORS

Statutory Auditors

Ernst & Young et Autres

Engagement partner: Daniel Mary-Dauphin (since 2009).

First appointed: 20 May 1978.

Current term ends: at the close of the Annual General Meeting to be held in 2016 to approve the financial statements for the year ending 31 December 2015.

In line with the French Financial Security Act of 1 August 2003, the Ernst & Young engagement partners were rotated for the first time in 2009.

Deloitte & Associés

Engagement partners: Gérard Badin (since 2011) and Antoine de Riedmatten (since 2010).

First appointed: 29 April 2010.

Current term ends: at the close of the Annual General Meeting to be held in 2016 to approve the financial statements for the year ending 31 December 2015.

Alternate Auditors

Auditex

Alternate to Ernst & Young et Autres.

First appointed: 29 April 2010.

Current term ends: at the close of the Annual General Meeting to be held in 2016 to approve the financial statements for the year ending 31 December 2015.

BEAS

Alternate to Deloitte & Associés.

First appointed: 29 April 2010.

Current term ends: at the close of the Annual General Meeting to be held in 2016 to approve the financial statements for the year ending 31 December 2015.

5.3.2. STATUTORY AUDITORS' FEES

Years covered (a): 2013 and 2012.

Fully-consolidated subsidiaries

	Ernst & Young et Autres				Deloitte & Associés				Others			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%		Amount (excl. VAT)		%	
€ thousands	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
AUDIT												
Statutory and contractual audit services												
• Issuer	459	279	7%	5%	409	257	12%	12%	0	0	0%	0%
• Fully-consolidated subsidiaries	5,199	5,120	84%	88%	3,062	1,778	86%	85%	1,084	772	0%	0%
Other audit-related services												
• Issuer	15	83	0%	1%	15	23	0%	1%	0	0	0%	0%
• Fully-consolidated subsidiaries	434	241	7%	4%	52	17	1%	1%	0	0	0%	0%
Sub-total	**6,108**	**5,722**	**99%**	**99%**	**3,538**	**2,074**	**100%**	**99%**	**1,084**	**772**	**100%**	**100%**
OTHER SERVICES PROVIDED TO FULLY-CONSOLIDATED SUBSIDIARIES												
Legal, tax and labour-related	0	0	0%	0%	9	10	0%	0%	0	0	0%	0%
Other (specify if more than 10% of audit fees)	58	80	1%	1%	0	17	0%	1%	0	0	0%	0%
Sub-total	**58**	**80**	**1%**	**1%**	**9**	**26**	**0%**	**1%**	**0**	**0**	**0%**	**0%**
TOTAL	**6,166**	**5,803**	**100%**	**100%**	**3,547**	**2,100**	**100%**	**100%**	**1,084**	**772**	**100%**	**100%**

5.4. CHAIRMAN'S REPORT

In accordance with Article L. 225-37 of the French Commercial Code (*Code de commerce*), the Chairman is required to report to shareholders annually on the Company's corporate governance practices as well as internal control and risk management procedures.

The report, which is attached to the management report on Groupe Casino's operations for the year ended 31 December 2013, has been reviewed by the Appointments and Compensation Committee and the Audit Committee and approved by the Board of Directors. It was made available to shareholders prior to the Annual General Meeting.

As required by article L. 225-235 of the French Commercial Code (*Code de commerce*), the Statutory Auditors have reviewed and issued an opinion on the information contained in the report regarding internal control over financial reporting as well as a statement regarding the inclusion of other required information.

5.4.1. BOARD PRACTICES

Corporate governance code

In line with the Company's policy of implementing good governance practices, the Board of Directors has adopted the Afep-Medef corporate governance code published in June 2013, in particular, as its reference code for the purpose of preparing this report.

The Afep-Medef code can be found on the Company's website http://www.groupe-casino.fr.

All of the recommendations appearing in the implementation guidance for the June 2013 Afep-Medef code, published by the *Haut Comité de gouvernement d'entreprise* in January 2014, are included in this report.

Board of Directors

1. Composition of the Board of Directors

The composition of the Board of Directors is presented on page 188.

2. Board practices

The rules governing the functioning of the Board of Directors are set out in law, the Company's articles of association, the Board of Directors' Charter and the charters of the Board Committees.

Organisation and procedures of the Board of Directors

Since the Board of Directors' meeting of 21 March 2005, the functions of Chairman of the Board and Chief Executive Officer have been combined. Jean-Charles Naouri has been Chairman and Chief Executive Officer since that date.

In a highly competitive and fast-changing environment, this combination of functions is designed to strengthen the link between strategic and management decisions, and to optimise and shorten decision-making channels.

However, on 11 May 2012, at the proposal of the Chairman and Chief Executive Officer, the Board appointed the Chairman of the Appointments and Compensation Committee as senior independent non-executive director with a view to striking an appropriate balance to the combined Chairman/Chief Executive role in terms of governance.

The organisation and procedures of the Board of Directors are described in the Board of Directors' Charter adopted in December 2003 and amended by the Board of Directors on 13 October 2006, 7 December 2007, 27 August 2008, 28 February, 29 June and 27 July 2011, 29 March 2012, 6 December 2013 and 17 February 2014. It outlines and clarifies the provisions of the law and the Company's articles of association applicable to the Board. It also incorporates the corporate governance principles that the Board of Directors is responsible for implementing.

The Board of Directors' Charter describes the procedures, powers, role and duties of the Board and its special committees: the Audit Committee and the Appointments and Compensation Committee. It also describes the role of the senior independent non-executive director.

It sets out the rules of conduct and principles of good governance to be followed by directors, particularly with regard to the duty of confidentiality referred to in Article L. 465-1 of the French Monetary and Financial Code (*Code monétaire et financier*) and Articles 621-1 *et seq.* of the General Regulations of the *Autorité des Marchés Financiers* (AMF) on inside information and insider trading, and the prohibition on dealing in the Company's shares during the "closed period" of 15 days prior to publication of the Company's annual and interim results.

It specifies the requirement for directors to be registered on the list of insiders drawn up by the Company in connection with regulations aimed at more effectively preventing insider trading, and details the disclosure requirements for dealings in the Company's shares by directors, corporate officers and by people with whom they have close personal ties.

The Board of Directors' Charter incorporates the principle of formal and regular assessments of the Board of Directors' work and performance, describes how Board meetings are to be conducted, and authorises directors to take part in meetings *via* videoconference or any telecommunications medium.

Role and duties of the Board of Directors

In accordance with Article L. 225-35 of the French Commercial Code (*Code de commerce*), the Board of Directors is responsible for defining the Company's broad strategic objectives and ensuring their implementation. Except for those powers expressly vested in the shareholders in General Meeting, the Board of Directors considers and decides on all matters related to the Company's operations, subject to compliance with the corporate purpose.

It also carries out any verifications or controls it deems appropriate.

The Board of Directors reviews and approves the annual and interim financial statements of the Company and the Group, as well as the management reports on the operations and results of the Company and its subsidiaries. It also approves budgets and forecasts, reviews and approves the Chairman's report, determines whether the offices of Chairman and Chief Executive Officer are to be combined or split, appoints the Chairman and Chief Executive Officer and decides on his compensation, allocates stock options and share grants, establishes employee share ownership plans, and reviews the Company's equal gender opportunity and pay policy annually.

Powers of the Chief Executive Officer

Under Article L. 225-56 of the French Commercial Code (*Code de commerce*), the Chief Executive Officer has full powers to act in all circumstances in the name of the Company except for those powers vested by law in the Board of Directors or in the shareholders in a General Meeting. He represents the Company in its dealings with third parties.

In line with the principles of good corporate governance, the Chairman has decided that certain management transactions must receive the Board's prior authorisation in view of the type of transaction and/or the amounts involved. The ceilings set ensure that the Board of Directors remains responsible for the most significant transactions in type and amount, in line with the law and with good corporate governance practices.

The Chief Executive Officer must therefore obtain the Board's prior authorisation for the following:

- transactions that are likely to affect the strategy of the Company and its subsidiaries, their financial position or scope of business, such as the signature or termination of industrial and commercial agreements likely to materially influence the Group's future development;
- transactions representing over five hundred million euros (€500,000,000), including but not limited to:
  - investments in securities and immediate or deferred investments in any company or business venture,
  - sales of assets, rights or securities, in exchange for securities or a combination of securities and cash,
  - acquisitions of real property or real property rights,
  - purchases or sales of receivables, acquisitions or divestments of goodwill or other intangible assets,
  - issues of securities by directly or indirectly controlled companies,
  - granting or obtaining loans, borrowings, credit facilities or short-term advances,
  - agreements to settle legal disputes,
  - disposals of real property or real property rights,
  - full or partial divestments of equity interests,
  - granting security interests.

By derogation to the above rules, the Chief Executive may, on an exceptional basis and after obtaining the opinion of the Audit Committee, carry out any transaction not exceeding 15% of consolidated equity as measured at the previous year-end. The Chief Executive Officer reports on any such transaction at the next Board meeting.

These provisions apply to transactions carried out directly by the Company and by all entities controlled directly or indirectly by the Company, except for intragroup transactions.

The Chairman and Chief Executive Officer has specific annual authorisations as regards loan guarantees, credit lines and bond or other debt security issues, which were most recently renewed in February 2014 for a period of one year.

The Chief Executive Officer may thus issue guarantees or other security interests to third parties in the Company's name, subject to a maximum annual limit of €1.5 billion and a maximum limit per commitment of €500 million.

He may negotiate, implement, roll over, extend and renew loans, confirmed credit lines and all syndicated or non-syndicated financing contracts, subject to a maximum annual limit of €3.5 billion and a maximum limit per transaction of €500 million.

To cover seasonal business needs, he may also negotiate, implement, roll over and extend short-term advances up to a maximum amount of €1 billion. He may also issue bonds or any other debt securities (other than commercial paper), under the EMTN programme or otherwise, subject to a ceiling of €3.5 billion, determine the terms and conditions of such issues and carry out all related market transactions. He may issue commercial paper up to a maximum amount of €2 billion a year.

Chairman's powers

The Chairman organises and leads the work of the Board of Directors and reports thereon to the shareholders.

He calls Board meetings and is responsible for drawing up the agenda and minutes. He also ensures that the Company's corporate governance structures function correctly and that the directors are capable of fulfilling their duties.

Independence of directors

The Appointments and Compensation Committee is tasked with monitoring the relationships between directors and the Company or its subsidiaries to ensure that there is nothing which could interfere with their freedom of judgement or potentially lead to a conflict of interest.

The Committee reviews the composition of the Board of Directors on an annual basis, and more specifically the independence of directors with regard to the criteria defined in the Afep-Medef code, set out in the table below. It reports on its work to the Board of Directors.

The senior independent non-executive director ensures that the governance rules are properly applied by the Board with a view to fulfilling its role and control duties without hindrance, particularly with regard to its procedures in terms of meetings and the information it receives.

Summary of the position of each director with regard to the independence criteria set out in the Afep-Medef code

DIRECTORS	Is not and has not been in the past five years an employee or executive director of the Company or an employee or director of its parent company or one of its consolidated companies	Is not an executive director of a company in which the Company directly or indirectly holds a directorship or in which an employee appointed as such or an executive director of the Company is or has in the past five years been a director	Is not a customer, supplier, investment banker or commercial banker that is material for the Company or its Group or for which the Company or its Group accounts for a significant part of the business	Is not related by close family ties to an executive director	Has not been an auditor of the Company in the previous five years	Has not been a director of the Company for more than twelve years
INDEPENDENT DIRECTORS						
Henri Giscard d'Estaing	yes	yes	yes	yes	yes	yes
Lady Sylvia Jay	yes	yes	yes	yes	yes	yes
Catherine Lucet	yes	yes	yes	yes	yes	yes
Gérald de Roquemaurel	yes	yes	yes	yes	yes	yes
Frédéric Saint-Geours	yes	yes	yes	yes	yes	yes
Rose-Marie Van Lerberghe	yes	yes	yes	yes	yes	yes
NON-INDEPENDENT DIRECTORS						
Marc Ladreit de Lacharrière	yes	yes	no	yes	yes	no
Gilles Pinoncély	yes	yes	yes	yes	yes	no
David de Rothschild	yes	yes	no	yes	yes	no
Jean-Charles Naouri	no	yes	yes	yes	yes	no
Didier Carlier, representative of Euris	no	yes	yes	yes	yes	yes
Gérard Koenigheit, representative of Matignon-Diderot	no	yes	yes	yes	yes	yes
Didier Lévêque, representative of Foncière Euris	no	yes	yes	yes	yes	yes
Michel Savart, representative of Finatis	no	yes	yes	yes	yes	yes

Multiple directorships

No director standing for re-election at the Annual General Meeting to be held in 2014 holds multiple directorships within the meaning of the Afep-Medef code[1].

Work performed by the Board of Directors during 2013

The Board of Directors met six times in 2013. The average attendance rate was 85.6% with each meeting lasting an average of one hour and forty-five minutes.

Approval of financial statements – operations of the Company and its subsidiaries

- The Board of Directors reviewed the financial statements for the year ended 31 December 2012 and for the first half of 2013, as well as the budgets and forecasts for Casino, Guichard-Perrachon. It approved the reports and resolutions to be put to the Annual General Meeting on 22 April 2013. It was informed of the Group's operations and results for the three months to 31 March 2013 and the nine months to 30 September 2013 and received a quarterly presentation of debt, financing and available cash. It was informed, in particular, of the issue of deeply subordinated perpetual bonds (TSSDI) made during the year and the refinancing of the August 2011 confirmed credit line.
- The Board was informed of progress in the process of gaining exclusive control of Monoprix and the related Competition Authority procedure. It also voted on Monoprix's decision to strengthen its equity base *via* a mandatory convertible bond issue.
- It was informed of the terms of the settlement agreement with Mr. Abilio Diniz.
- It was informed of the initial public offering made by the Via Varejo subsidiary in Brazil, and the proposed strategic partnership in France with the Coopérateurs de Normandie-Picardie group.
- It received a copy of the 2014 strategy and budget.
- Lastly, it received specific presentations on the position and operations of Colombian subsidiary Éxito and of Franprix, as well as the Group's gender equality policy.

Compensation – Allocation of stock options and share grants

The Board of Directors set the Chairman and Chief Executive Officer's fixed salary and performance-related compensation targets for 2013, and determined his performance-related compensation for 2012. It set the procedures for allocating fees payable to directors, Board Committee members, the non-voting director and the senior independent non-executive director for 2013.

It also made share grants to managers and senior executives of the Group responsible for implementing and ensuring the success of strategic or highly complex transactions.

Corporate governance

The Board of Directors reviewed the annual report of the Appointments and Compensation Committee on its position with regard to corporate governance issues, including the composition and organisation of the Board and its Committees, as well as directors' independence, particularly in view of the proposed re-election of directors due to retire by rotation at the Annual General Meeting held in 2013.

The Board re-appointed the Chairman and Chief Executive Officer and set out the duties of the senior independent non-executive director (see page 224).

It approved the Chairman's Report on corporate governance, internal control and risk management. It was informed of the half-yearly assignments carried out by the Internal Audit and Internal Control Department.

It reviewed the report of the Appointments and Compensation Committee on the Board's position with regard to the Afep-Medef code as revised in June 2013 and the AMF's report on corporate governance and executive compensation published in October 2013.

In addition, it was advised of the work of the Board Committees, as described below.

Committees of the Board

The Board of Directors is currently assisted by two special committees: the Audit Committee and the Appointments and Compensation Committee.

The members of these committees, all of whom are directors, are appointed by the Board, which also designates their chairmen. The Chairman and Chief Executive Officer does not sit on and is not represented on either of the committees.

The role, duties and procedures of each committee were defined by the Board when they were first established and are incorporated in the Board of Directors' Charter.

Audit Committee

› Composition

The Committee has four members, three of whom – Frédéric Saint-Geours (Chairman), Gérald de Roquemaurel and Catherine Lucet – are independent.

(1) The Afep-Medef code provides that (i) an executive director should not hold more than two other directorships in listed corporations, including foreign corporations, not affiliated with his or her group; this does not apply to directorships, held alone or jointly, in subsidiaries and holdings of companies whose main activity is to acquire and manage such holdings; and (ii) a non-executive director should not hold more than four other directorships in listed corporations, including foreign corporations.

The fourth member is Gilles Pinoncély, a prominent external business person.

All members of the Audit Committee hold or have held corporate executive positions and therefore have the financial or accounting skills required by article L. 823-19 of the French Commercial Code (*Code de commerce*).

› Role and duties

The Audit Committee is responsible for assisting the Board of Directors in reviewing the annual and interim financial statements, and in dealing with transactions or events that could have a material impact on the position of the Company or its subsidiaries in terms of commitments and/or risks.

As required by article L. 823-19 of the French Commercial Code (*Code de commerce*), it therefore deals with matters relating to the preparation and control of accounting and financial information. The Audit Committee meets to review the annual and interim financial statements at least two days before the Board meeting held to approve them.

It monitors the effectiveness of internal control and risk management systems, auditing of the statutory and consolidated financial statements and the independence of the Statutory Auditors.

Its powers and duties are set out in a Charter, including those concerning risk analysis and the identification and prevention of management errors.

› Work performed in 2013

The Audit Committee met six times in 2013 with all members in attendance.

During its meetings the Committee reviewed the annual and interim accounts closing processes and read the Statutory Auditors' post-audit report, which included a discussion of the financial statements and of all consolidation operations. It reviewed off-balance sheet commitments, risks, and the accounting policies applied in relation to provisions, as well as legal and accounting developments. It was informed of the Statutory Auditors' audit plan and fees for 2013.

It reviewed the Finance and Accounting Department's report on risks and off-balance sheet commitments, the Company's various risk management documents, and the Chairman's report on internal control and risk management.

It was informed of the Statutory Auditors' conclusions on procedures relating to the preparation and processing of accounting and financial information and on the plan and timeline for the 2013 year-end reporting process.

It discussed the audit assignments carried out during 2013 with the internal audit department, the conditions in which they took place and the 2014 audit plan.

It made comments and recommendations on the work carried out and its oversight. It was also informed of the work carried out in 2013 by the Group Internal Control Department.

The Committee gave its opinion twice in connection with the exceptional procedure referred to in article 8 of the Board Charter.

The Chairman of the Committee reported to the Board of Directors on the work carried out at each Committee meeting.

Appointments and Compensation Committee

› Composition

The Committee has four members, three of whom – Rose-Marie Van Lerberghe (Chairman), Henri Giscard d'Estaing and Gérald de Roquemaurel – are independent. The other member is David de Rothschild, a prominent external business person.

› Role and duties

The Committee's primary role is to assist the Board of Directors in reviewing candidates for appointment to senior management positions and for election to the Board of Directors, setting and overseeing the Group's executive compensation, stock option and share grant policies, and establishing employee share ownership plans. It also ensures that the corporate governance rules are properly applied and examines any situations of potential conflict of interest.

Its powers and duties are set out in a Charter, including those concerning organising the assessment process for the Board of Directors' practices and performance, and ensuring compliance with the Company's corporate governance principles, Code of Conduct and Board of Directors' Charter.

› Work performed in 2013

The Committee met four times in 2013 with an attendance rate of 81.3%.

During the year, the Committee undertook its annual review of Board and Board Committee practices and compliance with the corporate governance principles and code of conduct set out in the Afep-Medef code and the Board Charter. It presented recommendations to the Board of Directors and performed a new assessment of Board practices, the results of which are provided on page 225. It was informed of the duties entrusted to the senior independent non-executive director.

It examined each director's relations with Group companies that could compromise his or her freedom of judgement or lead to a conflict of interest, particularly in light of the proposed re-election of directors due to retire by rotation.

It made proposals concerning the method of determining the Chairman and Chief Executive Officer's fixed and performance-related compensation for 2013, setting the performance-related component for 2012 and allocating directors' fees to members of the Board of Directors and Board Committees, as well as the non-voting director. It also issued a recommendation on the allocation of an additional director's fee to the senior independent non-executive director.

