



Update on recent commercial and strategic initiatives

November 2017

GRUPE
Casino
NOURRIR UN **MONDE**
DE **DIVERSITÉ**

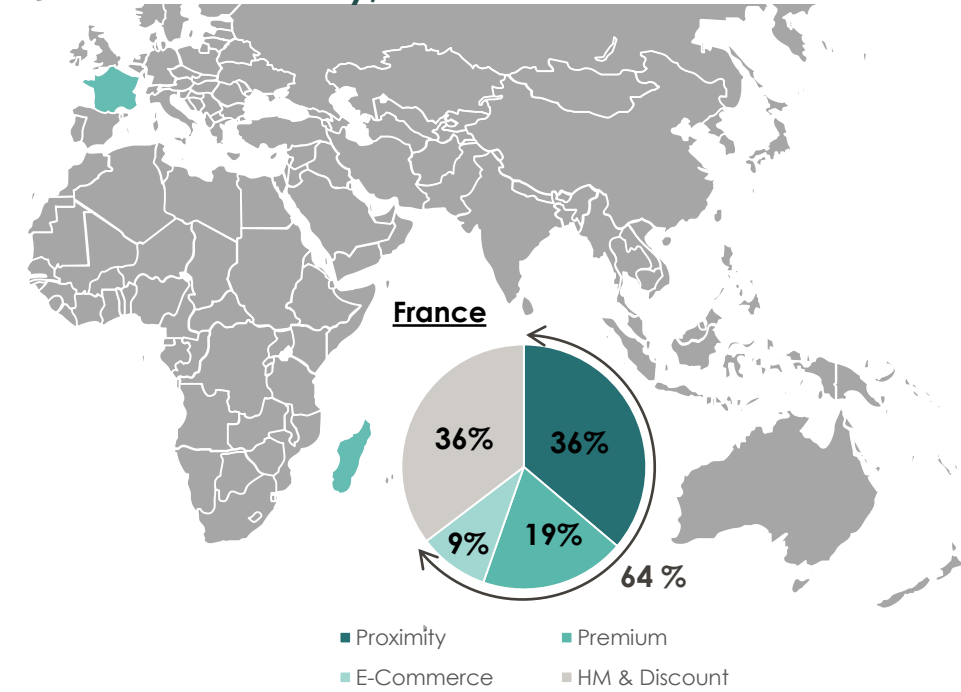
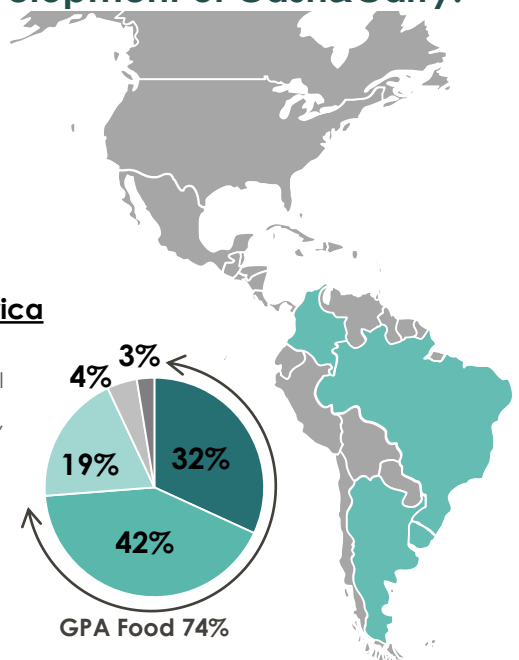
Summary

- ❖ **Group's formats well-adapted to current consumer trends across different geographies**
- ❖ **Diversified and well-positioned French banners, at the forefront of innovation**
- ❖ **A unique digital strategy leveraging on Cdiscount strong expertises**
- ❖ **Leadership positions in Latam, with banners constantly adapting their business model**

Group's formats well-adapted to current consumer trends across different geographies

