2017 FULL YEAR RESULTS

Consolidated net sales: +5.0%

Consolidated trading profit: +20.1%

Underlying earnings per share: +13.4%

In 2017, the Group reached its objective of a trading profit growth of 20% thanks to good performances across all businesses. Casino leveraged its unique mix of formats and effective action plans to deliver a sales performance in France that was the best in the retail sector, while also improving its margins. Gross sales under banner (including Cdiscount) rose by +2.3%(1), reflecting very solid performances by Franprix, Monoprix and Casino Supermarkets as well as Géant's ongoing recovery.

The e-commerce business developed more intensively, helped by expansion of the product offering and an improved delivery service under Cdiscount's latest strategic plan. The new partnership with Ocado will enable the Group to deploy a state-of-the-art food e-commerce logistics and delivery solution.

In international markets, the Group's subsidiaries enjoyed significant growth in the buoyant cash & carry segment and continued to diversify their revenue sources (property development, consumer finance).

- **Consolidated net sales** of **€37.8bn**, up **+5.0%** and organic growth of **+3.2%**
  - **In France**: 2017 gross sales under banner (including Cdiscount) up +1.7%(1) for food and +5.6%(1) for non-food
  - **E-commerce**: gross merchandise volume up +10% and net sales up +9.5% on a comparable basis, with a particularly dynamic second semester (nearly 2-point market share(2) increase in average)
  - **In Latin America**: good performance with organic sales growth of +6.4%, a good performance in a context of decelerating inflation
- **Consolidated trading profit** of **€1,242m,** up **+20,1%**
  - **In France**, increase in trading profit to €556m (from €508m in 2016), reflecting sound standing profitability at Franprix and Monoprix, an improved contribution from Casino Supermarkets and increased profitability at Géant
  - **E-commerce**: trading margin impacted by investments under the strategic plan in the first half, with a sequential improvement in the second half
  - **In Latin America**, sharp rise in trading profit to €713m (from €538m in 2016)
- **Underlying net profit, Group share** of **€372m,** up **+9.0%**
- **Dividend** of €3.12 in respect of 2017 submitted for approval at the Annual General Meeting. Taking into account the interim dividend paid in December 2017, the remaining dividend payment amounts to €1.56 per share.
- **2018 Objectives: the Group is aiming to deliver**
  - **In France**, an organic growth for the retail trading profit, excluding real estate, above 10% and a free cash flow from continuing operations excluding exceptional items(3) covering finance charges and dividends and allowing to improve the net financial debt
  - **For the Group**, an organic(4) growth of consolidated trading profit, and above 10% excluding tax credits, a reduction of its net financial debt, with a free cash flow from continuing activities excluding exceptional items(3) above €1bn

The Board of Directors met on 7 March 2018 to approve the parent company and consolidated financial statements for 2017. The statutory auditors have completed their audit of the financial statements and are in the process of issuing their report

Jean-Charles NAOURI – Chairman and CEO of Casino group said:

"The unique mix of banners' formats and the transformation plans initiated enabled Casino group to reach the best commercial performance in the sector in France and among the best abroad in 2017, with a marked improvement in its key financial indicators. This strategic orientation, which addresses our customers' expectations, will be continued with strengthened ambitions in growth and profitability for 2018.
In addition, with a view to constantly aligning with the evolution of consumption trends, Casino group will further accelerate its digital and e-commerce development in 2018 in order to further assert its leading position in omni-channel retail."

(1) *Excluding fuel and calendar effects,*
(2) *Gfk market share for technical goods, by volume (+1.3pt by value),*
(3) *Before dividends paid to TSSDI deeply subordinated notes and excluding finance charges,*
(4) *Excluding currency and scope effect*
Note: Organic and same-store changes exclude fuel and calendar effects.

Continuing operations (in €m)	2016	2017
Net sales	**36,030**	**37,822**
EBITDA	**1,697**	**1,930**
EBITDA margin	*4.7%*	*5.1%*
Trading profit	**1,034**	**1,242**
Trading margin	*2.9%*	*3.3%*
Trading profit and share of profit of equity associates	**1,054**	**1,255**
Reported net profit, Group share	**2,679**	**120**
Underlying net profit, Group share	**341**	**372**
Consolidated net debt	**(3,367)**	**(4,126)**
Net debt of Casino in France	**(3,200)**	**(3,715)**

Following the 2016 decision to sell Via Varejo, and in accordance with IFRS 5, Via Varejo (including Cnova Brazil) is classified as a discontinued operation.

Consolidated net sales of €37.8bn, supported by sales dynamic in France and a good performance in Brazil

In 2017, the **Group** reported consolidated net sales of €37.8bn, a total increase of +5.0% including organic growth of +3.2%.

In **France**, same-store sales rose by +0.8% compared with 2016. Organic sales growth was +0.1%. This performance was primarily attributable to the premium and service-led banners (Franprix, Monoprix and Casino Supermarkets).

- **Franprix,** which saw a +3.1% increase in customer traffic, deployed its new Mandarine concept and various innovative initiatives
- **Monoprix,** which traffic was up +2.1%, delivered a good performance in food sales and stepped up the pace of expansion (opening 60 new stores in 2017 including 24 Naturalia stores)
- **Casino Supermarkets** consolidated their growth dynamic, driven by a good sales performance in fresh and organic products and development of the new concept
- In **Convenience**, expansion of the franchise network continued and the new Le Petit Casino concept was expanded
- **Leader Price** deployed its new Next concept and continues to improve its network
- **Géant** continued to recover, with an increase in food sales and a reduction in non-food surface areas

E-commerce gross merchandise volume rose by a significant +10%, led by historically high sales in the third quarter, a record Black Friday and the deployment of the strategic plan in the second quarter of 2017. Cdiscount lifted its market share by nearly 2 points on average in the second half and recorded an increase of +12% in traffic, with 946m visits.