It reviewed the Chairman's report on corporate governance and the information on corporate governance contained in the management report.

It recommended share grants to be made to senior executives of the Group and employees responsible for implementing and ensuring the success of strategic or highly complex transactions.

It reviewed the Company's position with regard to the Afep-Medef code as revised in June 2013 and the AMF's report on corporate governance and executive compensation published in October 2013.

It made recommendations on the specific annual authorisations given to the Chairman and Chief Executive Officer and the restrictions on his powers, in connection with his proposed re-appointment.

The Chairman of the Committee reported to the Board of Directors on the work carried out at each Committee meeting.

The Committee uses outside research and comparative surveys, mainly carried out by specialist firms, to assist it in some of its duties.

Senior independent non-executive director

On 11 May 2012, at the proposal of the Chairman and Chief Executive Officer, the Board appointed the Chairman of the Appointments and Compensation Committee as senior independent non-executive director with a view to striking an appropriate balance to the combined Chairman/Chief Executive role in terms of governance.

The senior independent non-executive director's role is to:

- strike an appropriate balance in terms of governance to the combined Chairman/Chief Executive role;
- ensure that the Board functions properly and fulfils its duties particularly in terms of its meetings and the information it receives;
- report any risk or situation of potential conflict of interest to the Chairman;
- call a meeting of the Appointments and Compensation Committee whenever needed to discuss these issues.

In 2013, the senior independent non-executive director organised a meeting with all the independent directors with a view to presenting a report to the Appointments and Compensation Committee on the Chairman and Chief Executive Officer's performance of his two respective roles with regard to the provisions of the Board Charter and Committee Charters, and on the performance of the Board and its Committees.

She reported on the observations and recommendations made to the Chairman and Chief Executive Officer.

Procedures for determining Executive Officers' compensation and directors' fees

The Chairman and Chief Executive Officer receives a fixed salary plus a performance-related bonus set annually on the recommendation of the Appointments and Compensation Committee, supported where appropriate by market surveys conducted by outside consultants.

His performance-related bonus is contingent on the achievement of quantitative targets for the Company concerning sales and consolidated trading profit as well as underlying net profit, consistent with those set for members of the Executive Committee. In addition, payment of the variable component is now contingent first upon achieving the adjusted net profit target, regardless of performance in the other two criteria (sales and trading profit). If the net profit target is achieved, the variable component will be determined on the basis of performance in all three criteria compared with the targets set.

To compensate for the more difficult performance conditions, the maximum possible amount of the variable component has now been raised from 150% to 175% of fixed salary, bearing in mind that the target variable compensation is equal to 100% of fixed salary, *i.e.* €480,000 for 2013.

The Chairman and Chief Executive Officer has no entitlement to supplementary pension benefits, termination benefits or non-compete benefits. He is a member of the mandatory group pension plans (ARRCO and AGIRC) and the death and disability plan covering all employees within the Company.

The Chairman and Chief Executive Officer is not entitled to receive stock options or share grants from Casino, Guichard-Perrachon, companies it controls or companies that control it.

The method of allocating the directors' fees voted by shareholders among directors, members of the Board Committees and the non-voting director was determined by the Board of Directors on 6 December 2013 and was unchanged from the previous year:

- The total gross fee per director is set at €25,000, comprising a gross fixed fee of €8,500 and a gross variable fee based on their attendance rate at Board meetings, capped at €16,500, unchanged since 2007. Variable fees not paid to absent members are not reallocated.
- The total gross fee for the Chairman and for directors representing the majority shareholder is capped at €12,500. On his appointment, the Chairman of the Board of Directors waived the additional gross fee of €25,000 previously paid to the Chairman.

- The non-voting director receives an identical fee to the other directors, which is deducted from the total amount voted by the shareholders.
- Members of the Board Committees receive a gross fixed fee (€6,500) and a gross variable fee based on attendance (up to €13,500 for members of the Audit Committee and up to €8,745 for members of the Appointments and Compensation Committee). Variable fees not paid to absent members are not reallocated. An additional exceptional gross fee of €5,000 was paid to members of the Audit Committee in respect of the first two extraordinary meetings held in 2013, under the derogation to the restrictions on management powers.
- An additional gross fee of €10,000 for 2013 was allocated to the senior independent non-executive director.

Information provided to the Board of Directors

The Chairman and Chief Executive Officer is responsible for providing all directors with the documents and information they need to fulfil their role and duties.

Prior to each Board meeting, directors receive all the information they require to prepare for the agenda items, provided such information is available and sufficiently complete.

In accordance with the provisions of the Board Charter, Senior Management provides the Board of Directors at least once a quarter with a status report on the business operations of the Company and its main subsidiaries, including sales figures and results trends, as well as information on debt and credit lines and headcount data relating to the Company and its main subsidiaries.

The Board of Directors also reviews the Group's off-balance sheet commitments at least once every six months.

The Chief Financial Officer and the Advisor to the Chairman, who acts as Secretary to the Board, attend all Board meetings. Other members of the Executive Committee and heads of subsidiaries attend as and when necessary.

Assessment of the Board's practices and performance

In accordance with the Afep-Medef code, the Board of Directors' Charter provides for an annual debate on and regular assessment of the Board's practices and performance, organised and carried out by the Appointments and Compensation Committee with the assistance of outside consultants if required.

The fifth assessment since 2004 was conducted internally at the end of 2013 by the Appointments and Compensation Committee, using a questionnaire covering a set of issues selected in advance based on market practices in the matter and adapted to Casino's specific requirements.

The comments and observations made by the directors revealed that the Board practices are highly satisfactory and fully compliant with the regulations, the code of business conduct and corporate governance principles.

However, the directors expressed a wish for greater representation of women and non-French directors on the Board and for operating managers to be invited to attend Board meetings from time to time to present the business and strategy of the Group's subsidiaries.

Attendance at shareholders' meetings

Information on attendance at shareholders' meeting is set out in articles 25, 27 and 28 of the Company's articles of association (see page 263).

Factors liable to have an influence in the event of a public offer

Information on the Company's capital structure and significant direct or indirect interests in its share capital known by the Company by virtue of articles L. 233-7 and L. 233-12 of the French Commercial Code (*Code de commerce*) is provided on pages 33 onwards.

The articles of association contain no restrictions on voting rights or the transfer of shares. There are no agreements known to the Company by virtue of article L. 233-11 of the French Commercial Code (*Code de commerce*) that contain pre-emption rights with respect to the sale or purchase of the Company's shares. There are no known shareholders' agreements that could result in restrictions on the transfer of shares and/or exercise of voting rights.

The Company has not issued any securities conferring special control rights. There are no employee share schemes where the voting rights are not exercised directly by the employees.

The rules governing the appointment and replacement of Board members and amendment of the articles of association are described on pages 260 onwards.

The powers of the Board of Directors are described on pages 220, 238 and 261. The Board's powers to issue and buy back shares are described on page 31 and page 28 respectively.

Agreements to which the Company is a party and which are altered or terminate upon a change of control of the Company are described on page 37 ("Liquidity Risks").

There are no agreements between the Company and its directors or employees providing for compensation if they resign because of a takeover bid, or are made redundant without valid reason, or if their employment ceases because of a takeover bid.

5.4.2. INTERNAL CONTROL AND RISK MANAGEMENT

Groupe Casino's internal control and risk management system is based on the risk management and internal control reference framework published by the *Autorité des Marchés Financiers* (AMF).

The work underlying this report involved interviews, analysis of audit reports and circulation of AMF and internal questionnaires designed to identify all of the Group's internal control and risk management arrangements.

It is also based on the AMF's November 2013 report on the Chairmen's 2012 internal control and risk management reports.

The report was presented to the Audit Committee for review and opinion on 14 February 2014 and, as required by law, submitted for approval to the Board of Directors of Casino, Guichard-Perrachon on 17 February 2014.

1. Scope of risk management and internal control

In accordance with the AMF reference framework, the scope of risk management and internal control as described in this report covers the parent company and its subsidiaries within the meaning of the French Commercial Code (*Code de commerce*). The AMF reference framework requires the risk management and internal control system to be adapted to the specific characteristics of each company and the relationships between the parent company and its subsidiaries. Grupo Pão de Açucar (GPA), the Brazilian subsidiary of which the Group obtained exclusive control in 2012, was included in all the work performed during 2013 by the Group's Internal Control Department.

Casino's risk management and internal control systems apply to newly-controlled companies from the date on which control is effectively obtained. In the specific case of Monoprix, of which the Group obtained control in April 2013, the Group's risk management and internal control systems have been deployed gradually in association with the dedicated local team.

2. Parties involved in risk management and internal control

Senior Management, through the Executive Committee, is responsible for defining, designing and implementing the risk management and internal control system.

The Board of Directors of the parent company, Casino, Guichard-Perrachon, is informed of the key features of the internal control system by Senior Management.

The Board's Audit Committee is responsible for checking that Groupe Casino has the appropriate resources and structure to identify, detect and prevent risks, errors and irregularities in the management of the Group's business. As such it fulfils a clear, ongoing oversight role in relation to the risk management and internal control system.

It issues observations and recommendations on audit work performed within the Group, and carries out or commissions any risk management or internal control analyses and reviews it deems appropriate.

It oversees the financial reporting process and monitors the effectiveness of internal control and risk management systems in the Group. The Audit Committee's Charter sets out its duties and responsibilities in detail.

Group Internal Control is responsible for encouraging the implementation of best internal control practices.

Its key duties are:

- assisting Senior Management in identifying major risks in the Group's business units;
- setting out the key internal controls in general procedures and risk matrices;
- assisting the operating and support units in improving and optimising the risk management and internal control systems in place or to be deployed;
- analysing issues identified by the operating or support units involving deficiencies in internal control or significant developments in processes or information systems.

Group Internal Control works with local internal control officers in the various business units, forming a network of about 50 dedicated internal control staff.

The Risk Prevention Committee, the Insurance Department and the Legal Department created in 2013 are also involved in risk management, as are employees, executives and operating managers, who are all responsible for making the risk management and internal control system work through a continuous progress approach.

Lastly, the roles of Group Internal Audit and the business unit internal audit departments in relation to internal control are described in the section of this report on "Ongoing monitoring of internal control".

3. Limitations of risk management and internal control

As stated in the AMF reference framework, no risk management and internal control system can provide absolute assurance that the Company's objectives will be achieved. There are limitations inherent in any system resulting from numerous internal and external factors.

4. General risk management principles

4.1. Definition of risk management

Groupe Casino's risk management system encompasses a set of resources, behaviours, procedures and actions adapted to the Group's specific characteristics that enables Senior Management to keep risks at acceptable levels for the Company if not eliminate them altogether.

4.2. Objectives of risk management

The key objectives of risk management are to:

- create and preserve the Company's value, assets and reputation;
- secure decision-making and the Company's processes to attain its objectives;
- promote consistency of the Company's actions with its values;
- bring all employees together behind a shared vision of the main risks.

4.3. Components of the risk management system

4.3.1. Organisation

The Group's risk management system is decentralised and overseen by the parent company's Senior Management. The heads of each business unit are therefore responsible for identifying, analysing and dealing with the main risks to which they are exposed.

They are supported by Group Internal Control, which is deploying a new reporting tool in all units designed to facilitate the identification of major risks and internal control activities already in place, and the implementation of action plans to improve the internal control system. It is meant for use as a management and oversight tool and its content is defined by the senior management of each business unit. For new Group entities, the system is deployed once the entity has had sufficient time to manage any local administrative, organisational or operational constraints.

In addition, the Risk Prevention Committee takes part in the Company's risk management system and ensures a consistent overall approach to preventing risks that could have a significant impact on the Company's achievement of its strategy or objectives or, more generally, on its long-term survival.

It meets once every two months and brings together representatives of the Executive Committee, the major support functions (Legal, HR, Finance, Internal Audit and Control) and the operational functions (Banners, Supply Chain, Purchasing, Real Estate).

It works closely with Internal Audit and Control and has regular discussions with subsidiaries that have created risk prevention committees (Vindémia, Libertad and Monoprix).

Lastly, the Group also has a dedicated crisis management unit which includes representatives of Senior Management and, on a need basis, any other in-house or external capability that may be required.

4.3.2. Risk management process

Risk identification

The Casino Group is exposed to various types of risk, including market risk, operational risk and legal risk. These risks are described in the section of this report entitled "Risk factors and insurance".

Each business unit is responsible for mapping the major risks inherent in its own operations and, as stated earlier, is supported in the risk identification process by Group Internal Control.

Risk analysis

Risks identified by each business unit are analysed and quantified under the responsibility of the business unit head. The work of Group Internal Control is underpinned by the risk mapping. Its role and work are described in the section of this report on "Organisation of the internal control system".

Risks are reviewed regularly during Group Internal Audit assignments, which evaluates them independently according to their impact and likelihood of occurrence, as well as in light of the existing internal control system.

Risk management

The control activities described below are aimed at reducing those risks identified by each business unit head and at group level whose occurrence could prevent the Group from achieving its objectives.

In addition, the various risk identification and analysis tools are monitored by the business units, which implement plans to mitigate the risks. Group Internal Control may be asked to implement means of risk mitigation. For example, it runs a fraud and corruption risk awareness programme to encourage business unit heads to strengthen their risk management systems on a continuous basis.

Internal Audit analyses business risks, ensures that the corresponding internal controls are properly performed and identifies any residual risk, which may be significant. It makes recommendations which are used to establish action plans designed to mitigate risks. Through its follow-up audit role, it also ensures that the risks identified during its initial audit assignments are duly dealt with.

Each business unit is responsible for organising a business continuity plan to deal with crisis risk and for setting up a process for reporting critical information and managing potentially harmful events. Local management may call on the Group crisis management unit for support.

Group Insurance is responsible for insuring all insurable risks for subsidiaries, where permitted by local legislation, and for taking out and managing the appropriate insurance policies on a centralised basis. It plays a cross-functional role in operational management of insurance and in risk prevention.

It is directly responsible for taking out insurance policies covering French subsidiaries and coordinates and oversees local insurance programmes taken out by the Group's international subsidiaries.

It is involved in monitoring all claims and receives information from business units about events and developments likely to change the terms and conditions of existing insurance policies.

4.3.3. Ongoing oversight of the risk management system

The risk management system is monitored and reviewed regularly by the business unit heads. Internal Audit takes part in the oversight process through its audit assignments.

5. General internal control principles

5.1. Definition of internal control

Groupe Casino's internal control system, which is defined and implemented under the responsibility of each business unit, is designed to help maintain control over their business operations, achieve their operations effectively and make efficient use of resources, whilst taking appropriate account of the major risks that could prevent them from achieving their objectives. Group Internal Control assists the business units in defining and implementing their internal control system.

5.2. Internal control objectives

In accordance with the AMF's reference framework, internal control aims to provide reasonable assurance regarding:

- compliance with laws and regulations;
- compliance with instructions and guidance issued by Senior Management;
- proper application of processes, particularly with regard to safeguarding the Group's assets;
- reliability of financial information.

5.3. Internal control components

5.3.1. Internal control pre-requisites

Objective setting and communication

Groupe Casino sets its strategic and financial objectives in a three-year business plan under the responsibility of the parent company's Senior Management. The plan is fully reviewed and updated on an annual basis. The first year of the plan constitutes the budget.

The Strategy department is responsible for drawing up the plan, and in this role has the following tasks:

- co-ordinating the preparation of three-year business plans by the various Group business units and ensuring that they are consistent with the Group's strategy;
- verifying the Group's broad financial targets in association with the business units' finance departments, particularly in terms of investments, financial resource allocation and debt management;
- monitoring achievement of the plan, in association with the Group Finance (mainly Financial Control) department and updating it regularly on the basis of actual results;
- working with the Executive Committee and the operating units and support functions to draw up related corrective-action plans and ensuring that the measures provided for are implemented.

Rules of conduct and integrity

In 2011, Casino published a Group Code of Ethics based on nine underlying principles, making commitments to its employees and other stakeholders. The Code applies to all Group subsidiaries and covers the commitments made under the United Nations Global Compact in 2009. The Code is relayed through a set of managerial attitudes and behaviour standards applicable to all management staff.

5.3.2. Organisation

Because of its broad range of business activities and geographical reach, the Group has a decentralised structure to take better account of each business unit's local features and to make the decision-making process more effective.

In France, the business unit heads are responsible for applying the Group's strategy whilst in the International business units, responsibility for implementation lies with the Country Managers, supported by the International Co-ordination department. This department is responsible for monitoring their monthly results, top management succession planning, implementing synergies and sharing best practices between business units, supported by the Development and Holdings department for external expansion issues.

Each business unit has its own support departments, which have a reporting line to the corresponding Group department.

Responsibilities and powers

› Segregation of duties

Each business unit is responsible for organising its structure in such a way as to ensure proper segregation of duties. The structure is set out in a formal organisation chart. Organisation charts for the main operating units and support functions are available on the Company's intranet.

› Delegation of powers and responsibilities

The Group Legal and Human Resources departments manage and supervise the process of delegating signature powers and responsibilities in accordance with local law. The Legal department issues guidelines for the process and the Human Resources department implements and monitors them.

Human resources policy

The Group's human resources policy aims to ensure an appropriate allocation of resources within the Group through structured recruitment and careers management policies designed to help achieve the objectives set by the parent company.

The Group also has specific training policies, particularly in business management, personal development and the Group's various business areas.

The business units base their pay policies on an analysis of market practices and on the principle of internal fair treatment, in order to motivate employees.

Managerial practices are assessed each year during the annual appraisal process to ensure that they conform with the Group's set of managerial attitudes and behaviour. The results will partly determine the amount of variable compensation received.

Company or Group agreements covering various issues and scopes of application were signed or renewed in 2013, including the generation contract and the profit sharing bonus. Casino also obtained the Equality Label in October 2013, attesting to the quality and depth of dialogue with the trade unions, and the Group's strict compliance with legal and regulatory requirements.

Information systems

Groupe Casino has developed a target model based mainly on two well-known management software suites available on the market, one for administrative functions and one for commercial functions. The model also encompasses IT standards and governance frameworks to ensure that the information systems are geared to the Group's current and future objectives. These references also serve as a basis to spread best practices, particularly in areas such as physical and logical security, data backup, secure access management and business continuity.

Operating procedures, content and communication methods

The Group has internal control procedures for its significant business processes. These include Accounting (four processes – monitoring standards; recording transactions; closing and preparing the parent company financial statements; and preparing the consolidated financial statements – sub-divided into 17 procedures) and Purchasing (five processes – assortment definition; identifying, negotiating with and selecting suppliers; monitoring contractual commitments; quality, hygiene, safety and environment; and general administrative services – sub-divided into 26 procedures). They describe the objectives of the process, the departments and activities concerned and the guidelines to follow. These procedures are published on the intranet sites and other documentary databases of the various Group business units or circulated within the Company.

5.3.3. In-house dissemination of information

Appropriateness and reliability of information

The Financial Control teams of each business unit use IFRS accounting information in their standard monthly management reports. Group Financial Control consolidates the reports, whose data are used to oversee operations and to identify any potential errors and any variances against forecast and prior year data.

Dissemination of information

› Timeframe for providing information

The timeframe for providing information is designed to give the parties involved sufficient time to react appropriately.

› Communication methods

The Group's information systems, intranet sites, databases and other communication media are not only used to communicate information but also to centralise and circulate procedures applicable to various activities.

A specific procedure sets out what to do in situations likely to lead to crisis at Group level. A reporting tool is used by a number of business units for prompt reporting to Senior Management.

› Confidentiality

All Group employees are bound by a duty of confidentiality covering any information used in the course of their employment. Employees likely to obtain inside information during the course of their employment are identified and registered on an insider list, established by the Group Legal department in accordance with the AMF's General Regulations.