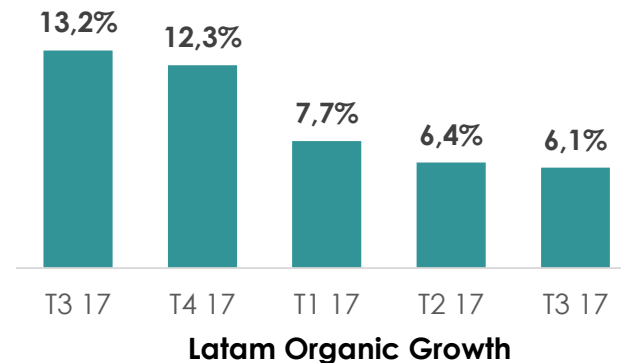
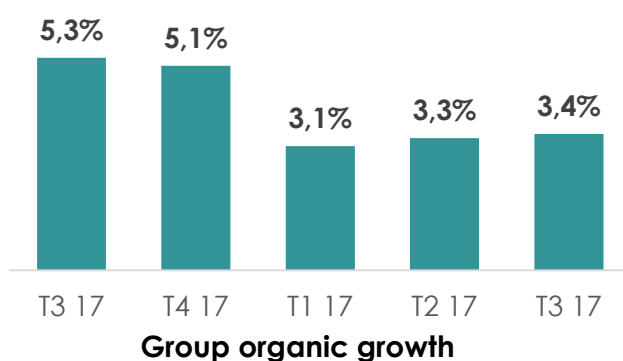
- In Latin America, fast development of Cash&Carry:

- In France, strong exposure to Proximity, Premium & E-commerce:



NB: % of sales as of Q3 2017

Steady organic growth over the last five quarters



- In **France**, same stores sales grew **+2.5% this quarter**, of which +0.6% in the Retail segment and +18.4% at Cdiscount:
 - **Monoprix** reported **once again a steady growth**, while improving **customer traffic** and developing **more services** (One-hour delivery, click&collect, “leave your cart at store”). **Naturalia** continued to grow at a steady pace and recently opened **its first 4-floors-flagship** in Paris suburbs.
 - **Franprix** opened this fall new stores under the **Noé concept**, very qualitative, aimed at urban shoppers desirous of better consuming. **Expansion was resumed** at a sustained pace
 - At **Géant Casino**, **food sales grew +2.0%**, led by groceries, fresh produce and service counters while **non-food** saw a sequential improvement. The banner continued **to reduce retail space** and food sales as well as total margin/sqm continued to improve.
- In **Latam**, sales up **+6.1%** on an organic basis in a context of strong deceleration in inflation in all countries, especially marked in Brazil (food price inflation: -4.5% vs. +16.3% in Q3 2016)



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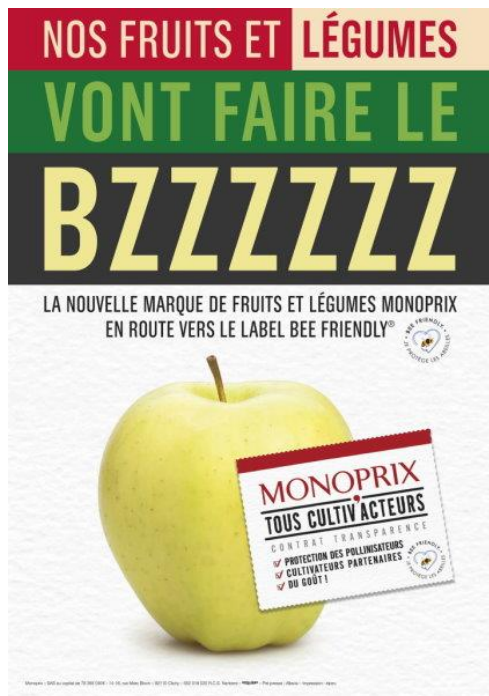
**DIVERSIFIED AND WELL-
POSITIONED FRENCH
BANNERS, AT THE
FOREFRONT OF
INNOVATION**

Particularly well-adapted formats across French banners



- **Monoprix** enjoys high sales and traffic growth, a strong development in urban and organic premium stores, and two-digit growth online
- Thanks to the new Mandarine commercial model and now with the Noe concept, **Franprix** is very well aligned with the needs of urban customers who expect constant innovation, services and renewed product offering
- The **Proximity** model is now stabilized, thanks to renovations (stores and offer) and transfers to franchise, as shown by recent traffic trends
- Strong performance in **Supermarkets** is driven by the upgrade of the commercial model (new service counters, fresh market areas, ...)
- In **Hypermarkets** (Géant), strong improvement of food sales and margin per sqm is the result of the continued adaptation of the commercial model : less non-food, space reduction