5.3.4. Control activities

Compliance with laws and regulations

The control activities described below aim to mitigate the legal risks described in the section of this report entitled "Risk factors and Insurance".

› Organisation

The Group Legal department's role is to ensure that the Group's operations comply with laws and regulations. It reports to senior management on all major pending legal matters and helps to share and spread good practices among the various business units.

All consolidated companies have a legal department responsible for ensuring that the Company complies with all applicable laws and regulations under the responsibility of the Group Legal Counsel.

Tax matters are dealt with by a department reporting to the Group's Chief Financial Officer. Its main role is to provide support to the Group's operating units in France and its foreign subsidiaries. It monitors regulations and developments in all types of taxes and duties within the Group's scope.

More generally, the Tax department is responsible for spreading, disseminating and implementing the tax practices it considers appropriate throughout the Group, with the support of the Finance department. It also manages and monitors tax inspections and disputes.

It receives Group reporting documents (France and international) updated on an annual or half-yearly basis in order to fulfil its role.

The larger operating units or subsidiaries may have their own dedicated tax departments, failing which a tax correspondent is designated.

› Legal intelligence

Legal intelligence is the responsibility of each business unit's legal team, supported where necessary by external law firms.

The legal teams have access to databases and specialist reviews to keep them abreast of developments on a daily basis.

The Human Resources and Legal departments are also involved in legal intelligence with regard to labour law.

› Transcribing legislation into company regulations

The legal team is responsible for ensuring that the various business units are familiar with and comply with laws and regulations applicable to them. To do this, it prepares and circulates opinions, standard procedures or memos on the Group's legal and regulatory obligations.

› Staff information and training on relevant regulations

Documents drawn up by the legal team are made available to the heads of the operating units on an internal educational website to ensure that they comply with all laws and regulations.

The Group Legal department works closely with the Risk Prevention Committee in taking actions to raise the awareness of the heads of the Group's operating units and support functions concerning legal risks. It circulates procedures and provides training to employees.

› Control activities to ensure that operations comply with regulations

Compliance is the responsibility of each company's management team or its delegated representatives. Compliance control is the responsibility of the internal audit teams. Disputes and litigation are overseen by each legal department, supported if necessary by external lawyers and the Group Legal department. The French business units report monthly on disputes and litigation to the Group Legal department.

Each legal department is responsible for ensuring compliance with the relevant laws and regulations across its scope of responsibility.

Compliance with Senior Management instructions and guidance

› Circulating Senior Management instructions and guidance

As described earlier, the Group's objectives are set by Senior Management and shared with the business unit heads. The Strategy department is responsible for checking that the plan is always consistent with Senior Management's objectives. Each business unit then drills down its own objectives to sub-unit level. For international subsidiaries, the process involves the International Co-ordination department, which is responsible for ensuring consistency between the objectives and their various projects.

› Monitoring compliance with instructions and guidance

A number of key performance indicators are used to monitor compliance with Senior Management instructions and guidance, and to measure any variances against its objectives. The frequency of indicator reporting depends on the type of information. The financial reporting systems are used to monitor performance on a consolidated and business unit basis.

Senior Management receives a monthly management report drawn up by Group Financial Control, summarising its key performance and management indicators and including the main financial statements at consolidated and business unit level. It also contains comments on achievement of objectives and a report on the main actions in progress.

The information contained in the monthly report is reviewed by Senior Management and the business unit's management to provide appropriate oversight. In addition, the Group Financial Control department reports regularly to Senior Management on its analysis work.

Given the Group's business activities and the potential impact they can have on the Company's net debt, working capital is monitored separately and a monthly report issued by Group Financial Control.

All reported data aims to give Senior Management the information it needs to monitor achievement of its annual objectives and to implement remedial plans where necessary.

If necessary, Group Financial Control can also provide the business units with support by analysing the existing position and making recommendations.

Annual forecasts are reviewed periodically to factor in trends specific to each business unit and to revise the full-year targets.

The Investment Committee is responsible for approving and overseeing the Group's investment projects and their compliance with allocated budgets.

After obtaining the opinion of the Investment Committee, the Strategy department sends a weekly report on investment projects above a certain level to Senior Management for approval. Once approved, the reports are then sent to the Investment Committee.

Effectiveness of internal processes particularly with regard to safeguarding assets

The Control activities described below aim to mitigate the operational risks described in the section of this report entitled "Risk factors and Insurance".

› Processes aiming to protect property and people

A permanent control process aims to protect property and people. It is the responsibility of several different departments in each business unit, and particularly the Technical and Operations departments. Where necessary, they are supported by outside service providers in the areas concerned.

› Fixed asset management

The Group's new construction projects are based on specifications drawn up in association with experts. They comply with all applicable regulations and are designed to meet the functional and operational objectives of the building.

The entire construction process is overseen by a project manager, who ensures that contractual conditions – particularly lead times and service quality – and the projected budget are met.

The Group's property portfolio is monitored technically and administratively. Regular maintenance operations are carried out to keep the properties in an optimal state of repair for their purpose.

Other fixed assets (equipment, fixtures and fittings) are monitored on a technical level to ensure their correct use and on an accounting level to ensure the reliability of accounting information and the basis for calculating various taxes.

› Banner protection

The commercial leases signed by business units are drawn up in accordance with the Group's requirements to make sure that they have adequate protection against the risk of eviction. They are monitored by the teams in charge of property management, whose objective is to renew them on expiry.

Affiliation and franchising represent a major activity for the Group. The Group Legal department ensures that contracts are effective whilst the operating units are responsible for monitoring their activity.

Management of risks inherent in this activity, and particularly the legal risks, is based on a robust pre-litigation culture within the business development teams and on controls at the time of setting up and implementing the contracts.

› Intellectual property protection

All trademarks used by Groupe Casino are registered with the appropriate bodies in France and all countries where the Group operates or is likely to operate in the future.

The Group Legal department is responsible for the preventive and defensive protection policy and uses outside firms to make sure that no identical or similar trademarks are registered by other parties and to take appropriate action in the event of infringement.

› Image protection

Corporate communication is the responsibility of Group Communications. Senior Management systematically approves information issued by Group Communications prior to release. Business units with their own communications department work under the authority and responsibility of Group Communications where Casino's image may be affected.

Group Communications is also responsible for managing Casino's image risk. It checks information published about the Group, particularly in the blogosphere, and takes any appropriate action.

› Merchandise management

The purchasing strategy, in terms of both assortment and suppliers, is based on market research and reflects the business unit's main strategic goals. Action plans are drawn up on the basis of internal or external research to ensure that the product offering always meets market expectations and banner positioning.

Controls are regularly carried out by the buyers during tender invitations and supplier selection or deselection processes, to identify and minimise risks relating to dependency on suppliers.

Lastly, performance indicators are tracked in order to monitor the effectiveness of the Group's purchasing processes.

The Group Quality Control department sets out the quality policy for Casino's private label and similar products. If requested, it will determine and/or circulate good product quality and safety practices for other business units in order to involve all parties in the Group's quality approach.

Since 2011, exchanges of best practices between all the Group's countries have laid the foundations for an international quality policy, including the definition of common performance indicators, and a Quality Charter, which was shared and circulated to all business units in 2012.

The Group Quality Control Department draws up and implements quality control procedures for merchandise and suppliers of Casino private label and similar products, budget products and direct imports.

Quality audits are carried out at all manufacturing plants of suppliers, particularly those that manufacture Casino private label products.

Group business units take measures to safeguard inventories. They include ensuring the security of warehouses, equipment and merchandise, goods reception and shipping processes, as well as monitoring standards relating to hazardous or regulated products.

Stock-takes are performed regularly, particularly as part of the accounts closing process. They are designed to monitor performance indicators and, where applicable, detect any anomalies in goods flows.

› Financial asset management and financial flows

The control activities described below aim to mitigate the market risks described in the section of this report entitled "Risk factors and Insurance".

Financial transactions are managed through procedures designed to ensure the security of cash receipts. There is a system of delegated signature authorities for cash payments covering the Group's business units and a dual signature requirement for external payments. Cash receipts and payments are controlled through reconciliations with bank and accounting data.

Cash management and control over financing and financial risk management policies are the responsibility of Group Corporate Finance supported by the subsidiaries' local Finance departments. The process is based on principles of prudence and anticipation, particularly as regards counterparty management. Major operations are monitored individually, on the basis of country risk.

Group Corporate Finance has produced a guide to good financing, investment and hedging practices, which is circulated to all local Finance departments. The guide sets out financing methods, preferred banking partners, appropriate hedging products and required authorisation levels. The head of Group Corporate Finance is responsible for updating it as appropriate and for adapting it to the local issues specific to each of the Group's subsidiaries.

Cash positions and forecasts for the French and international units are also monitored weekly in reports sent to Senior Management. Other risks to which the Group is exposed, in particular interest rate risk or bank counterparty risk, are quantified and analysed in a monthly reporting process. Action plans are also included when risks are identified. The reports are sent to Senior Management.

5.3.5. Ongoing monitoring of internal control

Monitoring of internal control is carried out at several levels under the supervision of Senior Management. Members of the Executive Committee are informed regularly of any deficiencies in the internal control system through internal audit and control reports in areas that come under their scope of responsibility. They make sure that the system is adequate and take any necessary remedial action.

Monitoring by management

Management plays an ongoing role in monitoring the effectiveness of internal control procedures. It is responsible for implementing remedial action plans and reporting any serious deficiencies to Senior Management.

Assessment by Internal Audit

Group Internal Audit and the business unit internal audit departments regularly review the effectiveness of the risk management and internal control system through their internal control assessment work.

Group Internal Audit is responsible for assisting Senior Management and the various French and international business units in exercising their responsibilities as regards monitoring the risk management and internal control systems. It also responds to all requests made by the Audit Committee of parent company Casino, Guichard-Perrachon.

Group Internal Audit has a central internal audit team supported through a functional reporting line by local internal audit teams in France and abroad. All in all, these teams total almost 100 people.

Internal audit assignments conducted by the central team are set out in an annual audit plan prepared by Group Internal Audit based on the Group's risk analysis, the principle of audit cycles for the Group's key business processes and any major issues identified by the management of each business unit or department heads in the relevant scope.

Business unit internal audit departments draw up their own annual audit plans which are approved by their senior management and, where applicable, reviewed by their own Audit Committee. The plans are also sent to the Group Internal Audit and Internal Control department.

The annual audit plan for the coming year is presented to the Group Audit Committee. It includes three types of audit:

- Category A: audits performed directly by Group Internal Audit.
- Category B: audits to be performed by the local internal audit teams or external firms but which are monitored and controlled by Group Internal Audit and reported to the Group Audit Committee.
- Category C: operational or cross-functional audits of purely local interest, which are not reported to the Group Audit Committee.

The Group Internal Audit charter, approved by the Audit Committee of parent company Casino, Guichard-Perrachon, describes the Group's internal audit function and how it operates. It has been adapted to the requirements of the local internal audit teams. It is supplemented by formal guidelines for conducting central team audit assignments, which are based on the professional standards of the Institute of Internal Auditors (IIA).

All Group Internal Audit reports are sent to Group Senior Management and the Audit Committee of parent company Casino, Guichard-Perrachon, in accordance with the provisions set out in the Internal Audit charter.

Monitoring by external auditors

The Statutory Auditors are required to obtain an understanding of the organisation and operation of the Group's internal control procedures, to give their opinion on the description of the internal control and risk management system for the financial reporting process, and to certify that other information required by article L. 225-37 of the French Commercial Code (*Code de commerce*) has been provided. This Chairman's report on internal control and risk management has therefore been reviewed by the Statutory Auditors.

In addition, the Statutory Auditors are required to have regular discussions with Group Internal Audit and Control as well as the Audit Committee.

Internal control intelligence

Group Internal Audit and Control is responsible for keeping abreast of best internal control practices developed by Groupe Casino business units and best practices in the marketplace.

6. Internal control over the financial reporting process

Internal control over the financial reporting process aims to provide reasonable assurance regarding:

- compliance of published accounting and financial information with the applicable regulations;
- compliance with Senior Management instructions and guidance on financial reporting;
- reliability of information circulated and used internally for management or control purposes, where it is used in the preparation of published accounting and financial information;
- reliability of published financial statements and other published information;
- safeguard of assets;
- prevention and detection of fraud and accounting and financial irregularities.

The scope of internal control over the financial reporting process described below covers the parent Company and all companies included in its consolidated financial statements.

6.1. Monitoring the financial reporting process

6.1.1. General organisation

Each business unit has its own accounting and finance department to ensure that local requirements and obligations are properly handled. However, some business units outsource these activities to shared support functions. The Group encourages business units to organise their accounting and finance function by process, which helps ensure more consistent treatment, segregation of duties, implementation of controls and compliance with procedures.

Group Accounting, Financial Control and Corporate Finance monitor and oversee the local departments. They also consolidate data reported by the business units and produce the accounting and financial information published by Groupe Casino.

The Chief Executive Officers and Chief Financial Officers of each business unit prepare an annual internal compliance letter certifying that the accounting and financial information produced by their business unit is reliable and that they have an appropriate internal control system.

The Audit Committee reviews the annual and interim accounts in order to give an opinion to the Board of Directors on the financial statements to be published. It also reviews the conclusions of the Statutory Auditors on their work.

For this purpose, it obtains information on and monitors the process for preparing the related accounting and financial information, ensuring that:

- appropriate control procedures have been applied, through its review of internal audit work;
- the accounts closing process has been properly carried out;
- the main accounting options chosen are appropriate;
- the external auditors have completed their work.

6.1.2. Application and control of accounting policies

The system aims to ensure that local accounting standards used comply with regulations and that they are available to everyone involved in the financial reporting process.

As part of the consolidation process, each business unit sends its IFRS-compliant accounts to Group Accounting and Group Financial Control, including an income statement, balance sheet, cash flow statement, net cash statement and various key performance indicators.

Group Accounting and Group Financial Control have produced and circulated a Financial Reporting Guide designed to ensure that information reported is reliable and consistent throughout the Group. This guide describes Group accounting policies, consolidation principles, and consolidation adjustments and entries, as well as management accounting principles and the accounting treatment of complex transactions. It is updated regularly and sent to all users of the Group's financial reporting system.

In addition, a compliance watchdog unit has been set up to assess and anticipate changes in accounting regulations that may impact the Group's accounting principles, particularly IFRSs. Any regulatory developments that have an impact on the Group's accounting procedures are explained in memos.

As regards taxation, validation audits are performed on the Group's taxable results and major transactions carried out during the year are analysed from a tax perspective. Lastly, intelligence work on legislation, jurisprudence and regulations gives rise to information meetings on tax developments and the circulation of procedure memos.

6.1.3. Tools

Each business unit uses the tools required to process and prepare accounting and financial information, in association with the Group Accounting department.

Following the deployment of new accounting systems and structures in France, particular attention has been paid to the principle of segregation of tasks. In this area, work began in 2013 on redefining the roles and authorisations allocated to each user and will continue during 2014.

IFRS-compliant accounting and financial data, adjusted to comply with Group standards, are reported by the business units through a single consolidation and financial reporting software package. A new version was introduced in 2011 featuring the ability to identify application users, better remote access authentication and improved application security and integrity.

The Group's reporting system has a dedicated administration unit.

6.2. Financial reporting process

6.2.1. Identification of risks affecting the financial reporting process

The Management of each business unit is responsible for identifying risks affecting the financial reporting process. Duties in the upstream accounting production process are segregated to prevent fraud and accounting and financial regularities. Control activities appropriate to the level of risk are implemented.

6.2.2. Control activities aimed at ensuring the reliability of published accounting and financial information

Preparation and consolidation of financial and accounting information

The accounting production processes are organised with a view to providing high quality, reliable published accounting and financial information. Furthermore, in order to produce information within short deadlines, early accounts closing processes are implemented to maintain the quality and reliability of information.

Most of the adjustments required to comply with Group standards are made by the business units based on instructions sent out by the Group Accounting Standards department. Group Accounting and Group Financial Control are responsible for accounting intelligence and for arranging training for the business units in how to use the reporting system and the Financial Reporting Guide, to guarantee high quality data and reliable financial and accounting information.

The system checks data consistency through automatic controls of both local and consolidated data.

Group Accounting permanently monitors and checks changes in percentage ownership of subsidiaries and associates. It is responsible for applying the appropriate consolidation treatment (scope of consolidation, change of consolidation method, etc.).

As required by law, Casino, Guichard-Perrachon has two Statutory Auditors, first appointed in their current configuration in 2010. Their network of local external audit firms may also be involved in auditing accounting information, including consolidation adjustments, produced by various Group subsidiaries. Their duties include verifying that the annual financial statements are prepared in accordance with generally accepted accounting principles and give a true and fair view of the Group's results of operations for the year and its financial position and net assets at the year-end.

The Group Accounting department acts as the interface with the external auditors of the Group's various entities. The Group's Statutory Auditors are appointed through a competitive tender procedure arranged and overseen by the Audit Committee in line with the recommendations made in the Afep-Medef corporate governance code.

Management of external financial information

The Investor Relations department's role is to provide the financial community with accurate, specific and fair information about the Group's strategy, business model and performance.

Financial information is prepared and validated by the Accounting and Financial Control departments prior to release.

The Legal and Accounting departments also contribute to producing the Registration Document and management report.

The Board of Directors reviews all information and news releases about the Group's results or financial and strategic transactions, and may make comments and proposals. The Audit Committee reviews information on the annual and interim financial statements prior to release. News releases on revenue and earnings figures are also submitted to the Statutory Auditors for comment prior to issue.

Financial information is disclosed to the markets through the following communication channels:

- media releases;
- conference calls for quarterly releases of sales figures;
- annual and interim results presentations;
- presentations to financial analysts and investors, including road shows, conferences and meetings or conference calls organised in France and abroad;
- Annual General Meetings;
- annual reports, Registration Documents and Sustainable Development Reports;
- the Group's corporate website.

Group Investor Relations is also involved in checking and setting the publication timetable for the financial information drawn up by listed majority-controlled subsidiaries and ensures consistency between the various media used by the Group.

7. Conclusion

The Casino Group takes a continuous progress approach to its risk management and internal control systems to promote the implementation of best risk management and internal control practices throughout the Group.

The systems are reviewed regularly given the diversity of its business operations and geographical scope, as well as trends in its scope of activity. Its objective is to continue optimising the existing risk management and internal control systems.

5.5. STATUTORY AUDITORS' REPORT

prepared in accordance with article L. 225-235 of the French Commercial Code (Code de commerce)*, on the report prepared by the Chairman of the Board of Directors*

Year ended December 31, 2013

This is a free translation into English of a report issued in French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Casino, Guichard-Perrachon and in accordance with article L. 225-235 of the French Commercial Code (*Code de commerce*), we hereby report on the report prepared by the Chairman of your company in accordance with article L. 225-37 of the French Commercial Code (*Code de commerce*) for the year ended December 31, 2013.

It is the Chairman's responsibility to prepare and submit for the Board of Directors' board's approval a report on internal control and risk management procedures implemented by the company and to provide the other information required by article L. 225-37 of the French Commercial Code (*Code de commerce*) relating to matters such as corporate governance.

Our role is to:

- report on the information contained in the chairman's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information,
- confirm that the report also includes the other information required by article L. 225-37 (*Société Anonyme à conseil d'administration*) of the French Commercial Code *(Code de commerce*). It should be noted that our role is not to verify the fairness of this other information.

We conducted our work in accordance with professional standards applicable in France.

Information on internal control procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control procedures relating to the preparation and processing of the accounting and financial information. These procedures consist mainly in:

- obtaining an understanding of the internal control procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the chairman's report is based and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our work are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the company's internal control procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the chairman of the board of directors in accordance with article L. 225-37 of the French Commercial Code (*Code de commerce*).

Other information

We confirm that the report prepared by the Chairman of the Board of Directors also contains the other information required by article L. 225-37 of the French Commercial Code (*Code de commerce*).

Lyon and Neuilly-sur-Seine, March 10, 2014

The Statutory Auditors

Deloitte & Associés		Ernst & Young et Autres
Gérard Badin	Antoine de Riedmatten	Daniel Mary-Dauphin

5.6. BOARD OF DIRECTORS' CHARTER

The Board of Directors has grouped together and, where appropriate, clarified and supplemented, the provisions governing its functioning in accordance with the applicable laws and regulations and the Company's Articles of Association.

For this purpose the Board has drawn up a Board of Directors' Charter, which incorporates all of the Company's corporate governance principles and facilitates their implementation.

This Charter describes the Board's organisation structure and *modus operandi*, the powers and duties of the Board and the Board Committees, and the code of conduct applicable to the Board's members.

5.6.1. ORGANISATION AND PROCEDURES OF THE BOARD OF DIRECTORS

Article 1 – Election of directors

Directors are elected by the shareholders for a term of three years and are eligible to stand for re-election.

Candidates for nomination are first reviewed by the Appointments and Compensation Committee (see sections below entitled "Committees of the Board – General provisions" and "Appointments and Compensation Committee").

Directors are selected for the contribution they can make to the Board's work through their expertise, diversity of experience and backgrounds, and commitment to the Casino Group's future development.

If one or more seats on the Board fall vacant between two General Meetings due to the death or resignation of directors, the Board of Directors may appoint replacement directors. Any such appointments must be ratified by shareholders at the next General Meeting. A director appointed to replace an outgoing director stays in office for the remainder of his predecessor's term.

No person over the age of seventy (70) may be elected as director or permanent representative of a corporate director if such election would cause the number of directors and permanent representatives of corporate directors over that age to be more than one-third of the total. Should this proportion be exceeded, the oldest director or permanent representative of a corporate director shall stand down at the Annual General Meeting held to approve the financial statements for the year in which the proportion was exceeded.

The Board of Directors is responsible for ensuring that it has sufficient independent directors to comply with the recommendations made in the Afep-Medef Corporate Governance Code.

Article 2 – Board meetings and decisions of the Board

The Board of Directors meets as often as necessary in the interests of the Company.

Meetings are called by the Chairman or in the Chairman's name by any person designated by him. If the Board has not met for a period of over two months, a group of at least one third of the directors may ask the Chairman to call a meeting to discuss a particular agenda, as may the Chief Executive Officer.

Meetings are held at the venue specified in the notice of meeting.

Directors may give proxy to another director to represent them at Board meetings, provided that they clearly state their position concerning all the matters to be put to the vote. Directors may only hold a proxy from one other director. However, a director taking part in a meeting by videoconference or telecommunications under the conditions set out below may not act as proxy for another director.

These provisions also apply to the permanent representatives of corporate directors.

A quorum of at least half the directors is required for the meeting to transact business. Decisions are taken by majority vote of the directors present or represented by proxy. In the event of a tie, the Chairman of the meeting has the casting vote.

As permitted by law, the Chairman of the Board may occasionally permit directors to participate in a meeting by videoconference or telecommunications, if so requested for valid reasons.

The videoconference or telecommunications link used must be technically capable of transmitting at very least the voice of the person or persons concerned and allowing them to be properly identified and participate effectively in the meeting through a continuous and simultaneous broadcast. It must also be able to guarantee confidentiality of the proceedings.

The videoconference link must simultaneously transmit both image and voice and enable the person or persons attending the meeting by such means and those persons physically present at the meeting to recognise each other.

Telecommunications means the use of a telephone conference call system which allows those persons physically present at the meeting and the person attending by telephone to recognise, beyond any doubt, the voice of each participant.

In case of doubt or poor reception, the Chairman of the meeting may decide to continue the meeting and exclude those persons attending by videoconference or telecommunications for the purpose of determining the quorum and majority, provided that the quorum conditions remain fulfilled. The Chairman may also decide to suspend the director's attendance at the meeting if a technical malfunction means that the videoconference or telecommunications link can no longer ensure total confidentiality of the proceedings.

When permitting the use of videoconference or telecommunications, the Chairman of the Board must first ensure that all members invited to attend by one of these means have the equipment required to take part effectively in accordance with the requisite conditions.

The minutes of the meeting shall indicate the names of those directors attending a meeting by videoconference or telecommunications and mention any technical disruption or incidents which occurred during the meeting.

Directors taking part in Board meetings by videoconference or telecommunications are deemed to be present for the purposes of calculating the quorum and majority, except for the following matters:

- appointment and compensation of the Chairman of the Board, the Chief Executive Officer or the Chief Operating Officers;
- removal of the Chief Executive Officer or the Chief Operating Officers;
- approval of the annual and interim financial statements of the Company and the Group, together with the accompanying reports.

Furthermore, the Chairman may permit a director to take part in meetings *via* any other telecommunication medium. In this case, however, the director concerned shall not be deemed present for the purpose of calculating the quorum and majority.

The Board of Directors may also permit persons other than the directors to attend its meetings, in a consultative capacity only.

An attendance register is drawn up and signed by those directors attending a Board meeting.

Directors attending a meeting by videoconference or telecommunications are certified as present on the attendance register by the Chairman of the meeting.

Article 3 – Minutes of Board meetings

Board resolutions are recorded in minutes signed by the Chairman of the meeting and at least one of the directors present. Minutes are approved at the next Board meeting and a draft copy is sent to all directors in advance.

The minutes shall indicate whether or not a videoconference or telecommunications link was used, list those directors who participated by those means, and mention any technical incidents which occurred during the meeting.

Copies or extracts of the minutes may be validly certified by the Chairman of the Board, the Chief Executive Officer, a Chief Operating Officer, the director temporarily acting as Chairman, or a duly empowered representative.

Article 4 – Directors' fees

The Board of Directors may receive annual directors' fees, as voted by the shareholders at the Annual General Meeting pursuant to Article 22-I of the Articles of Association.

The total fee voted by shareholders is allocated by the Board of Directors, on the proposal or recommendation of the Appointments and Compensation Committee, on the following basis:

- a fixed sum allocated to each director;
- a variable sum based on attendance at Board meetings.

Directors may also receive additional fixed fees for their specific experience or for special tasks undertaken at the Board's request.

The Board of Directors fixes the amount of any other compensation payable to the Chairman and Vice-Chairman or Chairmen. It may also allocate exceptional compensation for special assignments or mandates entrusted to its members.

Each director, whether a natural person, legal entity or permanent representative, undertakes to hold a number of shares in the Company equivalent to the sum of at least one year's directors' fees. Shares held to meet this requirement must be held in registered form.

5.6.2. AUTHORITY AND POWERS OF THE BOARD OF DIRECTORS

Article 5 – Role and powers of the Board of Directors

Under the provisions of Article L. 225-35 of the French Commercial Code (*Code de commerce*):

"The Board of Directors is responsible for defining the Company's broad strategic objectives and for their implementation.

Except for those powers expressly vested in the shareholders in General Meeting, the Board of Directors considers and decides on all matters related to the Company's operations, subject to compliance with the corporate purpose."

The Board of Directors also decides whether to combine or separate the positions of Chairman of the Board and Chief Executive Officer. Where the positions are separated, the Chief Executive Officer must be an individual but is not required to be a director.

The Board of Directors exercises the powers vested in it by law and the Company's Articles of Association. To exercise these powers, it has a right of information and communication and may be assisted by Committees of the Board.

A – Powers vested in the Board of Directors

The Board of Directors reviews and approves the annual and interim financial statements of the Company and the Group, as well as the management reports on the operations and results of the Company and its subsidiaries. It also approves budgets and forecasts.

It calls shareholders' meetings and may carry out shareholder-approved securities issues.

B – Matters requiring the Board of Directors' prior authorisation

In addition to the issue of guarantees and security interests and related-party agreements governed by Article L. 225-38 of the French Commercial Code (*Code de commerce*), which by law require the Board's prior authorisation, the Board of Directors has decided, as an internal rule, that its prior authorisation must be obtained for certain management transactions due to their nature or if they exceed a unit value of €500 million, as specified in the paragraph below entitled "Senior Management".

Accordingly, the Board's authorisation is required for all transactions that are likely to affect the strategy of the Company and its subsidiaries, their financial position or scope of business, such as the signature or termination of commercial agreements likely to materially influence the Group's future development.

In this respect, the Board has also granted certain blanket delegations of authority, renewable each year, which are described in the paragraph below entitled "Senior Management".

Article 6 – Right of information and communication

The Board of Directors carries out all the verifications and controls it deems necessary and at the times it deems appropriate. The Chairman or Chief Executive Officer is responsible for providing all directors with the documents and information they need to fulfil their role and duties.

Prior to each Board meeting, directors receive all the information they require to prepare for the agenda items, provided such information is available and sufficiently complete.

The Chief Executive Officer reports to the Board of Directors on the following at least once every quarter:

- operations of the Company and its main subsidiaries including sales and earnings figures;
- debt and the credit lines available to the Company and its main subsidiaries;
- headcount data for the Company and its main subsidiaries.

The Board of Directors also reviews the Group's off-balance sheet commitments at least once every six months.

Article 7 – Chairman of the Board of Directors

The Chairman of the Board organises and leads meetings of the Board and reports to shareholders on the Board's work at the General Meeting. He is responsible for ensuring that the Company's corporate governance structures function correctly and, more particularly, that the directors are capable of fulfilling their duties.

The Chairman also prepares a report to shareholders, in addition to the Management Report, on the Company's corporate governance and internal control/risk management systems, particularly regarding procedures for the preparation and processing of accounting and financial information for the Company and consolidated financial statements. This report indicates any restrictions placed by the Board of Directors on the Chief Executive Officer's powers.

If the Company voluntarily refers to a corporate governance code drawn up by an accredited body or organisation, the report also indicates any provisions that are not applied and the reasons why. It indicates where a copy of the code may be obtained. If the Company does not voluntarily refer to such a corporate governance code, the report describes the Company's corporate governance practices over and above the legal requirements and explains why a reference code is not used.

The report also describes any special conditions regarding shareholder attendance at General Meetings or refers to the provisions of the articles of association where such conditions can be found.

The report sets out the principles and rules set by the Board of Directors to determine the compensation and benefits paid to executive officers and refers to disclosure of the information required by article L. 225-100-3 of the French Commercial Code (*Code de commerce*). The report is approved by the Board of Directors and published.

The Chairman is elected for a period not exceeding his term of office as director. If the Chairman reaches the age of 70 while in office, he is required to stand down at the end of that term.

In case of the Chairman's temporary unavailability or death, the Board of Directors may appoint another Director as acting Chairman. In the event of temporary unavailability, the acting Chairman is appointed for a fixed period, which may be renewed. In the case of death, the acting Chairman is appointed until such time as a new Chairman is elected.

Article 8 – Senior Management

Under Article L. 225-56 of the French Commercial Code (*Code de commerce*), the Chief Executive Officer has full powers to act in all circumstances in the name of the Company within the scope of the corporate purpose and except for those powers which are specifically vested in the shareholders in General Meeting or in the Board of Directors under the law. The Chief Executive Officer represents the Company in its dealings with third parties.

However, the Board of Directors has decided, as an internal rule, that the Chief Executive Officer must obtain the Board's prior authorisation for the following:

- transactions that are likely to affect the strategy of the Company and its subsidiaries, their financial position or scope of business, such as the signature or termination of industrial and commercial agreements likely to materially influence the Group's future development;
- transactions representing over five hundred million euros (€500,000,000), including but not limited to:
  - investments in securities and immediate or deferred investments in any company or business venture,
  - sales of assets, rights or securities, in exchange for securities or a combination of securities and cash,
  - acquisitions of real property or real property rights,
  - purchases or sales of receivables, acquisitions or divestments of goodwill or other intangible assets,
  - issues of securities by directly or indirectly controlled companies,
  - granting or obtaining loans, borrowings, credit facilities or short-term advances,
  - agreements to settle legal disputes,
  - disposals of real property or real property rights,
  - full or partial divestments of equity interests,
  - granting security interests.

By derogation to the above rules, the Chief Executive may, on an exceptional basis and after obtaining the opinion of the Audit Committee, carry out any transaction not exceeding 15% of consolidated equity as measured at the previous year-end. The Chief Executive Officer reports on any such transaction at the next Board meeting.

These provisions apply to transactions carried out directly by the Company and by all entities controlled directly or indirectly by the Company, except for intragroup transactions.

The Board of Directors may also grant the Chief Executive Officer authority to carry out the following transactions, up to a maximum aggregate limit set on an annual basis:

Guarantees and security interests

The Chief Executive Officer may issue guarantees or other security interests to third parties in the Company's name, subject to a maximum annual limit of €1.5 billion and a maximum limit per commitment of €500 million.

Loans, confirmed credit lines, short term credit facilities and all financing agreements

The Chief Executive Officer may negotiate and/or renew or extend loans, confirmed credit lines and all syndicated and non-syndicated financing agreements subject to a maximum annual limit of €3.5 billion and a maximum limit per transaction of €500 million.

To cover seasonal needs, he may also negotiate, implement, roll over and extend short-term advances up to a maximum amount of €1 billion.

Issuance of bonds and other debt securities

The Chief Executive Officer may issue bonds or any debt securities other than commercial paper, under the EMTN programme or otherwise, subject to a ceiling of €3.5 billion, determine the terms and conditions of any such issue and carry out all related market transactions.

He may issue commercial paper subject to a ceiling of €2 billion.

He may delegate all or some of these powers, except the power to issue bonds or other debt securities. He is required to report regularly to the Board of Directors on their utilisation.

These provisions apply to transactions carried out directly by the Company and by all entities controlled directly or indirectly by the Company.

The Chief Executive Officer's term of office is set by the Board of Directors at its discretion, but may not exceed three years. If the Chief Executive Officer reaches the age of 70 while in office, he is required to stand down at the end of that term.

In the event of the temporary unavailability of the Chief Executive Officer, the Board of Directors shall appoint an acting Chief Executive Officer until such time as the Chief Executive Officer is able to resume his duties.

At the proposal of the Chief Executive Officer, the Board of Directors may appoint up to five Chief Operating Officers to assist the Chief Executive Officer in his duties.

In agreement with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers to be vested in the Chief Operating Officers. However, they have the same powers as the Chief Executive Officer in dealings with third parties.

The Chairman, if he is also Chief Executive Officer, the Chief Executive Officer and the Chief Operating Officers may delegate their powers to carry out one or several specific transactions or categories of transaction.

5.6.3. COMMITTEES

Article 9 – Committees of the Board – General provisions

Under Article 19-III of the Company's articles of association, the Board of Directors may establish one or more specialised committees, appoint the members thereof, and specify their role and responsibilities, under its oversight and authority. The Board of Directors may not delegate to these Committees any powers that are specifically vested in the Board of Directors either by law or under the Company's articles of association. Each committee reports on its work at the next Board meeting.

The Committees comprise at least three members, who must be directors, permanent representatives of corporate directors or non-voting directors, appointed by the Board. Members are appointed on a purely personal basis and may not be represented by proxy.

Their term of office is set by the Board of Directors and may be renewed.

The Board of Directors appoints a Chairman of each Committee, for a period that may not exceed that person's term of office as a Committee member.

Each Committee decides how often it will meet and may invite anyone it deems appropriate to attend meetings.

Minutes are prepared after each Committee meeting, unless specifically provided otherwise, under the authority of the Committee Chairman. Such minutes are sent to all Committee members. The Committee Chairman reports to the Board of Directors on the Committee's work.

The work carried out by each Committee is described in the Company's annual report.

The Committees are responsible for making proposals or recommendations and giving their opinion in their specific area of expertise. To this end, they may conduct or commission any research or studies likely to assist the Board of Directors in its decisions.

Committee members receive fees allocated by the Board of Directors on the recommendation of the Appointments and Compensation Committee.

The Board of Directors is currently assisted by two committees: the Audit Committee and the Appointments and Compensation Committee.

Article 10 – Audit Committee

The Audit Committee is responsible for reviewing the annual and interim financial statements, together with the accompanying reports, before they are submitted to the Board of Directors for approval.

As part of this process the Committee holds discussions with the Statutory Auditors and reviews their audit reports and conclusions.

The Audit Committee reviews and gives its opinion on candidates for appointment as Statutory Auditors of the Company and its subsidiaries.

It verifies the independence of the Statutory Auditors, with whom it has regular contact. It also reviews overall relations between the Statutory Auditors and the Company and its subsidiaries and gives its opinion on their fees.

The Audit Committee periodically reviews the internal control systems, and more generally the audit, accounting and management procedures of the Company and the Group, through discussions with the Chief Executive Officer, internal audit teams and the Statutory Auditors. It provides an interface between the Board of Directors, the Statutory Auditors of the Company and its subsidiaries, and the internal audit teams.

- The Committee also deals with any facts or events which may have a significant impact on the position of Casino, Guichard-Perrachon or its subsidiaries in terms of commitments and/or risks. It ensures that the Company and its subsidiaries have effective internal audit, accounting and legal functions to prevent risks and management errors.
- The Audit Committee has at least three members appointed from among those directors with finance and management experience.
- It meets at least three times a year at the initiative of its Chairman, who may also arrange any additional meetings required by the circumstances.
- The Audit Committee may invite opinions from any persons of its choice belonging to the support functions of the Company and its subsidiaries. It may call upon any outside consultant or expert it deems appropriate to assist in its duties.
- The Committee reports to the Board of Directors on its work, research and recommendations. The Board of Directors has absolute discretion to decide whether or not to act on such recommendations.
- The Audit Committee has a charter, approved by the Board of Directors, describing its organisation, operation, expertise and responsibilities.

Article 11 – Appointments and Compensation Committee

The role of the Appointments and Compensation Committee is to:

- prepare the groundwork for fixing the compensation of the Chief Executive Officer and, where applicable, the Chief Operating Officers, and to propose qualitative and quantitative criteria for determining any performance-related component;
- assess all other benefits or emoluments to be received by the Chief Executive Officer and, where applicable, the Chief Operating Officers;
- review proposals for allocating stock options and/or share grants to managers and other Group employees in order to enable the Board of Directors to set the total and/or individual number of options or shares to be allocated and the related terms and conditions;
- review the composition of the Board of Directors;
- examine candidate applications for election to the Board, in light of each candidate's business experience, expertise and economic, social and cultural representativeness;
- examine candidate applications for the position of Chief Executive Officer and, where applicable, Chief Operating Officer;
- obtain all useful information concerning recruitment methods, compensation and status of senior executives of the Company and its subsidiaries;
- make proposals and give opinions on directors' fees and any other compensation or benefits to be paid to the directors and non-voting directors;
- review the relationships between the directors and the Company or its subsidiaries to ensure that there is nothing which could interfere with their freedom or judgement or potentially lead to a conflict of interest;
- organise regular assessments of the Board of Directors' performance.

The Committee has at least three members and meets at least twice a year at the initiative of its Chairman, who may also arrange any additional meetings required by the circumstances.

In association with the Chief Executive Officer, the Appointments and Compensation Committee works closely with the Group Human Resources and Finance departments, and may call upon any outside consultant or expert it deems appropriate to assist in its duties.

It may call upon any outside consultant or expert it deems appropriate to assist in its duties.

The Committee reports to the Board of Directors on its work, research and recommendations. The Board of Directors has absolute discretion to decide whether or not to act on such recommendations.

5.6.4. SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

Article 12 – Senior independent non-executive director

At the proposal of the Chairman and Chief Executive Officer and after opinion from the Appointments and Compensation Committee, the Board decided to appoint a senior independent non-executive director to strike an appropriate balance to the combined Chairman and Chief Executive role in terms of governance.