Monoprix Forum des Halles: An illustration of Monoprix's omni-channel strategy



- A **multitude of services** aligned with the needs of **busy urban customers**:
 - **One-hour delivery**, on foot
 - **Click & Collect Fashion**, with free 30-day in-store returns / **Click & Collect Food**, with purchases available in-store in one to three hours / **Click & Reserve**, to reserve items on monoprix.fr for in-store purchase within two hours
 - The **monop'easy** application, to skip the checkout line for baked goods and sandwiches by directly scanning their barcodes and paying with a smartphone
 - The **Shop & Go** service, to shop without having to go through checkout. Purchases are boxed up for home delivery, with payment upon arrival
 - The **free Shop & Give service**, to be introduced in the spring, will allow shoppers to give the delivery person unexpired food items, fruits, vegetables and used batteries and light bulbs

- The best of Monoprix on two floors with **4,000 sq.m**, of which **2,760 sq.m of retail space**
 - **Food court** and terraces capable of seating 80 people
 - A **fashion department** covering more than **1,400 sq.m**. new collections
 - A **beauty and health care** department with a selection of leading international brands
 - Open **Monday to Sunday**

franprix 🍏 noé

Key commitments at Franprix noé

- 🍏 Provide the most authentic, least processed foods possible, taking care to monitor the ingredients used in every recipe
- 🍏 Lend support to French farmers and manufacturers
- 🍏 Pay special attention to animal welfare and the use of responsible fishing methods
- 🍏 Improve current ecological practices by working to develop more environmentally-friendly packaging solutions and prevent waste at all levels

A NEW FOOD & LIFESTYLE STORE an alternative, holistic shopping experience

- A wide selection of bulk products
- Fine foods tasting
- Offering a break amid the hectic bustle of city life
- With services to make customers' life easier
- Already 3 stores in affluent neighborhoods of Paris



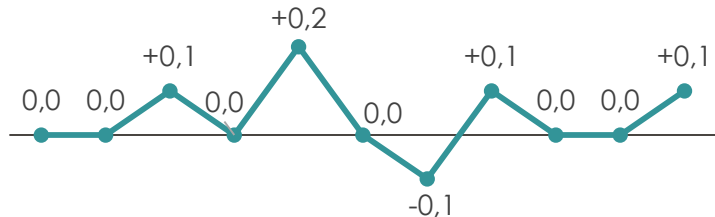
Diversity of formats offers lower exposure to pricing volatility ...



- **Well-adapted pricing** across banners:
 - On differentiated formats : stable and satisfactory pricing (Franprix, Monoprix), with excellent traffic data
 - Good traffic on the other formats
- As of today, **no ambition to move prices** upwards or downwards
- **Less promotional** intensity in Casino's hypermarkets and supermarkets vs. market trends (Kantar)
- Efficient, **redesigned loyalty** programs, already showing very positive effects (Monoprix)

... and translates into favourable market share gain

Group market share evolution since early 2017



P01 P02 P03 P04 P05 P06 P07 P08 P09 P10 P11



- Over the last Kantar period*, the Group improved its position by **+0.1 pt**, with market share standing at **11.5%**
- This growth is linked to the good dynamic of
 - Géant: market share of 2.7%, +0.1pt gain
 - Monoprix: market share of 2.1%, +0.1pt gain)

Thanks especially to better customer loyalty

- **Casino supermarkets** (market share 1.8%) and **Franprix** (market share 1.6%) stabilised their market share while **Leader Price** (market share 2.6%) lost 0.1 pt over the period, mainly related to store closures

* Kantar P11 2017, from 1 October to 29 October 2017

Agreement between Ocado and Casino to address the online food market



- **Ocado** is the **world's leading dedicated on-line grocery retailer** with a strong technological advantage. It provides an **innovative integrated** solution to distributors, based on its own experience.
- **Ocado Smart Platform** gives access to an **end-to-end solution**, including the construction of its latest generation, **state-of-the-art automated warehouse**, Ocado's best-in-class **front-end web site** functionality, **last-mile routing management** and **big data real time implementation**.
- This scalable, modular end-to-end solution **is a unique answer** to the opportunities of online grocery. With this agreement, Casino banners gain a **decisive competitive hedge** over competitors.