The senior independent non-executive director's role is to:

- strike an appropriate balance in terms of governance to the combined Chairman/Chief Executive role;
- ensure that the Board functions properly and fulfils its duties and, in particular, ensure that the Board complies with the requirements set out in the following documents in terms of its meetings and discussions and the information it receives:
  - the Board Charter, which describes the Board's organisation structure and *modus operandi*, the powers and duties of the Board and the Board Committees, and the corporate governance principles implemented by the Board,
  - the Committee Charters, which set out their own specific practices, procedures, skills, role and duties;
- ensure that the Committee chairmen are able to fulfill their duties in accordance with the Committee Charter and that they have all the information they need.

The senior independent non-executive director has a specific annual duty and an ongoing role:

- presentation of an annual report to the Appointments and Compensation Committee on the exercise of the respective roles of Chairman and Chief Executive Officer by reference to the provisions of the Board Charter and Committee Charters, and on the work performed by the Board and its Committees;
- an ongoing observation role with the aim of dealing with any difficulties arising in the exercise of the combined roles of Chairman and Chief Executive Officer and, in particular, any conflicts of interest that may arise or become apparent at meetings of the Board or the Appointments and Compensation Committee, or be referred to the Chairman of the Audit Committee or to any other directors, and should this be the case:
  - report these difficulties or potential conflicts of interest to the Chairman of the Board of Directors,
  - call a meeting of the Appointments and Compensation Committee at any time to discuss these issues,
  - meet the Chairman of the Audit Committee, the Board Secretary and the independent directors.

5.6.5. NON-VOTING DIRECTORS

Article 13 – Non-voting directors

The shareholders may appoint non-voting directors, who may be natural persons or legal entities, from among the shareholders. The Board of Directors may appoint a non-voting director subject to ratification at the next shareholders' meeting.

The number of non-voting directors may not exceed five. They are elected for a term of three years and may be re-elected.

A non-voting director reaching the age of 80 while in office is required to stand down at the Annual General Meeting held to approve the financial statements for the year in which this age limit was reached.

Non-voting directors attend Board meetings in a consultative capacity only.

They may receive attendance fees, the total aggregate amount of which is fixed by ordinary resolution of the shareholders and remains unchanged until a further decision of the shareholders. Attendance fees are allocated among the non-voting directors at the discretion of the Board of Directors.

5.6.6. DIRECTORS' CODE OF CONDUCT

Article 14 – Principles

The Company's directors must be able to exercise their duties in compliance with the rules of independence, business ethics and integrity.

In line with good corporate governance practices, directors exercise their duties in good faith in the manner they consider most appropriate to promote the interests of the Company and with the care that would be expected of a normally prudent person in such circumstances.

The directors undertake to maintain their freedom of analysis, judgement, decision and action at all times, and to withstand any direct or indirect pressure that may be brought to bear on them.

Article 15 – Duty of information

Before accepting office, directors must familiarise themselves with all legal and regulatory requirements concerning their position and with any provisions specific to the Company set out in its articles of association and this charter.

Article 16 – Protection of the Company's interests – Conflicts of interest

Directors must act in all circumstances in the best interests of the Company.

They undertake to ensure that the Company's decisions do not favour one particular class of shareholder over another.

The directors shall advise the Board of any actual or potential conflict of interest in which they might be directly or indirectly involved and in such a case shall abstain from voting on the issues concerned.

Article 17 – Control and assessment of the Board of Directors' performance

Directors must pay careful attention to the allocation and exercise of powers and responsibilities among the Company's corporate governance structures.

They must ensure that no person can exercise uncontrolled discretionary power over the Company, and that the Committees of the Board of Directors operate properly.

The Board discusses its practices and procedures once a year.

Self-assessments are also organised regularly by the Appointments and Compensation Committee on the instructions of the Chairman of the Board.

Article 18 – Presence of directors

Directors must devote the appropriate time and attention to their duties. They shall, as far as possible, attend all Board meetings, shareholders' meetings and meetings of any Committees of which they are members.

Article 19 – Dealing in the Company's shares

In accordance with Article L. 621-18-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and Article L. 222-14 of the General Regulations of the *Autorité des Marchés Financiers* (AMF), each individual and corporate director is required to disclose to the AMF all purchases, sales, subscriptions or exchanges of the Company's shares in excess of a cumulative amount per calendar year of €5,000. This formality must be carried out within five trading days of the transaction date. Disclosable transactions include purchases and sales of derivative instruments and acquisitions of shares on exercise of stock options, even when the acquired shares are not sold immediately.

This requirement also applies to persons who have close personal ties with any members of the Board of Directors, defined as a director's spouse or partner, dependent children, or any company, trust or partnership that is managed and/or controlled, directly or indirectly, by a director or by any person who has close personal ties with a director.

All shares in the Company held by directors must be registered shares. Directors must also advise the Company of the number of shares they hold at each year-end and at the time of any capital transactions.

Article 20 – Confidentiality

Directors, and any other persons attending Board meetings, are bound by a general duty of confidentiality with regard to the proceedings of Board meetings or meetings of Committees of the Board.

Non-public information received by directors in their capacity as Board members is given on a personal basis. Such information must be kept strictly confidential and must not be disclosed under any circumstances. These provisions also apply to representatives of corporate directors, and to non-voting directors.

Article 21 – Inside information

Information received by directors is governed by the provisions of Article L. 465-1 of the French Monetary and Financial Code (*Code monétaire et financier*), Articles 611-1 to 632-1 of the AMF's General Regulations and European Commission Regulation 2773/2003 on inside information and insider trading.

If the Board of Directors receives specific confidential information which, if published, could have a significant impact on the share price of the Company, one of its subsidiaries or associates, directors must not disclose such information to third parties until it has been made public.

Directors shall also refrain from dealing in the Company's shares during the "closed period" of 15 days prior to publication of the Company's annual and interim financial statements.

In accordance with legal and regulatory requirements concerning inside information, each director has been registered on the Company's list of people who have permanent access to inside information.

The directors have been advised of their inclusion in this list and have been provided with a summary of their duties concerning inside information and the penalties for breaching such duties.

5.6.7. ADOPTION OF THE BOARD OF DIRECTORS' CHARTER

This Charter was approved by the Board of Directors at its meeting of 9 December 2003 and the most recent update was approved on 17 February 2014.

ANNUAL GENERAL MEETING

6.1. REPORT OF THE BOARD OF DIRECTORS ON EXTRAORDINARY BUSINESS

Ladies and Gentlemen,

We are seeking your approval of the proposed merger-absorption by your Company of its subsidiaries Chalin, Codival, Damap's, Faclair, Kéran, Mapic and Matal.

These transactions form part of the continuing drive to simplify the Group's structure.

6.1.1. PRESENTATION OF THE COMPANIES CONCERNED

Chalin

Chalin owns a supermarket business at Corbenay (Haute-Saône *département*) leased to Distribution Casino France and a service station business leased to Casino Carburants.

Prior to its absorption, Chalin will transfer its supermarket business to Distribution Casino France and its service station business to Casino Carburants such that the shares received in consideration for the transfer will replace the corresponding assets and liabilities.

Chalin owns two plots of land, one in Corbenay with a surface area of 6,189 m^2 and the other in Saint-Loup-sur-Semouse (Haute-Saône *département)* with a surface area of 1,329 m^2. It also owns 300 shares representing 0.18% of the share capital of Dilux, which owns a supermarket business at Luxeuil-les-Bains (Haute-Saône *département*) leased to Distribution Casino France and a service station business leased to Casino Carburants.

Casino, Guichard-Perrachon owns 2,999 of the 3,000 shares comprising Chalin's share capital.

Codival

Codival owns a supermarket business at La Ciotat (Bouches-du-Rhône *département*) leased to Distribution Casino France and a service station business leased to Casino Carburants.

Prior to its absorption, Codival will transfer its supermarket business to Distribution Casino France and its service station business to Casino Carburants such that the shares received in consideration for the transfer will replace the corresponding assets and liabilities.

Casino Guichard-Perrachon owns 2,999 of the 3,000 shares comprising Codival's share capital.

Damap's

Damap's owns a hypermarket business at Saint-Pair-sur-Mer (Manche *département*) leased to Distribution Casino France and a service station business leased to Floréal.

Prior to its absorption, Damap's will transfer its supermarket business to Distribution Casino France and its service station business to Floréal such that the shares received in consideration for the transfer will replace the corresponding assets and liabilities.

Casino, Guichard-Perrachon owns 4,003 of the 4,004 shares comprising Damap's share capital.

Faclair

Faclair owns a supermarket business at Estancarbon (Haute-Garonne *département*) leased to Distribution Casino France and a service station business leased to Casino Carburants.

Prior to its absorption, Faclair will transfer its supermarket business to Distribution Casino France and its service station business to Casino Carburants such that the shares received in consideration for the transfer will replace the corresponding assets and liabilities.

Casino, Guichard-Perrachon owns 4,499 of the 4,500 shares comprising Faclair's share capital.

Kéran

Kéran owns a supermarket business at La Gacilly (Morbihan *département*) leased to Distribution Casino France and a service station business leased to Casino Carburants.

Prior to its absorption, Kéran will transfer its supermarket business to Distribution Casino France and its service station business to Casino Carburants such that the shares received in consideration for the transfer will replace the corresponding assets and liabilities.

Kéran owns a property asset in La Gacilly comprising a supermarket, a service station and car wash station, all on land totalling 28,045 m^2 owned outright, as well as land totalling 67,054 m^2. Kéran also owns a plot of land totalling 82,810 m^2 at La Chapelle-Gaceline (Morbihan *département*).

Casino, Guichard-Perrachon owns 59,222 of the 59,223 shares comprising Kéran's share capital.

Mapic

Mapic owns a supermarket business at Villedieu-les-Poêles (Manche *département*) leased to Distribution Casino France and a service station business leased to Casino Carburants.

Prior to its absorption, Mapic will transfer its supermarket business to Distribution Casino France and its service station business to Casino Carburants such that the shares received in consideration for the transfer will replace the corresponding assets and liabilities.

Mapic also owns land in Villedieu-les-Poêles totalling 828 m^2 on which a part of the supermarket is situated, as well as a plot of land totalling 8,621 m^2 in Colombe (Manche *département*).

Casino, Guichard-Perrachon owns 3,999 of the 4,000 shares comprising Mapic's share capital.

Matal

Matal owns a supermarket business at Donville-les-Bains (Manche *département*) leased to Distribution Casino France and a service station business leased to Casino Carburants.

Prior to its absorption, Matal will transfer its supermarket business to Distribution Casino France and its service station business to Casino Carburants such that the shares received in consideration for the transfer will replace the corresponding assets and liabilities.

Casino, Guichard-Perrachon owns 3,999 of the 4,000 shares comprising Matal's share capital.

6.1.2. VALUATION OF THE ASSETS AND LIABILITIES TRANSFERRED

The assets and liabilities transferred and the financial terms of the transactions were determined on the basis of the financial statements at 31 December 2013. All transactions carried out by the absorbed companies since 1 January 2014, whether involving assets or liabilities, will be deemed to have been carried out on behalf of the absorbing company.

Chalin, Codival, Damap's, Faclair, Kéran, Mapic and Matal are controlled by Casino, Guichard-Perrachon. Accordingly, as required by *Comité de la Réglementation Comptable* standard CRC 2004-01 of 4 May 2004 on accounting for mergers and similar transactions, all assets and liabilities must be transferred at their carrying amount. The prior transfers of the companies' supermarket businesses will also take place at their carrying amount, except in the case of Kéran and Mapic, where actual value will be used as the net assets to be transferred are not sufficient to pay for the corresponding share issue. The transfers of the service station businesses will take place at their actual value, except in the case of Codival where the carrying amount be used.

The net assets transferred by each of the three companies, based on their financial statements at 31 December 2013 and taking account of the prior transfers, amount to:

2013 data *(€)*	**Assets transferred**	**Liabilities transferred**	**Net assets transferred**
Chalin	2,586,764	96,918	2,489,846
Codival	2,441,098	254,798	2,186,300
Damap's	1,790,469	404,141	1,386,328
Faclair	1,509,246	150,952	1,358,295
Kéran	3,441,677	2,718,166	723,510
Mapic	2,848,715	23,528	2,825,187
Matal	281,543	7,579	273,964

6.1.3. SHARES ISSUED TO MINORITY SHAREHOLDERS IN CONNECTION WITH THE MERGERS

To determine the exchange ratios, comparisons were carried out based on restated net asset value, net earnings and cash flow.

Restated net asset value is a traditional valuation criterion, but to be meaningful, the assets compared must be of a comparable structure. Consequently, the net asset value per share of each absorbed company was compared with Casino's 2013 weighted average share price.

The profitability criteria – net earnings and cash flow – are supplementary indicators. Dividend payment was not used as a criterion, as the absorbed companies have a totally different dividend policy from the absorbing company. Revenue was not used either, as it is not comparable.

For the absorbing company, the figures used are consolidated data adjusted for non-controlling interests. Net earnings represent underlying net earnings adjusted for all non-recurring items.

The table below shows the results of these comparisons:

Total values

2013 data *(€)*	Restated net asset value	Net earnings	Cash flow	Number of shares
Chalin	7,115,801	813,754	951,510	3,000
Codival	5,850,798	313,401	195,700	3,000
Damap's	5,008,984	328,924	640,846	4,004
Faclair	2,131,933	274,328	353,408	4,500
Kéran	3,166,232	330,733	761,271	59,223
Mapic	6,217,007	464,501	527,083	4,000
Matal	273,964	(12,626)	34,056	4,000
Casino		618,252,000	2,025,191,000	113,105,831

Per share values

2013 data *(€)*	Restated net asset value (1)	Net earnings	Cash flow
Chalin	2,371.93	271.25	317.17
Codival	1,950.27	104.47	65.23
Damap's	1,251.00	82.15	160.05
Faclair	473.76	60.96	78.54
Kéran	53.46	5.58	12.85
Mapic	1,554.25	116.13	131.77
Matal	68.49	(3.16)	8.51
Casino	77.79	5.47	17.91

(1) Share price in Casino's case.

Exchange ratios

2013 data *(€)*	Restated net asset value/ Casino share price	Net earnings	Cash flow
Chalin/Casino			
Exchange ratio	30.49	49.62	17.71
Discount/premium (1)	-1.6%	-39.5%	69.4%
Codival/Casino			
Exchange ratio	25.07	19.11	3.64
Discount/premium (1)	-0.3%	30.8%	NS
Damap's/Casino			
Exchange ratio	16.08	15.03	8.94
Discount/premium (1)	-0.5%	6.5%	79.0%
Faclair/Casino			
Exchange ratio	6.09	11.15	4.39
Discount/premium (1)	-1.5%	-46.2%	36.8%
Kéran/Casino			
Exchange ratio	0.69	1.02	0.72
Discount/premium (1)	45.5%	-2.1%	39.3%
Mapic/Casino			
Exchange ratio	19.98	21.24	7.36
Discount/premium (1)	0.1%	-5.9%	171.8%
Matal/Casino			
Exchange ratio	0.88	(0.58)	0.48
Discount/premium (1)	13.6%	NS	110.3%

(1) Discount/premium relative to exchange ratio retained.

As the profitability and cash flow criteria are not representative for the absorbed companies, the only criterion used was restated net asset value of the absorbed company/Casino's share price.

Based on these figures, the number of shares to be exchanged for Casino shares, the exchange ratios proposed and the number of ordinary shares to be issued are shown in the table below.

Absorbed company	Number of shares to be exchanged	Exchange ratio	Number of Casino shares to be issued
Chalin	1	30 Casino shares for 1 Chalin share	30
Codival	1	25 Casino shares for 1 Codival share	25
Damap's	1	16 Casino shares for 1 Damap's share	16
Faclair	1	6 Casino shares for 1 Faclair share	6
Kéran	1	1 Casino share for 1 Kéran share	1
Mapic	1	20 Casino shares for 1 Mapic share	20
Matal	1	1 Casino share for 1 Matal share	1
TOTAL			**99**

The exchange ratios retained are within the bands arising from the various criteria. They result in a very minor dilution for Casino, Guichard-Perrachon shareholders.

The Company's share capital will be increased by €151.47 *via* the issuance of 99 shares each with a par value of €1.53, with a total merger premium of €2,842.33.

Mr Michel Tamet, the valuing accountant appointed by the President of the Commercial Court of Saint-Étienne on 4 March 2014, verified that the relative values attributed to the shares of the companies involved in the transaction are appropriate and that the exchange ratios are fair. He also assessed the value of the transfers made by the absorbed companies. The corresponding reports have been made available to the shareholders for inspection in accordance with prevailing regulations.

We trust that these proposals will meet with your approval and that you will vote in favour of the corresponding resolutions.

Board of Directors

6.2. PRESENTATION OF PROPOSED RESOLUTIONS

First and second resolutions

Approval of the financial statements

Under the first and second resolutions, the shareholders are asked to approve the parent company and the consolidated financial statements of Casino, Guichard-Perrachon at 31 December 2013, as well as the transactions reflected therein.

Pursuant to the resolution voted at the Annual General Meeting of 22 April 2013, the 2012 dividends on the 64,841 shares held by the Company on the 29 April 2013 dividend payment date, amounting to a total of €194,523, were transferred to retained earnings.

These financial statements have been audited without qualification by the Statutory Auditors (see pages 158 and 70).

Third resolution

Appropriation of profit

In the third resolution, we are recommending a dividend distribution of €3.12 per share, an increase of 4% over the previous year.

This represents a payout rate of 41.5% of consolidated net profit, in line with the dividend policy pursued by the Company over the past few years.

The shares will go ex dividend on 9 May 2014 and the dividend will be paid on 14 May 2014.

Dividends paid to private shareholders who are French tax residents are entitled to 40% tax relief and are then taxed in accordance with the applicable sliding income tax scale.

The gross dividend is liable to a 15.5% social security withholding by the paying agent at the time of payment. In addition, except for cases of exemption, a 21% income tax prepayment is also deducted at source by the paying agent. Taxpayers whose 2012 taxable income is below €50,000 for a single person and €75,000 for a couple will be exempt from the prepayment if they have applied to their bank or broker before 30 November 2013.

Fourth resolution

Opinion on Chairman and Chief Executive Officer's compensation

In the fourth resolution, shareholders are asked to give a consultative opinion on the components of compensation due or paid to the Chairman and Chief Executive Officer by the Company and its subsidiaries in respect of 2013, as detailed and commented on in the table below. This resolution is proposed in line with the new recommendations published in the Afep-Medef corporate governance code for listed companies, revised in June 2013, and the implementation guidance issued by the *Haut Comité de Gouvernement d'Entreprise*.

Compensation disclosures are also provided in the Management Report and in the Chairman's Report included in the Corporate Governance section in the 2013 registration document (pages 211 onward).

Components of compensation	Amount due or paid in respect of 2013	Information
Fixed salary	€480,000	Change compared with prior year: -31.40%
Annual variable compensation	€515,312	• The variable component may represent up to 100% of the fixed component if targets are achieved and up to 175% if targets are exceeded. • 2013 variable compensation is based entirely on quantitative targets for organic revenue, trading profit and underlying net profit growth, each criterion accounting for one third. In addition, payment of the variable component is contingent first upon achieving the underlying net profit target, regardless of performance in the other two criteria. Consequently, if the net profit target is achieved, the variable component will be determined on the basis of performance in all three criteria using the method set by the Board of Directors. If the net profit target is not achieved, no variable compensation will be paid. N.B.: • Underlying net profit was €618 million in 2013 compared with €564 million in 2012. • Consolidated revenue was €48,645.5 million in 2013 versus €41,970.7 million in 2012, representing organic growth of 4.5%. • Consolidated trading profit was €2,363 million in 2013 versus €2,002 million in 2012, representing organic growth of 10.7%. For 2012, variable compensation amounting to €494 thousand was not paid.
Benefits	Not applicable	The Chairman and Chief Executive is not entitled to any benefits.
Directors' fees	€12,500	The total fee per director is set at €25,000, comprising a fixed fee of €8,500 and a variable fee of €16,500. Variable fees not paid to absent members are not reallocated. The Chairman and Chief Executive Officer is entitled to half of these amounts.

Other components of compensation referred to in the Afep-Medef code: not applicable

The Chairman and Chief Executive Officer is not entitled to any variable compensation deferred over one or more years or any exceptional compensation.

He is not entitled to benefit from any stock option or performance share plans or any other form of long-term compensation.

He does not benefit from a top-up pension plan or termination or non-compete benefits.

Fifth to ninth resolutions

Re-election of directors

The fifth to ninth resolutions deal with the re-election for a further three-year term of Gérald de Roquemaurel, David de Rothschild, Frédéric Saint-Geours and the companies Euris and Foncière Euris.

The Board of Directors has 14 members, including six who are independent based on the criteria set out in the Afep-Medef corporate governance code: Sylvia Jay, Catherine Lucet, Rose-Marie Van Lerberghe, Henri Giscard d'Estaing, Gérald de Roquemaurel and Frédéric Saint-Geours.

The number of independent directors is therefore more than 40% and the number of women directors more than 20%. The Board of Directors also has one member of British nationality and three who are external prominent business people – Marc Ladreit de Lacharrière, Gilles Pinoncély and David de Rothschild.

The Company's controlling shareholder has five seats on the Board and does not therefore have a majority of the voting power.

Tenth resolution

Share buyback programme

The tenth resolution renews the 18-month authorisation given the Board to purchase shares of the Company, up to a maximum of 10% of its share capital. The maximum purchase price is set at €120 per share.

Under the authorisation given at the Annual General Meeting of 22 April 2013 and based on figures at end-January 2014, the Company purchased 40,624 shares and allotted 96,155 shares free of consideration. In addition, under the liquidity contract, 2.2 million shares were purchased and 2.0 million were sold.

On 31 January 2014, the Company held 283,310 shares, representing 0.25% of the share capital, including 9,310 held for the purpose of covering stock option, employee share ownership or share grant plans and 274,000 under the liquidity contract.

The purposes of the buyback programme are detailed in the tenth resolution and in the description of the programme appearing on page 30.

The resolution does not permit continued use of the share buyback programme during a public offer.

Eleventh to seventeenth resolutions

Merger-absorption of the Company's subsidiaries

As part of the continuing drive to simplify the Group's structure, the eleventh to seventeenth resolutions are seeking approval for the merger-absorption of the following Company subsidiaries: Chalin, Codival, Damap's, Faclair, Kéran, Mapic and Matal.

The absorbed subsidiaries each own a supermarket business or, in Damap's case, a hypermarket business, leased to Distribution Casino France, and a service station leased to the Group's specialised subsidiary Casino Carburants or, in Damap's case, Floréal.

Prior to the merger-absorption, the supermarket or hypermarket businesses and the service station businesses will be transferred to the subsidiaries to which they are currently leased.

A detailed presentation of the absorbed companies, valuation of the net assets transferred and consideration paid to the minority shareholders of the absorbed companies appear in the Board of Directors' report on extraordinary business (see page 246).

The table below shows the number of shares to be exchanged for Casino shares, the exchange ratios proposed and the number of ordinary shares to be issued.

Absorbed company	Number of shares to be exchanged	Exchange ratio	Number of Casino shares to be issued
Chalin	1	30 Casino shares for 1 Chalin share	30
Codival	1	25 Casino shares for 1 Codival share	25
Damap's	1	16 Casino shares for 1 Damap's share	16
Faclair	1	6 Casino shares for 1 Faclair share	6
Kéran	1	1 Casino share for 1 Kéran share	1
Mapic	1	20 Casino shares for 1 Mapic share	20
Matal	1	1 Casino share for 1 Matal share	1
TOTAL			**99**

Eighteenth resolution

Due record of the capital increase and amendment of the by-laws

In the eighteenth resolution, you are asked to duly note the capital increase arising as a result of your approval of the various merger-absorptions and to alter article 6 of the by-laws accordingly.

The share capital will therefore be increased by an amount of €151.47 to €173,052,072.90.

Nineteenth resolution

Powers for formalities

The nineteenth resolution is the usual resolution required for the various publication and legal formalities to be fulfilled.

6.3. PROPOSED RESOLUTIONS

6.3.1. ORDINARY BUSINESS

First resolution

Approval of the Company's financial statements for the year ended 31 December 2013

Having considered the reports of the Board of Directors and the Statutory Auditors, the shareholders approve the Company's financial statements for the year ended 31 December 2013 as presented, showing net profit for the year of €432,031,423.50, together with the transactions reflected in the financial statements or described in the reports.

The shareholders also note the transfer to retained earnings, pursuant to the resolution voted at the Annual General Meeting of 22 April 2013, of 2012 dividends on the 64,841 shares held by the Company on the 29 April 2013 dividend payment date, amounting to a total of €194,523.

Second resolution

Approval of the consolidated financial statements for the year ended 31 December 2013

Having considered the reports of the Board of Directors and the Statutory Auditors, the shareholders approve the consolidated financial statements for the year ended 31 December 2013 as presented, showing net profit attributable to owners of the parent of €851,019,000.

Third resolution

Appropriation of net profit and dividend

Having considered the report of the Board of Directors, the shareholders resolve to appropriate profit for the year ended 31 December 2013 as follows:

Net profit for the year		€432,031,423.50
Retained earnings brought forward from 2012	(+)	€3,005,234,429.37
Transfer to legal reserve	(-)	€66,034.04
Profit available for distribution	**(=)**	**€3,437,199,818.83**
Dividend	(-)	€352,890,192.72
TRANSFER TO RETAINED EARNINGS	**(=)**	**€3,084,309,626.11**

Each share will receive a dividend of €3.12 payable on 14 May 2014.

Private shareholders who are French tax residents will be entitled to claim 40% tax relief on their dividends, in accordance with Article 158, 3.2° of the French Tax Code (*Code général des impôts*).

Casino shares held by the Company on the dividend payment date do not qualify for a dividend and the corresponding sums will therefore be transferred to retained earnings.

The shareholders note that dividends for the past three years were as follows:

Year	Number of shares	Dividend per share	Dividend eligible for 40% tax relief	Dividend not eligible for 40% tax relief
2010	110,668,863 (1)	€2.78	€2.78	-
2011	110,646,652 (2)	€3.00	€3.00	-
2012	112,674,802 (3)	€3.00	€3.00	-

(1) Including 36,958 shares held by the Company.
(2) Including 21,030 shares held by the Company.
(3) Including 64,841 shares held by the Company.

Fourth resolution

Consultative opinion on the components of compensation due or paid to Jean-Charles Naouri, Chairman and Chief Executive Officer, in respect of the year ended 31 December 2013

Having been consulted pursuant to the recommendation made in the Afep-Medef corporate governance code, revised in June 2013, and having considered the information presented on page 250 of the registration document, the shareholders hereby give a favourable opinion on the components of compensation due or paid to Jean-Charles Naouri for the year ended 31 December 2013.

Fifth resolution

Re-election of Gérald de Roquemaurel as director

Having considered the report of the Board of Directors and noted that Gérald de Roquemaurel's term of office as director expires at the close of this Meeting, the shareholders resolve to re-elect Gérald de Roquemaurel as director for a three-year term expiring at the close of the Annual General Meeting to be held in 2017 to approve the financial statements for the year ending 31 December 2016.

Sixth resolution

Re-election of David de Rothschild as director

Having considered the report of the Board of Directors and noted that David de Rothschild's term of office as director expires at the close of this Meeting, the shareholders resolve to re-elect David de Rothschild as director for a three-year term expiring at the close of the Annual General Meeting to be held in 2017 to approve the financial statements for the year ending 31 December 2016.

Seventh resolution

Re-election of Frédéric Saint-Geours as director

Having considered the report of the Board of Directors and noted that Frédéric Saint-Geours' term of office as director expires at the close of this Meeting, the shareholders resolve to re-elect Frédéric Saint-Geours as director for a three-year term expiring at the close of the Annual General Meeting to be held in 2017 to approve the financial statements for the year ending 31 December 2016.

Eighth resolution

Re-election of Euris as director

Having considered the report of the Board of Directors and noted that Euris' term of office as director expires at the close of this Meeting, the shareholders resolve to re-elect Euris as director for a three-year term expiring at the close of the Annual General Meeting to be held in 2017 to approve the financial statements for the year ending 31 December 2016.

Ninth resolution

Re-election of Foncière Euris as director

Having considered the report of the Board of Directors and noted that Foncière Euris' term of office as director expires at the close of this Meeting, the shareholders resolve to re-elect Foncière Euris as director for a three-year term expiring at the close of the Annual General Meeting to be held in 2017 to approve the financial statements for the year ending 31 December 2016.

Tenth resolution

Authorisation to implement a share buyback programme

Having considered the report of the Board of Directors, the shareholders authorise the Board to buy back the Company's shares in accordance with the provisions of Articles L. 225-209 *et seq.* of the French Commercial Code (*Code de commerce*), notably for the following purposes:

- to maintain a liquid market in the Company's shares through market-making transactions carried out by an independent investment services provider acting in the name and on behalf of the Company under a liquidity contract that complies with a code of ethics approved by the French securities regulator (*Autorité des Marchés Financiers*);
- to allocate shares (i) on exercise of stock options granted by the Company pursuant to Articles L. 225-177 *et seq.* of the French Commercial Code (*Code de commerce*), (ii) to an employee stock ownership plan governed by Articles L. 3332-1 *et seq.* of the French Labour Code (*Code du travail*) or (iii) in connection with share grants governed by Articles L. 225-197-1 *et seq.* of the French Commercial Code (*Code de commerce*);
- to allot shares upon exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for shares;
- to keep shares for subsequent delivery in payment or exchange for shares of another company in accordance with market practices approved by the French securities regulator (*Autorité des Marchés Financiers*);
- to cancel shares and reduce the share capital in order to increase earnings per share;
- to implement any other market practices authorised in the future by the French securities regulator (*Autorité des Marchés Financiers*) and, generally, to carry out any transaction allowed under current legislation.

The shares may be purchased, sold, transferred or exchanged by any method, including through block trades or other transactions carried out on the regulated market or over-the counter. The authorised methods include the use of any derivative financial instruments traded on the regulated market or over-the-counter and of option strategies, on the basis authorised by the competent securities regulators, provided that the use of such instruments does not significantly increase the shares' volatility. The shares may also be used for stock lending transactions in accordance with Articles L. 211-22 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*).

The maximum authorised purchase price is one hundred and twenty euros (€120) per share.

The use of this authorisation may not have the effect of increasing the number of shares held in treasury to more than 10% of the total number of shares outstanding. Based on the number of shares outstanding as of 31 January 2014, less the 284,238 shares held in treasury at that date, and assuming that the shares held in treasury are not cancelled or sold, the maximum limit is 11,026,480 shares. The maximum amount that may be invested in the share buyback programme is therefore €1,323.17 million. Where treasury shares have been purchased under a liquidity contract, the number of treasury shares taken into account to calculate the 10% maximum limit referred to above corresponds to the number of shares purchased less the number of shares resold under the liquidity contract during the period of the authorisation.

This authorisation is given for a period of eighteen months. It cancels and supersedes the authorisation given in the thirteenth resolution of the Annual General Meeting of 22 April 2013.

The Company may not use this resolution to continue its share buyback programme in the event of a public offer for the Company's shares or other securities or a public offer initiated by the Company.

The shareholders accordingly give full powers to the Board of Directors to place any and all buy and sell orders, enter into any and all contracts notably for the keeping of registers of share purchases and sales, make any and all filings with the *Autorité des Marchés Financiers*, carry out all other formalities, and generally do everything necessary. These powers may be delegated by the Board.

6.3.2. EXTRAORDINARY BUSINESS

Eleventh resolution

Merger-absorption of Chalin

Having considered the reports of the Board of Directors and the appointed valuing accountants, and the draft merger agreement signed in Saint-Étienne on 13 March 2014 with Chalin, a French *société par actions simplifiée* with share capital of €48,000, registered office at 1, Esplanade de France, 42000 Saint-Étienne, registration number 340 515 477 R.C.S. Saint-Étienne, the shareholders hereby:

- approve all the provisions of the merger agreement and the valuation of the assets to be transferred to the Company;
- approve the Company's merger-absorption of Chalin, and take due note of its approval by extraordinary resolution of Chalin shareholders on 2 May 2014;
- duly note that the merger has taken place and that accordingly Chalin has been wound up without liquidation;
- approve the exchange ratio of 30 Casino shares for 1 Chalin share and the resulting capital increase.

In exchange for the transfer of Chalin's assets and liabilities, Casino, Guichard-Perrrachon will issue 30 shares each with a par value of €1.53, with a merger premium of €784.05.

The new shares will be allotted to the shareholder of Chalin other than Casino, Guichard-Perrachon, which may not hold the shares to which it would have been entitled in respect of its 2,999 Chalin shares.

The merger premium will be recorded in a special reserve account in the balance sheet of Casino, Guichard-Perrachon and may be allocated as deemed appropriate by ordinary resolution of the shareholders.

Twelfth resolution

Merger-absorption of Codival

Having considered the reports of the Board of Directors and the appointed valuing accountants, and the draft merger agreement signed in Saint-Étienne on 13 March 2014 with Codival, a French *société anonyme* with share capital of €45,750, registered office at 1, Esplanade de France, 42000 Saint-Étienne, registration number 326 713 161 R.C.S. Saint-Étienne, the shareholders hereby:

- approve all the provisions of the merger agreement and the valuation of the assets to be transferred to the Company;
- approve the Company's merger-absorption of Codival, and take due note of its approval by extraordinary resolution of Codival shareholders on 2 May 2014;
- duly note that the merger has taken place and that accordingly Codival has been wound up without liquidation;
- approve the exchange ratio of 25 Casino shares for 1 Codival share and the resulting capital increase.

In exchange for the transfer of Codival's assets and liabilities, Casino, Guichard-Perrrachon will issue 25 shares each with a par value of €1.53, with a merger premium of €690.52.

The new shares will be allotted to the shareholder of Codival other than Casino, Guichard-Perrachon, which may not hold the shares to which it would have been entitled in respect of its 2,999 Codival shares.

The merger premium will be recorded in a special reserve account in the balance sheet of Casino, Guichard-Perrachon and may be allocated as deemed appropriate by ordinary resolution of the shareholders.

Thirteenth resolution

Merger-absorption of Damap's

Having considered the reports of the Board of Directors and the appointed valuing accountants, and the draft merger agreement signed in Saint-Étienne on 13 March 2014 with Damap's, a French *société par actions simplifiée* with share capital of €64,064, registered office at 1, Esplanade de France, 42000 Saint-Étienne, registration number 325 019 206 R.C.S. Saint-Étienne, the shareholders hereby:

- approve all the provisions of the merger agreement and the valuation of the assets to be transferred to the Company;
- approve the Company's merger-absorption of Damap's, and take due note of its approval by extraordinary resolution of Damap's shareholders on 2 May 2014;
- duly note that the merger has taken place and that accordingly Damap's has been wound up without liquidation;
- approve the exchange ratio of 16 Casino shares for 1 Damap's share and the resulting capital increase.

In exchange for the transfer of Damap's assets and liabilities, Casino, Guichard-Perrrachon will issue 16 shares each with a par value of €1.53, with a merger premium of €321.76.

The new shares will be allotted to the shareholder of Damap's other than Casino, Guichard-Perrachon, which may not hold the shares to which it would have been entitled in respect of its 4,003 Damap's shares.

The merger premium will be recorded in a special reserve account in the balance sheet of Casino, Guichard-Perrachon and may be allocated as deemed appropriate by ordinary resolution of the shareholders.

Fourteenth resolution

Merger-absorption of Faclair

Having considered the reports of the Board of Directors and the appointed valuing accountants, and the draft merger agreement signed in Saint-Étienne on 13 March 2014 with Faclair, a French *société anonyme* with share capital of €72,000, registered office at 1, Esplanade de France, 42000 Saint-Étienne, registration number 399 240 803 R.C.S. Saint-Étienne, the shareholders hereby:

- approve all the provisions of the merger agreement and the valuation of the assets to be transferred to the Company;
- approve the Company's merger-absorption of Faclair, and take due note of its approval by extraordinary resolution of Faclair shareholders on 2 May 2014;
- duly note that the merger has taken place and that accordingly Faclair has been wound up without liquidation;
- approve the exchange ratio of 6 Casino shares for 1 Faclair share and the resulting capital increase.

In exchange for the transfer of Faclair assets and liabilities, Casino, Guichard-Perrrachon will issue 6 shares each with a par value of €1.53, with a merger premium of €292.66.

The new shares will be allotted to the shareholder of Faclair other than Casino, Guichard-Perrachon, which may not hold the shares to which it would have been entitled in respect of its 4,499 Faclair shares.

The merger premium will be recorded in a special reserve account in the balance sheet of Casino, Guichard-Perrachon and may be allocated as deemed appropriate by ordinary resolution of the shareholders.

Fifteenth resolution

Merger-absorption of Kéran

Having considered the reports of the Board of Directors and the appointed valuing accountants, and the draft merger agreement signed in Saint-Étienne on 13 March 2014 with Kéran, a French *société anonyme* with share capital of €888,345, registered office at 1, Esplanade de France, 42000 Saint-Étienne, registration number 344 927 868 R.C.S. Saint-Étienne, the shareholders hereby:

- approve all the provisions of the merger agreement and the valuation of the assets to be transferred to the Company;
- approve the Company's merger-absorption of Kéran, and take due note of its approval by extraordinary resolution of Kéran shareholders on 5 May 2014;
- duly note that the merger has taken place and that accordingly Kéran has been wound up without liquidation;
- approve the exchange ratio of 1 Casino shares for 1 Kéran share and the resulting capital increase.

In exchange for the transfer of Kéran's assets and liabilities, Casino, Guichard-Perrrachon will issue 1 share with a par value of €1.53, with a merger premium of €10.69.

The new shares will be allotted to the shareholder of Kéran other than Casino, Guichard-Perrachon, which may not hold the shares to which it would have been entitled in respect of its 59,222 Kéran shares.

The merger premium will be recorded in a special reserve account in the balance sheet of Casino, Guichard-Perrachon and may be allocated as deemed appropriate by ordinary resolution of the shareholders.

Sixteenth resolution

Merger-absorption of Mapic

Having considered the reports of the Board of Directors and the appointed valuing accountants, and the draft merger agreement signed in Saint-Étienne on 13 March 2014 with Mapic, a French *société par actions simplifiée* with share capital of €64,000, registered office at 1, Esplanade de France, 42000 Saint-Étienne, registration number 343 798 922 R.C.S. Saint-Étienne, the shareholders hereby:

- approve all the provisions of the merger agreement and the valuation of the assets to be transferred to the Company;
- approve the Company's merger-absorption of Mapic, and take due note of its approval by extraordinary resolution of Mapic shareholders on 5 May 2014;
- duly note that the merger has taken place and that accordingly Mapic has been wound up without liquidation;
- approve the exchange ratio of 20 Casino shares for 1 Mapic share and the resulting capital increase.

In exchange for the transfer of Mapic's assets and liabilities, Casino, Guichard-Perrrachon will issue 20 shares each with a par value of €1.53, with a merger premium of €675.70.

The new shares will be allotted to the shareholder of Mapic other than Casino, Guichard-Perrachon, which may not hold the shares to which it would have been entitled in respect of its 3,999 Mapic shares.

The merger premium will be recorded in a special reserve account in the balance sheet of Casino, Guichard-Perrachon and may be allocated as deemed appropriate by ordinary resolution of the shareholders.

Seventeenth resolution

Merger-absorption of Matal

Having considered the reports of the Board of Directors and the appointed valuing accountants, and the draft merger agreement signed in Saint-Étienne on 13 March 2014 with Matal, a French *société par actions simplifiée* with share capital of €64,000, registered office at 1, Esplanade de France, 42000 Saint-Étienne, registration number 335 092 367 R.C.S. Saint-Étienne, the shareholders hereby:

- approve all the provisions of the merger agreement and the valuation of the assets to be transferred to the Company;
- approve the Company's merger-absorption of Matal, and take due note of its approval by extraordinary resolution of Matal shareholders on 5 May 2014;
- duly note that the merger has taken place and that accordingly Matal has been wound up without liquidation;
- approve the exchange ratio of 1 Casino shares for 1 Matal share and the resulting capital increase.