Agreement between Ocado and Casino to address the online food market



- In the Paris area, the food potential online market is estimated at **1.5 €billion**.
- Today, the food e-commerce market is presently **constrained by a lack of supply, poor service rates and high fulfilment costs**.
- This agreement provides Casino with the **best technological solution** for preparation and delivery of **large baskets** from a centralized warehouse **at D+1**.
- **Monoprix** will be capable to **accelerate its online sales** in the Greater Paris area (and beyond) while providing the customer a **larger assortment** (c.50,000 food items), with a **better quality of service, without diluting its margin**.
- The agreement sets out plans for the **immediate initiation** of the development of a **new automated warehouse**, to be launched within **two years**.
- In the future, the contract could include **the opening of new warehouses and be used by other Casino banners**.



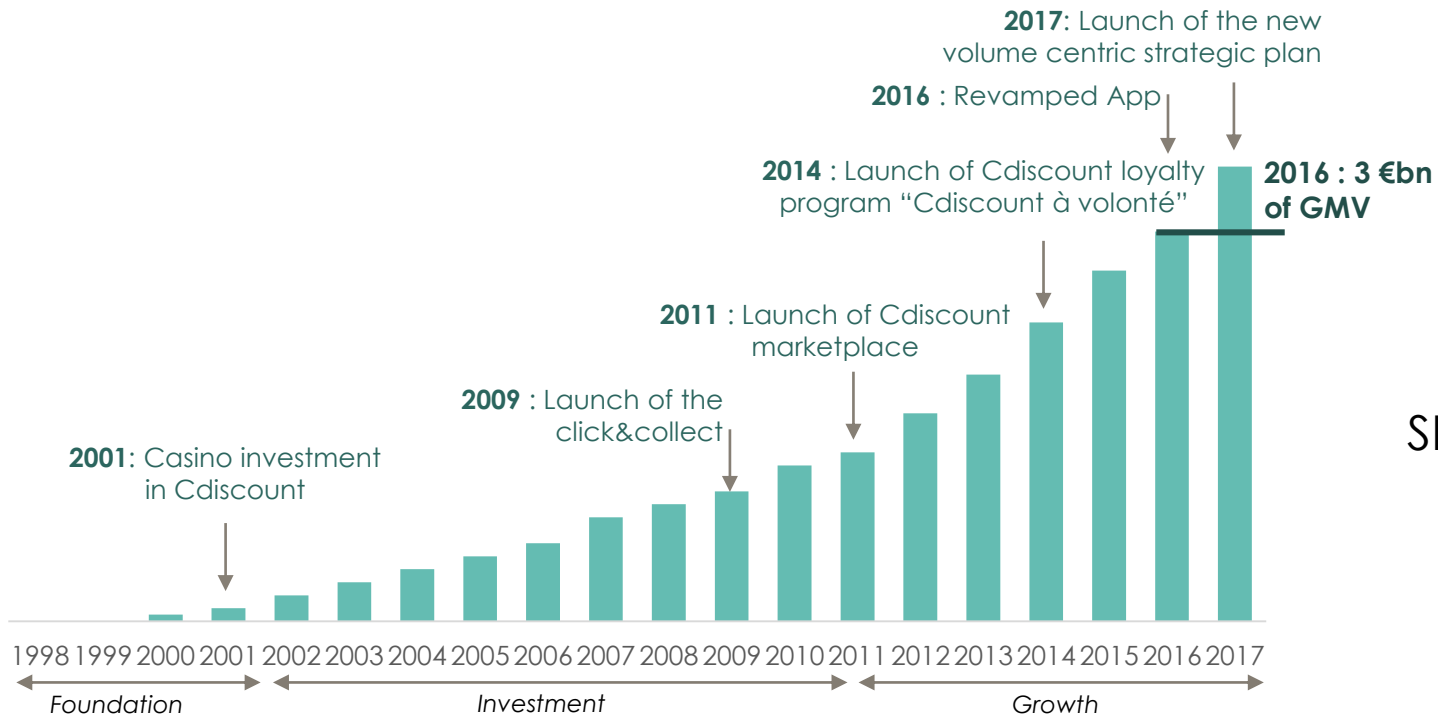
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A UNIQUE DIGITAL
STRATEGY LEVERAGING
ON CDISCOUNT STRONG
EXPERTISES

Cdiscount : a proven track record of growth

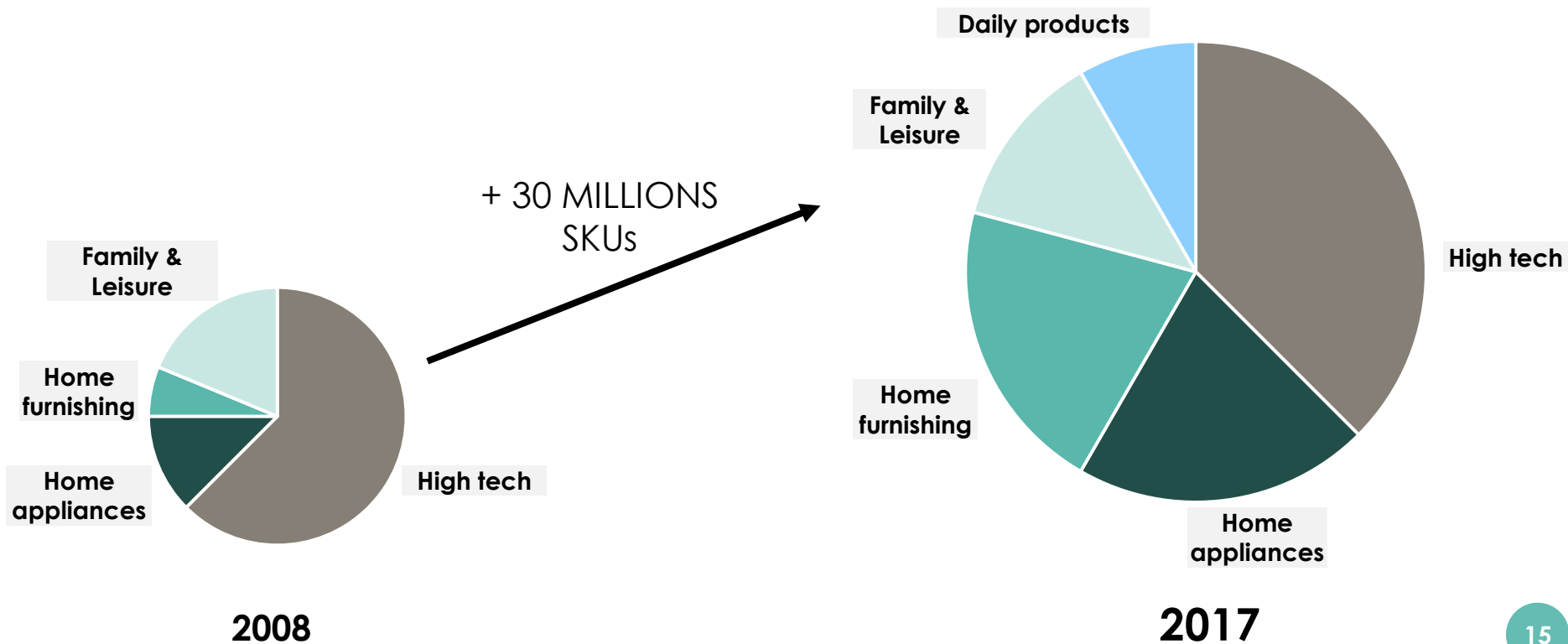
Cdiscount GMV evolution



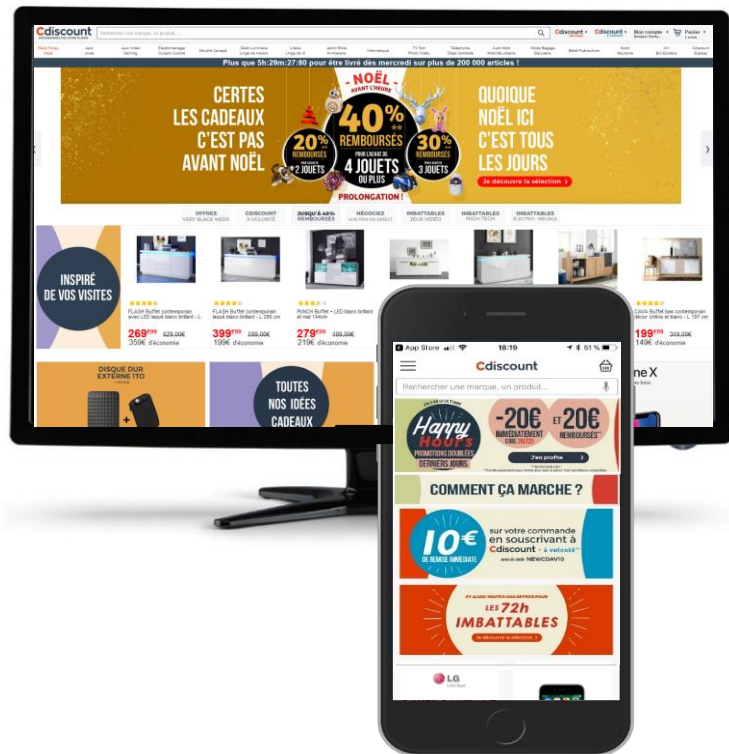
GMV CAGR
(2010-2016)
+15%

SKUs progression
(2010-2017)
**From 100k
To >30m**

Cdiscount : More than 30 millions product offerings



Cdiscount: a key asset in Casino's e-commerce strategy



Key features of Cdiscount in France:

- Leader of French e-commerce since 1998
- #2 website attracting the highest number of unique visitors in France
- Traffic 16 millions unique monthly visitors*
- Active customers 8.6 millions
- Product offerings > 30 millions
- GMV 3 billion euros in 2016
CAGR 2010 – 2016 : +15%
- Online market share > 30 %**

* 3Q17 UMV average based on Médiamétrie data

** GfK survey on Technical Goods market shares

Cdiscount: a recently renewed strategic focus already delivering good commercial results

AUJOURD'HUI
JE REPRENDS
LE SPORT

LIVRAISON
LE JOUR MÊME

LE FOOT
À LA TV
C'EST AUSSI
DU SPORT...

249€
299€99

TV ÉCRAN LED 40" FULL HD
UE40J5000 - A1
SAMSUNG

N'ÉCONOMISEZ PAS VOTRE PLAISIR.

Cdiscount

Commandez tous vos produits sur Cdiscount.com avant midi et faites-vous livrer le jour même. Voir conditions sur cdiscount.com

- **New strategic plan** launched in the first semester of 2017 to improve assortment and better address customer needs focused on
 - **Development of product offerings eligible to next day delivery: x3** vs end 2016
 - **Reinforcement of the technical goods** market leading position and acceleration on Home, Family & Leisure and Daily products categories
 - **Upgrading of the product assortment** with additional premium brands references
 - **Strengthening of logistics** capacity to provide more products with better exclusive offers while committing to large volume orders
- **Record Q3 2017 trading :**
 - **GfK market share gain** of **+2.6 pts** in value in September after 4 months of gains*
 - **Net sales: +18% like-for-like**