In exchange for the transfer of Matal's assets and liabilities, Casino, Guichard-Perrrachon will issue 1 share with a par value of €1.53, with a merger premium of €66.96.

The new shares will be allotted to the shareholder of Matal other than Casino, Guichard-Perrachon, which may not hold the shares to which it would have been entitled in respect of its 3,999 Matal shares.

The merger premium will be recorded in a special reserve account in the balance sheet of Casino, Guichard-Perrachon and may be allocated as deemed appropriate by ordinary resolution of the shareholders.

Eighteenth resolution

Due record of the capital increase resulting from the above merger-absorptions and amendment of Article 6 of the by-laws

Pursuant to approval of the eleventh to seventeenth resolutions, the shareholders duly note that the share capital will be increased by the sum of €151.47 *via* the issuance of 99 new shares each with a par value of €1.53 and accordingly resolve to amend article 6 of the by-laws as follows:

Article 6 – Contributions in kind – share capital

The following is added to paragraph I:

(…)

«cc) By private agreement dated 13 March 2014 and as approved by extraordinary resolution of the shareholders on 6 May 2014, Chalin transferred its assets and liabilities to the Company in exchange for 30 Casino shares with a par value of €1.53, issued at a total premium of €784.05.

dd) By private agreement dated 13 March 2014 and as approved by extraordinary resolution of the shareholders on 6 May 2014, Codival transferred its assets and liabilities to the Company in exchange for 25 Casino shares with a par value of €1.53, issued at a total premium of €690.52.

ee) By private agreement dated 13 March 2014 and as approved by extraordinary resolution of the shareholders on 6 May 2014, Damap's transferred its assets and liabilities to the Company in exchange for 16 Casino shares with a par value of €1.53, issued at a total premium of €321.76.

ff) By private agreement dated 13 March 2014 and as approved by extraordinary resolution of the shareholders on 6 May 2014, Faclair transferred its assets and liabilities to the Company in exchange for 6 Casino shares with a par value of €1.53, issued at a total premium of €292.66.

gg) By private agreement dated 13 March 2014 and as approved by extraordinary resolution of the shareholders on 6 May 2014, Kéran transferred its assets and liabilities to the Company in exchange for 1 Casino share with a par value of €1.53, issued at a total premium of €10.69.

hh) By private agreement dated 13 March 2014 and as approved by extraordinary resolution of the shareholders on 6 May 2014, Mapic transferred its assets and liabilities to the Company in exchange for 20 Casino shares with a par value of €1.53, issued at a total premium of €675.70.

ii) By private agreement dated 13 March 2014 and as approved by extraordinary resolution of the shareholders on 6 May 2014, Matal transferred its assets and liabilities to the Company in exchange for 1 Casino share with a par value of €1.53, issued at a total premium of €66.96.»

Paragraph II is amended as follows:

«II. The share capital is €173,052,072.90 divided into 113,105,930 fully paid shares, each with a par value of €1.53.»

Nineteenth resolution

Powers for formalities

The shareholders grant full powers to the bearers of an original, excerpt or copy of the minutes of this Meeting for the purpose of any filing, publication or other formalities required by law.

ADDITIONAL INFORMATION

7.1. GENERAL INFORMATION

Name, registered office and telephone number

Casino, Guichard-Perrachon

1, Esplanade de France, 42000 Saint-Étienne, France

Phone +33 (0)4 77 45 31 31

Legal form

Société anonyme governed by Book II of the French Commercial Code (*Code de commerce*).

Governing law

The laws of France.

Date of incorporation and expiry

The Company was incorporated on 3 August 1898 following signature of the by-laws on 1 July 1898. Its term, which was extended by extraordinary resolution of the shareholders at the General Meeting of 31 October 1941, will expire on 31 July 2040 unless the Company is wound up before this date or its term is further extended.

Trade and Companies Registry

The Company is registered in Saint-Étienne under no. 554,501,171 RCS.

APE (business identifier) code: 6420 Z.

Access to legal documents

The by-laws, minutes of General Meetings, Statutory Auditors' reports and other legal documents are available for consultation at the Company's registered office.

Financial year

The Company's financial year runs from 1 January to 31 December.

Corporate purpose (Article 3 of the by-laws)

The corporate purpose of the Company is:

- to create and operate, either directly or indirectly, any and all types of store for the retail sale of any and all goods and products, including but not limited to comestibles;
- to provide any and all services to the customers of such stores and to produce any and all goods and merchandise used in the operation thereof;
- to sell wholesale any and all goods and merchandise for its own account or for the account of third parties, notably on a commission basis, and to provide any and all services to such third parties;
- generally, to conduct any and all commercial, industrial, real estate, securities or financial transactions related to, or which may facilitate the fulfilment of, the foregoing purposes.

The Company may, both in France and abroad, create, acquire, use under licence or grant licences to use any and all trademarks, designs, models, patents and manufacturing processes related to the foregoing objects.

It may acquire any and all holdings and other interests in any French or foreign company or business regardless of its purpose.

It may operate in all countries, directly or indirectly, either alone or with any and all other persons or companies within a partnership, joint venture, consortium or other corporate entity, and carry out any and all transactions which fall within the scope of its corporate purpose.

7.1.1. PROVISIONS OF THE BY-LAWS CONCERNING THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT – BOARD OF DIRECTORS' CHARTER

Board of Directors

Membership of the Board of Directors
(extract from Article 14 of the by-laws)

The Company is administered by a Board of Directors. It has at least three and no more than eighteen members, elected by the shareholders in General Meeting, except as required under the provisions of the law in the case of a merger with another company with the same legal form (*société anonyme*).

Directors' qualifying shares
(extract from Article 15 of the by-laws)

Each director must hold at least 100 registered shares.

Term of office – Age limit – Replacement
(extract from Article 16 of the by-laws)

I – Other than as specified in paragraphs II and III (last two paragraphs) of this article, directors are elected for a three-year term ending at the close of the Annual General Meeting called in the year when their term expires.

Directors may be re-elected.

Directors are elected or re-elected by ordinary resolution of the shareholders. They shall retire by rotation such that, as far as possible, an equal proportion of them shall retire and seek re-election each year. For this purpose, the shareholders may exceptionally elect a director for a term of one or two years.

II – No person over the age of seventy (70) may be elected as director or permanent representative of a corporate director if such election would cause the number of directors and permanent representatives of corporate directors over that age to be more than one third of the total. Should this proportion be exceeded, the oldest director or permanent representative of a corporate director shall stand down at the Annual General Meeting held to approve the financial statements for the year in which the proportion was exceeded.

III – If one or several seats on the Board fall vacant between two General Meetings due to the death or resignation of directors, the Board of Directors may appoint replacement directors. Any such appointments must be ratified by shareholders at the next General Meeting.

If any such appointment is not ratified by the shareholders, the actions carried out by the director concerned and the decisions made by the Board during his or her appointment remain valid.

If the number of directors falls to below three, the remaining directors (or, failing that, a representative appointed by the Presiding Magistrate of the Commercial Court at the request of any interested party) shall immediately call a General Meeting of shareholders to elect one or several new directors so that the total number of directors is at least equal to the number required by law.

A director appointed to replace an outgoing director stays in office for the remainder of the term of his or her predecessor.

Any decision to increase the number of directors sitting on the Board may only be made by the shareholders in General Meeting. The related resolution shall also fix the new director's term of office.

Organisation, meetings and decisions of the Board

Chairman – Officers of the Board

(extracts from Articles 17 and 20 of the by-laws)

The Board of Directors elects one of its members (other than a corporate director) to act as Chairman. The Chairman's functions are defined by law and the Company's by-laws. The Chairman of the Board organises and leads meetings of the Board and reports to shareholders on the Board's work at the General Meeting. He is responsible for ensuring that the Company's corporate governance structures function correctly and, more particularly, that the directors are capable of fulfilling their duties.

The Chairman may be appointed for his entire term as director. He may be replaced at any time by decision of the Board and may resign the chairmanship before the end of his term as director. The Chairman may be re-appointed. The age limit for holding office as Chairman is 70. If the Chairman reaches the age of 70 during his term as director, he may continue to chair the Board until the end of his term.

In case of the Chairman's temporary unavailability or death, the Board of Directors may appoint another director as acting Chairman. In the event of temporary unavailability, the acting Chairman is appointed for a fixed period, which may be renewed. In the case of death, the acting Chairman is appointed until such time as a new Chairman is elected.

Non-voting directors

(extract from Article 23 of the by-laws)

The shareholders may appoint non-voting directors, who may be natural persons or legal entities, from among the shareholders. The Board of Directors may appoint non-voting directors between two General Meetings, subject to shareholder ratification of the appointment at the next General Meeting. The number of non-voting directors may not exceed five.

Non-voting directors are elected for a three-year term ending at the close of the Annual General Meeting called in the year when their term expires. They may be re-elected for an unlimited number of successive terms and may be removed from office at any time by ordinary resolution of the shareholders in General Meeting.

Non-voting directors attend Board meetings in a consultative capacity only.

They may receive attendance fees, the total aggregate amount of which is fixed by ordinary resolution of the shareholders and remains unchanged until a further decision of the shareholders. The total fee is allocated among the non-voting directors at the discretion of the Board of Directors.

Meetings of the Board of Directors

(extract from Article 18 of the by-laws)

The Board of Directors meets as often as it deems necessary in the interests of the Company, at the location specified in the notice of meeting. Meetings are called by the Chairman or in the Chairman's name by any person designated by him. If the Board has not met for a period of over two months, a group of at least one third of the directors may ask the Chairman to call a meeting to discuss a particular agenda, as may the Chief Executive Officer.

The Board of Directors may validly conduct business when at least half of the directors are present. Directors may take part in meetings by videoconference or any telecommunications medium in accordance with the provisions of the applicable regulations and the Board of Directors' Charter.

Decisions are made by majority vote of those directors present in person or represented by proxy. In the event of a tie, the Chairman of the meeting shall have the casting vote. However, if the Board has less than five members, decisions may be made by favourable vote of two directors present at the meeting.

Powers of the Board of Directors

(extract from Article 19 of the by-laws)

The Board of Directors is responsible for defining the Company's broad strategic objectives and for their implementation. Except for those powers expressly vested in the shareholders in General Meeting, the Board of Directors considers and decides on all matters related to the Company's operations, subject to compliance with the corporate purpose. The Board of Directors performs all controls and verifications that it considers necessary or appropriate.

The Board of Directors may also decide to combine or to separate the positions of Chairman of the Board and Chief Executive Officer. Any such decision does not require any amendment of the by-laws.

The Board of Directors may set up Committees of the Board to assist it, in which case the Committees' membership and terms of reference are decided by the Board. These Committees issue proposals, recommendations and opinions on the matters falling within their terms of reference.

In accordance with the law, the Board of Directors approves related party agreements, other than those entered into in the normal course of business on arm's length terms, governed by Article L. 225-38 of the French Commercial Code (*Code de commerce*). In accordance with Article L. 225-35 of the French Commercial Code, the Board's prior authorisation is required for any and all guarantees, bonds and endorsements issued in the Company's name. However, the Board may delegate this authority to the Chief Executive Officer. In this case, the Board of Directors will set an aggregate annual ceiling on the Chief Executive Officer's authority and, if appropriate, a ceiling per commitment.

The Board may issue delegations of authority, grant authorisations or delegate certain functions for one or several transactions or categories of transactions to any director or other person, except where this is prohibited by law.

The Board of Directors has included in its Charter certain mechanisms to restrict the powers of the Chief Executive Officer (*see "Corporate Governance"*).

Management structure

Merger of the functions of Chairman of the Board of Directors and Chief Executive Officer
(extract from Article 21 of the by-laws)

Management

The by-laws allow for the functions of Chairman of the Board of Directors and Chief Executive Officer to be separated or combined. The Company chose the latter option on 21 March 2005.

The Chief Executive Officer's term of office is set by the Board of Directors at its discretion, but may not exceed three years. The term may be renewed.

The Chief Executive Officer has the broadest powers to act in all circumstances in the Company's name, within the scope of the corporate purpose and except for those powers which are specifically vested in the shareholders in General Meeting or in the Board of Directors under the law.

However, the Board of Directors may adopt an internal rule restricting the Chief Executive Officer's powers (*see "Corporate Governance" for a description of the restrictions decided by the Board*). The Chief Executive Officer represents the Company in its dealings with third parties.

The age limit for holding office as Chief Executive Officer is 70. If the Chief Executive Officer reaches the age of 70 while in office, he is required to stand down at the end of his current term.

The Chief Executive Officer may be removed from office at any time by the Board of Directors. If he is removed from office without due cause, he may be entitled to compensation unless he is also the Chairman of the Board of Directors.

Chief Operating Officers

At the proposal of the Chief Executive Officer, the Board of Directors may appoint up to five individuals as Chief Operating Officers to assist the Chief Executive Officer in his duties.

Chief Operating Officers are appointed for a maximum three-year term and their appointment may be renewed. They have the same powers as the Chief Executive Officer in dealings with third parties.

The age limit for holding office as Chief Operating Officer is 70. If a Chief Operating Officer reaches the age of 70 while in office, he is required to stand down at the end of his current term.

Chief Operating Officers may be removed from office at any time by the Board of Directors at the proposal of the Chief Executive Officer. The Chairman, if he is also Chief Executive Officer, the Chief Executive Officer and the Chief Operating Officers may delegate their powers to carry out one or several specific transactions or categories of transaction.

Board of Directors' Charter

The Board of Directors has adopted a Charter describing its rules of procedure, which add to the related provisions of the law and the Company's by-laws.

The Charter describes the Board's organisation and procedures, the powers and duties of the Board and the Committees of the Board, and the procedures for overseeing and assessing its work (*see "Corporate Governance" for a description of the Committees of the Board, the restrictions on the Chief Executive Officer's powers and the procedures for overseeing and assessing the Board's work*).

The Charter was last updated on 17 February 2014 to take account of changes to the Chief Executive Officer's powers with regard to guarantees.

7.1.2. APPROPRIATION OF NET PROFIT *(EXTRACT FROM ARTICLE 33 OF THE BY-LAWS)*

The income statement summarises all revenues and expenses for the year. The difference between revenues and expenses, less any depreciation, amortisation and provision charges, constitutes the net profit or loss for the year.

After deducting any prior year losses, net profit is first used to make any transfers to reserves required by law, and more particularly to the legal reserve.

The balance, plus any retained earnings brought forward from prior years, constitutes the sum available for distribution. It is used to pay a first dividend on shares, in an amount equal to five percent (5%) of the paid-up portion of their par value. If, in a given year, there is insufficient profit available to pay the first dividend in full, retained earnings brought forward from the prior year may not be used to make up the difference.

Any surplus, plus any retained earnings brought forward from prior years as outlined above, are then available for distribution to all shareholders.

However, on recommendation of the Board of Directors, shareholders may resolve to transfer the surplus to any ordinary or extraordinary discretionary reserves that may or may not be allocated for a particular purpose.

On recommendation of the Board of Directors, sums transferred to reserves may subsequently be distributed or incorporated in the share capital by resolution of the shareholders.

7.1.3. GENERAL MEETINGS

Notice of meeting, participation
(extract from Articles 25 and 27 of the by-laws)

Annual General Meetings are called under the conditions required by law.

For shareholders to be entitled to participate in General Meetings, their shares must be recorded in the shareholder's name or in the name of an accredited intermediary in the case of non-resident shareholders, no later than midnight CET time on the third business day preceding the meeting date, either in the share register kept by the Company or its registrar (registered shares), or in the securities account kept by the shareholder's bank or broker (bearer shares).

For holders of bearer shares, ownership of shares is evidenced by a certificate (*attestation de participation*) issued by their bank or broker, which may be sent to the Company by e-mail or submitted with the postal voting form/form of proxy or the request for an admission card issued in the shareholder's name or that of the accredited intermediary representing the shareholder. A certificate shall also be issued to shareholders wishing to participate in General Meetings in person who have not received their admission card by midnight CET on the third business day preceding the meeting date.

Meetings are held in the town where the Company's registered office is located or any other venue in France as specified in the notice of meeting.

All holders of ordinary shares are entitled to attend and vote at Annual General Meetings, regardless of the number of shares held.

Voting rights (double voting rights)
(extract from Article 28-III of the by-laws)

All shareholders entitled to attend meetings have one vote for each share held, without limitation, save as otherwise provided for by law or the by-laws.

However, as allowed by law, double voting rights are attached to all fully-paid registered shares which have been registered in the name of the same shareholder for at least four years and to any bonus shares issued upon capitalisation of reserves, retained earnings or additional paid-in capital in respect of shares entitled to double voting rights.

The double voting rights are cancelled *ipso jure* if the shares are converted to bearer shares or transferred to another shareholder, save as provided for in Article L. 225-124 of the French Commercial Code (*Code de commerce*).

Votes cast or proxies given by an intermediary that either has not disclosed its status as nominee shareholder acting on behalf of non-resident shareholders or has not disclosed the identity of those non-resident shareholders, as required by the applicable regulations, are not taken into account.

The provisions of the by-laws concerning double voting rights were originally adopted by shareholders at the Extraordinary General Meeting of 30 November 1934 and were amended at the Extraordinary General Meeting of 21 May 1987, when the qualifying period was raised from two to four years.

7.1.4. IDENTIFIABLE HOLDERS OF BEARER SHARES *(ARTICLE 11-I OF THE BY-LAWS)*

In accordance with the applicable regulations, the Company may request at any time from the central securities depository information about the identity of the holders of its bearer shares and any securities carrying rights to its shares, including each such shareholder's name (or corporate name), nationality and address, the number of shares and securities with rights to shares held, and any restrictions attached to the securities.

Based on the information obtained under this procedure, if the Company believes that any shares or securities with rights to shares may be held by nominees, it may contact any shareholders whose names appear on the list, either directly or through the clearing organisation, to request information allowing the Company to identify the ultimate shareholders. In the event of failure to disclose the identity of shareholders, the votes cast or proxies given by the intermediary on record as acting as nominee shareholder will not be taken into account.

The Company may ask any legal entity that holds over 2.5% of its share capital or voting rights to disclose the identity of the persons holding, directly or indirectly, more than one third of the legal entity's share capital or voting rights.

In the case of failure by a shareholder or intermediary to disclose the requested information, the shares or securities with rights to shares held or represented by the shareholder or intermediary may be stripped of voting and dividend rights, temporarily or permanently, in accordance with the law.

Statutory disclosure thresholds
(Article 11-II of the by-laws)

Any person or legal entity, acting either alone or in concert with other persons or legal entities, that comes to hold or ceases to hold, by whatever means, a number of shares representing 1% of the voting rights or any multiple thereof, must inform the Company, by registered letter with acknowledgement of receipt, of the number of shares and voting rights held, within five trading days of the relevant disclosure threshold being crossed.

Shareholders that have crossed a disclosure threshold are also required to inform the Company of the number of securities held that carry a deferred right to shares, and of the number of voting rights attached to said securities.

These disclosure requirements no longer apply when over 50% of the voting rights are held, individually or in concert.

Failure to comply with these requirements will result in the undisclosed shares being stripped of voting rights at General Meetings at the request of one or more shareholders separately or together owning at least 5% of the share capital or voting rights. Similarly, any voting rights which have not been duly and properly disclosed may not be exercised. Disqualification will apply to all General Meetings held during a period of two years commencing on the date on which the omission is remedied.