- The new plan should continue to sustain growth in the coming months

* Based on GfK survey, on the segment Technical goods in the e-commerce market

Cdiscount : a leader in price, relying on a strong logistic network

Black Friday deals



- Thanks to successful **promotions campaigns** and **innovative commercial tools**, Cdiscount can offer best prices on best-sellers.
- In order to better address customer needs, Cdiscount has expanded its **logistic network**:
 - **10 distribution centers** organized around 3 major French cities (Paris, Bordeaux and Lyon)
 - **3 new warehouses** opened in 2017
 - A **click and collect** network for small and large taking advantage of Casino Group's stores
 - **Enhanced delivery services**: Cdiscount being the only player to offer **same-day delivery** in Paris for small and large parcels, a service that will be extended to 5 major cities by 1Q18 and on-going roll out of **Sunday delivery** in 14 new cities.

Cdiscount as a key contributor to the Group multi-channel strategy in non-food



- Cdiscount now **manages both Cdiscount's and Casino's** home furnishing and household appliance **inventories**
- With now **immediate in-store availability for the website**:
 - Potential presence in corners through Casino's extensive network of 110 Géant supercenters and 230 directly owned Casino supermarkets
 - Already 1,500 SKUs to be quickly rolled out **up to 6,000 SKUs**
 - **Click-&-Collect** pick-up reinforced on key categories
- **A 300 sqm physical dedicated showroom with c. 650 SKUs** has been opened in a Géant hypermarket Toulouse Fenouillet (picture on the left) with :
 - A showroom dedicated to home products offering, a corner for technical goods and best deal offers displayed down the aisles
 - Interactive terminals presenting Cdiscount catalogue and in-store tablets to order on the website
 - Pre-sales & order advice with dedicated sellers
- In total, 53% of Cdiscount orders were delivered through click&collect in 1H17 (67% of heavy parcels)

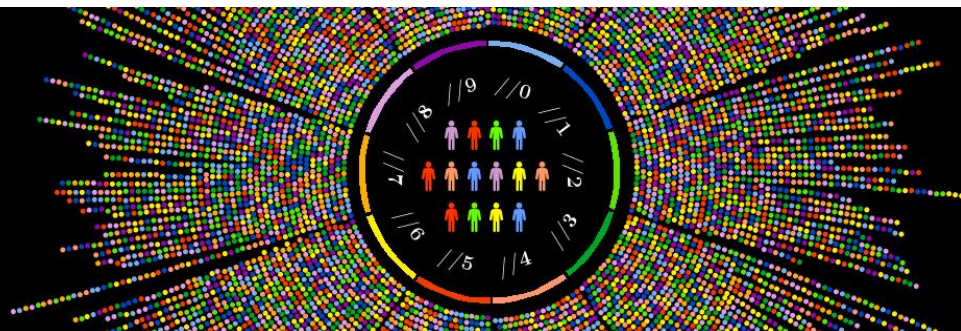
Cdiscount a new growth opportunity, offering energy services at the cheapest price in the market, Cdiscount Energie



- Leveraging on its significant customer base, Cdiscount has just extended its offering to the energy sector, by **providing electricity at the lowest cost in the French market**
 - An **easy online** subscription and an unlimited offer with no obligation
 - The cheapest, **fastest, most efficient solution** on the market: just 5 minutes to subscribe online and 5 days to be registered
- With the help of **Casino Group energy specialist, GreenYellow**, which has spent a decade advising on how to optimize their energy performance:
 - BtoB customers
 - The Casino Group's 15,300 stores
- According to a survey carried out by OpinionWay for Cdiscount for 67% of French people, a cut in prices by more than 10% would be the main factor in their decision to change supplier

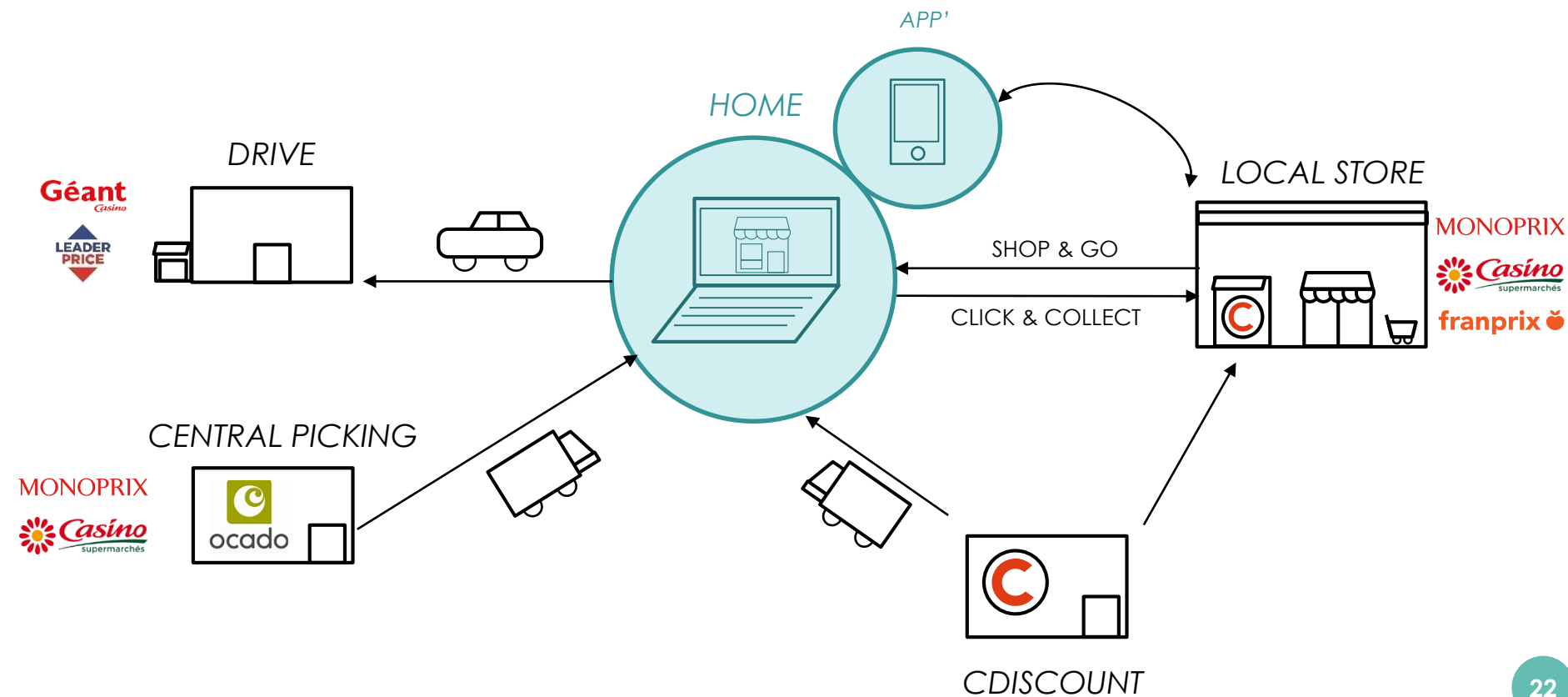
Casino recently launched relevanC, a unique rich data solution player in the French market