7.2. HISTORY

1898	Company founded by Geoffroy Guichard and first store opened.
1901	Launch of the first private-label Casino-brand products.
1914	Casino manages 460 stores and 195 concessions.
1929	Casino manages 20 plants, 9 warehouses, 998 stores and 505 concessions.
1939	On the eve of the Second World War, Casino manages 1,670 stores and 839 concessions.
1948	First self-service store opened in Saint-Étienne.
1960	First supermarket opened in Grenoble.
1967	First cafeteria opened in Saint-Étienne.
1970	First hypermarket opened in Marseille. Casino acquires L'Épargne, a retailer operating in south-western France.
1971	The Group manages 2,575 outlets.
1976	Casino enters the US market by launching a chain of cafeterias.
1980	Casino manages 2,022 convenience stores, 76 supermarkets, 16 hypermarkets, 251 affiliates, 54 cafeterias and 6 plants.
1984	In the USA, the Group acquires the Smart & Final cash & carry chain (90 outlets).
1985	Casino acquires Cédis, a retailer operating in eastern France with annual sales of €1.14 billion.
1990	The Group acquires La Ruche Méridionale, a retailer operating in the south of France with annual sales of €1.2 billion. In the USA, the Group acquires Port Stockton Food Distributors. The hypermarket and supermarket service station business is sold to Shell and Agip.
1991	The retail business is spun off into a subsidiary.
1992	Casino acquires Rallye's retailing business.
1994	The Company is converted into a *société anonyme* (joint-stock corporation) with a Management Board and Supervisory Board.
1995	The Group signs a partnership agreement with Corsica-based Corse Distribution, leading to the acquisition of 50% interests in Codim 2 and Médis.
1996	A partnership agreement is signed with Coopérateurs de Normandie-Picardie. A joint venture is set up with Dairy Farm International to develop hypermarkets in Taiwan. Spar France is set up. The Group buys back from Agip the service stations located on the sites of Casino hypermarkets and supermarkets. The first hypermarket is opened in Poland.
1997	Casino acquires the entire capital of Médis. Casino and Shell launch the Club Avantages loyalty card. Casino acquires the Franprix and Leader Price networks (€1.9 billion in sales) and a food wholesaler, Mariault (€152 million in sales). Casino takes a 21.4% stake in the capital of Monoprix/Prisunic.
1998	Casino acquires a 75% stake in Argentine company Libertad. The Centre Auto business is sold to Feu Vert in exchange for 38% of Feu Vert's capital. Casino takes a 50% stake in Uruguay's Disco Group. The first hypermarket is opened in Taiwan.

1999	Casino takes a 66% stake in Thailand's Big C Group. A total of 75 convenience stores are acquired from Guyenne & Gascogne in south-western France. The Opéra central purchasing agency is set up with Cora. The first Imagica one-hour digital film-processing store is opened. Casino takes a 25% stake in Exito (Colombia) and CBD (Brazil).
2000	Casino acquires a 50% stake in the capital of Cdiscount. The joint venture with Dairy Farm International in Taiwan is wound up and Casino signs an agreement with the Far Eastern Group for the creation of Far Eastern Geant in Taiwan. The first Leader Price store opens in Poland. The Group acquires 475 convenience stores from Auchan. Casino takes part in the creation of WorldWide Retail Exchange (WWRE), a new B2B electronic marketplace. The Group raises its stake in Monoprix to 49.3%, alongside Galeries Lafayette which also holds 49.3%. Casino strengthens its presence in Latin America – in Uruguay, Disco acquires control of Devoto (21 outlets), and in Venezuela Casino takes a 50.01% stake in Cativen (48 supermarkets and two hypermarkets).
2001	Casino joins forces with Cofinoga to set up Banque du Groupe Casino. A Géant hypermarket is opened in Bahrain (Persian Gulf) under an affiliation agreement with the Sana Group. An agreement is signed with the Bourbon Group providing for the acquisition by Casino of a 33.34% interest in Vindémia, a retail chain operating in Reunion, Madagascar, Mayotte, Mauritius and Vietnam.
2002	Cora terminates the agreement concerning the Opéra joint central purchasing agency. Casino Cafétéria enters the foodservice market. Casino and Galeries Lafayette launch a new-generation loyalty programme, S'Miles, which combines the Points Ciel (Galeries Lafayette) and Club Avantages (Casino/Shell) loyalty programmes. The first two Leader Price stores are opened in Thailand. Casino buys back from Shell the service stations located on the sites of Casino hypermarkets and supermarkets. Casino acquires 38% of Dutch retailer Laurus. A new central purchasing agency, EMC Distribution, is set up. Casino joins forces with Auchan to create International Retail and Trade Services (IRTS), offering services to multinational suppliers and/or SMEs.
2003	Casino and Galeries Lafayette agree to continue their partnership in Monoprix for at least three years, and make a joint public buyout offer for Monoprix shares to be followed by a squeeze out. Smart & Final Inc. sells its foodservice businesses in Florida and California. The Company changes its legal form to a *société anonyme* with a Board of Directors.
2004	The Casino Group and CNP Assurances announce a strategic agreement for the development and promotion of insurance products for customers of the Group's stores in France. The Casino Group raises its holding in Franprix Holding to 95% and in Leader Price Holding to 75%.
2005	Casino acquires joint control of the CBD Group, with 68.8% of the capital of the group's holding company. Casino becomes the majority shareholder of Vindémia, with 70%. The Group's shopping centre properties in France are spun off into a subsidiary, Mercialys, which is floated on the stock exchange. The Group sells 13 warehouse properties to Mines de la Lucette.

2006	The equity swap between Deutsche Bank and Casino is unwound and the GMB/Cora shares are sold. Exito acquires control of Carulla Vivero, a listed company ranked no. 2 in the Colombian retailing market. Casino sells its remaining 38% stake in Feu Vert. The Group joins forces with DunnHumby to create DunnHumby France. Casino sells its Polish operations. International Retail and Trade Services (IRTS), set up in partnership with Auchan, is dissolved.
2007	Casino sells its 55% interest in Smart & Final (USA) to investment fund Apollo. Casino becomes the majority shareholder of Exito after exercising its right of first refusal over the shares sold by the Toro family. Casino and Cencosud enter into a joint venture agreement to develop a DIY retail business in Colombia. Casino enters into an agreement with property investment fund Whitehall to develop shopping centres, mainly in Poland and other Eastern Europe countries. Casino owns 66.8% of Cdiscount after various share purchases and subscribing to a new share issue. Casino owns 100% of Vindémia (Indian Ocean), following Bourbon's exercise of its put option. Casino sells 225 convenience store and supermarket properties in France, as well as store and warehouse properties in Reunion, to two property mutual funds (OPCI).
2008	Casino raises its stake in Super de Boer to 57%. Telemarket.fr signs an agreement with the Casino Group to sources its supplies from the Group's central purchasing agency. Casino reduces its interest in Mercialys from 61.48% to 59.76% to comply with "SIIC 4" regulations. The Casino Carbon Index is the first complete environmental labelling system. Emily 2, a new employee share ownership plan, is set up. The Group continues to pursue its policy of capturing the value of its assets by selling 42 superettes, Casino supermarket and Franprix/Leader Price store properties to two property partners, including AEW Immocommercial, a property mutual fund (OPCI). Casino and Galeries Lafayette sign an amendment to their March 2003 strategic agreement, which suspends the exercise of their respective put and call options on Monoprix shares for three years. Philippe Houzé is reappointed Chairman of the Board of Monoprix until March 2012.
2009	All preferred non-voting shares are converted into ordinary shares. Groupe Casino signs the United Nations Global Compact, strengthening its commitment to promoting and adopting sustainable and socially responsible policies. It sets up an action plan in the areas of human rights, labour, the environment and anti-corruption. Casino sells the assets and liabilities of its 57%-owned subsidiary Super de Boer to Jumbo. Casino creates GreenYellow, a subsidiary that develops photovoltaic systems on shopping centre store and car park roofs. Casino acquires the Baud family minority interests in Franprix and Leader Price. Casino signs a distribution agreement with the Sherpa network of convenience stores, under which Sherpa will source its supplies from Casino's central purchasing agency. Casino creates a single division combining Géant Casino hypermarkets and Casino Supermarkets, as well as a single food and non-food purchasing department. GPA signs an agreement to create a joint venture between its subsidiary Globex Utilidades SA and Casas Bahia Comercial Ltda, Brazil's leading non-food retailer, thereby strengthening its leadership position in the Brazilian retail market.

2010	The Cactus Group, Luxembourg's leading retailer, becomes a member of Casino's central purchasing agency. The Casino Foundation launches its first programme to prevent the isolation of hospitalised children, in partnership with the Docteur Souris association. Casino signs a long-term partnership with the Crédit Mutuel-CIC group for financial products and services in France through its specialised subsidiary Banque du Groupe Casino. Big C, Casino's Thai subsidiary, signs an agreement to acquire Carrefour's Thai operations comprising 42 stores and 37 shopping malls. Casino signs a partnership with the Bolivarian Republic of Venezuela, which acquires 80% of Cativen with Casino retaining 20% to provide its operational support to the new state-controlled entity. Casino gives new impetus to its value-label line by launching the "Tous les jours" range of high quality, low price basic products. The GPA/Casas Bahia merger in Brazil becomes effective in November. Casino joins the European central purchasing agency EMD as of 1 January 2011, improving its supply chain competitiveness.
2011	Casino raises its interest in Cdiscount to 99% by acquiring the interest owned by the Charles brothers, who have given up their operating responsibilities at Cdiscount. Casino signs the first corporate Civic Service Promotion Charter with the French Secretary of State for Youth and Community Life. Casino's Convenience division signs an agreement with La Poste to set up convenience stores next to post offices. Casino strengthens its integration in Latin America by selling its interests in Uruguayan companies Disco and Devoto to its Colombian subsidiary Exito with a view to developing synergies. Casino increases its interest in GPA, holding 40.13% at 31 December 2011. The Group's subsidiary Banque du Groupe Casino launches a bank debit card available to the general public, in partnership with MasterCard. Cdiscount, the Group's e-commerce subsidiary, becomes the first e-commerce site to accept the MasterCard debit/credit card issued by Banque du Groupe Casino.
2012	Mercialys launches its new "Foncière commerçante" ("retail property investor") development model, enhancing its service offering. Casino strengthens its financial flexibility and begins the process of loss of control of Mercialys. Casino and Galeries Lafayette reach agreement over Monoprix – Jean-Charles Naouri is appointed Chairman and Chief Executive Officer of Monoprix. Casino acquires an interest in Monshowroom, an online fashion wear retailer. Groupe Casino becomes the controlling shareholder of GPA, the leading retailer in Brazil. GPA is therefore fully consolidated in Casino's financial statements of as 2 July 2012. Groupe Casino wins the Washburne Award for its work in promoting equal opportunities. Groupe Casino invests in a brand-new delivery method in food retailing, using the Paris waterways to supply its Franprix stores. Casino invents a world-first new way to shop using innovative *technology* via an order wall with image recognition and NFC1.

7.3. THE MARKET FOR CASINO SECURITIES

7.3.1. LIST OF QUOTED CASINO SECURITIES

Casino shares (ISIN code FR0000125585) are listed on NYSE Euronext Paris and are eligible for the Deferred Settlement System (SRD).

From 1 January each year to the dividend payment date, shares issued on exercise of stock options are also traded on NYSE Euronext Paris.

The Company has also carried out several bond issues, which are quoted on the Paris and Luxembourg stock exchanges. In 2013, Standard & Poor's confirmed Casino, Guichard-Perrachon's BBB- long-term and A-3 short-term credit ratings, with a stable outlook. Fitch also confirmed its BBB- and F3 ratings.

On 12 January 2012, the Company set up a sponsored level 1 American Depositary Receipt (ADR) programme in the United States and appointed Deutsche Bank as the depositary bank. The ADRs trade in the United States on the over-the-counter (OTC) market. Each Casino share is represented by five ADRs.

7.3.2. TRADING VOLUMES AND PRICES OVER THE PAST 18 MONTHS *(SOURCE: NYSE EURONEXT PARIS)*

		High and low prices		Trading volume	Trading volume
		High *(€)*	**Low** *(€)*	*(thousands of shares)*	*(€ millions)*
2012	August	72.15	66.61	3,495	245
	September	73.61	68.89	4,661	334
	October	70.66	67.00	6,353	435
	November	70.64	66.05	4,834	327
	December	73.46	68.50	3,923	278
2013	January	74.49	70.21	5,242	379
	February	78.34	71.70	4,647	352
	March	83.25	76.25	6,240	495
	April	85.49	78.06	6,868	559
	May	86.80	80.12	5,441	453
	June	81.09	68.55	7,019	517
	July	80.00	68.50	6,117	451
	August	79.41	71.08	4,546	344
	September	78.07	71.62	5,576	422
	October	85.53	75.35	5,458	440
	November	85.56	81.33	3,172	264
	December	85.71	78.82	4,272	347
2014	January	85.05	75.79	6,718	550

7.4. STORE NETWORK

FRANCE

	Number of stores at 31 December			Retail space *(in thousands of sq.m.)*		
	2011	2012	2013	2011	2012	2013
Géant Casino hypermarkets	**127**	**125**	**126**	**929**	**919**	**920**
of which French Affiliates	*8*	*9*	*7*	-	-	-
International Affiliates	*5*	*6*	*9*	-	-	-
+ service stations	101	97	97			
Casino supermarkets	**422**	**445**	**444**	**676**	**721**	**705**
of which French franchise Affiliates	*51*	*58*	*60*	-	-	-
International franchise Affiliates	*32*	*41*	*34*	-	-	-
+ service stations	170	173	176			
Franprix supermarkets	**897**	**891**	**885**	**381**	**378**	**372**
of which Franchise outlets	*379*	*390*	*344*	-	-	-
Monoprix supermarkets	**514**	**542**	**584**	**659**	**666**	**681**
of which Franchise outlets/Affiliates	*130*	*137*	*163*	-	-	-
Naturalia	*55*	*71*	*74*	-	-	-
Naturalia Franchise outlets	-	-	*1*	-	-	-
Leader Price discount stores	**608**	**604**	**619**	**547**	**538**	**548**
of which Franchise outlets	*271*	*231*	*120*	-	-	-
TOTAL SUPERMARKETS AND DISCOUNT STORES	**2,441**	**2,482**	**2,532**	**2,263**	**2,303**	**2,306**
of which Franchise outlets	*863*	*857*	*721*	-	-	-
Convenience stores	**6,587**	**6,546**	**7,347**	**842**	**861**	**913**
of which Franchise outlets (Spar, Vival, service stations, Sherpa, etc.), Wholesale outlets and Affiliates stores	*4,632*	*4,683*	*5,642*	-	-	-
Other businesses (Cafeterias, Drive, etc.)	**396**	**458**	**512**	**NA**	**NA**	**NA**
TOTAL FRANCE	**9,551**	**9,611**	**10,517**	**4,037**	**4,084**	**4,140**

INTERNATIONAL

	Number of stores at 31 December			Retail space *(in thousands of sq.m.)*		
	2011	2012	2013	2011	2012	2013
Argentina	**24**	**24**	**22**	**128**	**127**	**117**
Libertad hypermarkets	15	15	15	120	120	116
Other businesses	9	9	7	8	7	1
Uruguay	**52**	**52**	**54**	**73**	**73**	**80**
Géant hypermarkets	1	1	2	11	11	16
Disco supermarkets	27	27	28	29	29	31
Devoto supermarkets	24	24	24	33	33	33
Brazil*	**1,803**	**1,881**	**1,999**	**2,519**	**2,615**	**2,753**
Extra hypermarkets	132	138	138	780	805	805
Pão de Açucar supermarkets	159	162	168	208	210	218
Extra supermarkets	204	207	213	232	236	242
Assai (discount)	59	61	75	184	197	272
Extra Facil and Mini Mercado Extra convenience stores	72	107	164	15	26	39
Ponto Frio	401	397	397	259	258	259
Casas Bahia	544	568	602	764	789	824
Drugstores	154	157	157	10	11	11
+ service stations	78	84	85	68	84	84
Colombia	**351**	**427**	**739**	**695**	**740**	**790**
Exito hypermarkets	80	87	85	440	475	470
Exito and Carulla supermarkets	130	136	145	170	176	193
Surtimax discount stores	78	119	415	49	65	108
of which Franchise outlets	-	-	*269*	-	-	-
Exito Express and Carulla Express	54	77	91	9	12	15
Other businesses	9	8	3	27	12	4
Thailand	**221**	**348**	**559**	**926**	**977**	**1,045**
Big C hypermarkets	108	113	119	894	924	956
Big C supermarkets	12	18	30	22	27	38
Mini Big C superettes	51	126	278	8	22	46
Pure	50	91	132	2	4	5
Vietnam	**23**	**33**	**35**	**93**	**115**	**131**
Big C hypermarkets	18	21	25	91	112	128
Convenience	5	12	10	2	3	3
Indian Ocean	**111**	**123**	**131**	**111**	**112**	**113**
TOTAL INTERNATIONAL	**2,585**	**2,888**	**3,539**	**4,545**	**4,761**	**5,030**

* *Data adjusted for built space previously mentioned.*

7.5. PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT AND ANNUAL FINANCIAL REPORT

PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Jean-Charles Naouri, Chairman and Chief Executive Officer.

STATEMENT BY THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

"I hereby declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I hereby declare that, to the best of my knowledge and belief, the financial statements have been prepared in accordance with the applicable accounting standards and present accurately in all material respects the assets and liabilities, financial position and results of the Company and the consolidated group. I also declare that the information contained in the management report appearing on page 16 onwards gives a true and fair view of trends in the business operations, results and financial position of the Company and the consolidated group, as well as a description of the main risks and uncertainties facing those companies.

I obtained a statement from the Statutory Auditors at the end of their engagement affirming that they had read the whole of the Registration Document and examined the information about the financial position and the accounts contained therein.

Their report on the historical financial information for 2013 is presented on pages 70 and 158 of this Registration Document. Their report on the historical financial information for 2012 and 2011 is incorporated by reference."

Jean-Charles Naouri

In application of Article 28 of European Commission regulation 809/2004/EC, the following information is incorporated by reference in this Registration Document:

2012

The 2012 Registration Document was filed with *Autorité des Marchés Financiers* on 28 March 2013 under No. D.13-0238. It includes:

- the consolidated financial statements (pages 71 to 154) and the Statutory Auditors' report (page 70);
- financial information (pages 1 to 67);
- the financial statements of the Company under French GAAP (pages 157 to 180), the Statutory Auditors' report on the financial statements (page 156) and the Statutory Auditors' report on related party agreements (page 181).

2011

The 2011 Registration Document was filed with *Autorité des Marchés Financiers* on 16 April 2012 under No. D.12-0355. It includes:

- the consolidated financial statements (pages 69 to 151) and the Statutory Auditors' report (page 68);
- financial information (pages 1 to 65);
- the financial statements of the Company under French GAAP (pages 155 to 179), the Statutory Auditors' report on the financial statements (page 154) and the Statutory Auditors' report on related party agreements (page 180).

7.6. EUROPEAN REGULATION NO. 809/2004 OF 29 APRIL 2004 – TABLE OF CORRESPONDENCE

To facilitate consultation of this Registration Document, the table below indicates the page references corresponding to the main headings required under annex 1 of European Commission regulation 809/2004/EC of 29 April 2004.

7.7. ANNUAL FINANCIAL REPORT - TABLE OF CORRESPONDENCE

To facilitate consultation of this Registration Document, the table below indicates the page references corresponding to the information contained in the annual financial report which listed companies are required to publish in accordance with Articles L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and Article 222-3 of the General Regulation of the *Autorité des Marchés Financiers*.

7.8. BOARD OF DIRECTORS' MANAGEMENT REPORT – TABLE OF CORRESPONDENCE

To facilitate consultation of this Registration Document, the table below indicates the page references corresponding to the information comprising the Board of Directors' management report as required by articles L. 225-100 and L. 225-100-2 of the French Commercial Code (*Code de commerce*).

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