- Casino Group partnered with the start-up RedPill to launch relevanC, a start-up aiming at **provide advertisers with pertinent rich data**, by :
 - Harvesting the anonymized big data collected from **Casino customers' nearly 50 million profiles** and enriched by the roughly **60 million transactions** that take place every month in its various brick-and-mortar and e-commerce banners, including Cdiscount
 - **Providing advertisers**, advertising agencies and market research firms with **a platform of marketing solutions** to enable them to more effectively understand, target and measure the performance of their campaigns in real time
- Consumers will benefit from **more targeted advertisements** that are directly aligned with their expectations and buying behavior
- Special attention has been paid to protecting customers' personal data, with all profiles remaining anonymous.



relevanC

Casino Group's multichannel strategy





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LEADERSHIP POSITIONS
IN LATAM, WITH
BANNERS CONSTANTLY
ADAPTING THEIR
BUSINESS MODEL

GPA (Brazil): Success of the Cash&Carry and new digital loyalty program



- Another **excellent performance** at end-October for **Assai**:
 - Continued strong expansion dynamics in 2017: **115 stores* at end-October 2017** and an objective of converting a total of 16 stores in 2017
 - Over 9 months, +27,62% total growth* and +11,2%* same-store growth sustained by strong traffic
 - **Higher sales multiple and profitability** for converted stores
- **Success of the "My Discount"** digital loyalty program throughout the company:
 - Targeting the **12 million card-carrying customers**
 - Personalised promotions via a mobile application
 - An enhanced communication with customers : **3 million downloads** of the application since its launch and **1 million new loyal customers** added
 - Segmentation can be performed directly by the manufacturers

Exito: leader in food retail in Colombia



- Gradual macro easing expected
 - **Gradual decrease in interest rates** might lower financial expenses and drive consumption
 - Mid-term economic recovery expected
- An assertive strategy to adjust the store mix with an ambitious development of the Cash & Carry format:
 - **Launch of the Cash & Carry format** under the Surtimayorista brand in 2016
 - Already four stores opened in November, with higher sales recorded (x2.7*) since conversion
 - Objective to roll out the format to **8 Surtimayorista* stores by year-end**
- **A leading position in real estate**
 - A track record of over 10 years in the development and operation of shopping malls in Colombia : 584,000 sqm* of GLA at end of 2016
 - The newly Viva Malls REIT will enable this platform to continue to grow at an accelerated pace : +434ksqm* of GLA targeted in 2018
- **Diversification of revenues** notably with the **Puntos Colombia** loyalty program in partnership with Bancolombia (already 10 M registered customers)

* Data published by subsidiaries

Exito: continued strong performance from other countries



Uruguay

- Continuous focus on healthy margin levels
- Pursuit of market share gains
- Development of the convenience format with 10 to 15 Devoto Express* store openings



Argentina

- A strong real estate business with already 160,000 sqm GLA at end 2016*
- Continuous real estate expansion
- Objective to create near to 35ksqm of GLA in the next 2/3years*