In **Latin America**, in a context of decelerating food price inflation, organic growth for the year stood at +6.4%, led by the success of Assaí.

Éxito kept up the pace of expansion, developing the cash & carry business in Colombia (with 7 Surtimayorista stores opened in 2017, including 5 conversions), deploying the new Carulla Fresh Market concept and repositioning the hypermarkets by improving the non-food offer. Businesses that complement retail operations, such as real estate and the Puntos Colombia multi-banner nationwide loyalty programme, continued to be developed.

At Multivarejo, the Extra hypermarkets performed well and Pão de Açúcar reported increased volumes. Assaí experienced very strong growth, reflecting the dynamic expansion programme and the strong commercial model.

Consolidated trading profit up +20.1%, reflecting higher profits in France and Brazil

Consolidated trading profit totalled €1,242m, up +20.1% at current exchange rates and +16.7% at constant exchange rates.

In **France**, trading profit came to €556m, an improvement of +9.5%. This performance was attributable to sound standing performance at Franprix and Monoprix, an improved contribution from Casino Supermarkets and increased profitability at Géant. The property development business also performed well, generating trading profit of €92m. Trading margin increased by +26bps to 2.9%, led by the retail business units.

The **E-commerce** business's trading profit was lower at -€27m from -€11m in 2016, impacted by the investments made in the first half under the Cdiscount strategic plan. The plan has delivered good results, driving an improvement in profitability in the second half and leading to better profitability in fourth-quarter 2017 than in the same period of 2016.

Trading profit from **food retail operations in Latin America** came to €713m, up +32.7% as reported and +11.3% excluding the effect of tax credits. The segment's trading margin rose +69bps to 4.2%. At Éxito, trading margin contracted by -120bps to 4.0%. At GPA Food, trading margin was up +148bps at 4.3%.

Underlying net financial result and underlying net profit, Group share[1]

Underlying net financial result for the period was -€475m versus -€411m in 2016. In France, unlike in 2016, finance charges did not benefit from favourable effect of bond buybacks and were adversely affected by the full-year impact of interest step-ups on bond debt. In Latin America, finance charges declined year on year, notably helped by the continuous decline in interest rates in Brazil and Colombia. The E-commerce segment's finance charges increased, due to business growth.

Underlying net profit from continuing operations, Group share totalled €372m, an increase of +9.0% compared with €341m in 2016.

Underlying diluted earnings per share[2] came to €2.90, an increase of +13.4% versus 2016.

Consolidated net profit, Group share

Consolidated net profit, Group share amounted to €120m.

Financial position at 31 December 2017

Consolidated cash flow from continuing operations came to €1,573m, up +14.7%.

Consolidated net financial debt as at 31 December 2017 amounted to €4.1bn.

Net financial debt of Casino in France excluding Cdiscount[3] as at 31 December 2017 totalled €3.7bn, reflecting the impact of financial investments made in the first half (notably including the buyback of the Cnova free float) and the change in working capital requirement at the end of the year.

The net debt to EBITDA ratio of continuing operations was stable overall, at 2.1x versus 2.0x in 2016.

As at 31 December 2017, Casino in France had €5.1bn in **liquidity**, composed of **significant cash and cash equivalent** of €1.9bn and **confirmed undrawn lines of credit** of €3.3bn.

Dividend

The Board of Directors decided to propose a dividend of €3.12 per share in respect of 2017 to the Annual General Meeting that will be held on 15 May 2018.

Taking into account the interim dividend paid in December 2017, the remaining payment comes to €1.56 per share. The ex-dividend date will be 18 May 2018, and the dividend will be payable on 22 May 2018.

[1] *See definition on page 7.*
[2] *Underlying diluted EPS includes the dilutive effect of TSSDI deeply subordinated notes distributions.*
[3] *Casino in France comprises the Casino, Guichard Perrachon parent company, the French businesses and wholly-owned holding companies.*

2018 Outlook

In 2018, the Group confirms its strategic priorities:

- Favouring the growth in the best formats
- Accelerating the development of digital and omni-channel activities
- Pursuing action plans to cut costs and improve the supply chain
- Increasing cash generation and strengthening the financial structure

The Group sets the following objectives:

- **For trading profit:**
  - **In France**, the Group is aiming to achieve for the food retail activity more than 10% organic[(1)] growth in trading profit excluding real estate, led by growth in the most profitable formats and by improved hypermarket and convenience margins
  - **In all**, the Group is aiming to deliver organic[(1)] growth in consolidated trading profit and above 10% excluding tax credits

- In France, **free cash flow from continuing operations** excluding exceptional items[(2)] covering finance charges and dividends and allowing to improve the net financial debt

- A **reduction in the Group net debt** with:
  - The return to a breakeven free cash flow for Cdiscount
  - Free cash flow from continuing operations excluding exceptional items[(2)] above €1bn in total
  - A Capex envelop around €1bn
  - And the significant potential effect from the sale of Via Varejo

The presentation of the 2017 annual results will be available on the Casino group corporate website (www.groupe-casino.fr).

The definitions of the main non-GAAP indicators will also be available on the website.

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(1) Excluding currency and scope effects
(2) Before dividends paid to TSSDI deeply subordinated notes and excluding finance costs

Consolidated net sales by segment

Net sales *In €m*	2016	2017
France Retail	18,939	**18,903**
Latam Retail	15,247	**16,923**
E-commerce	1,843	**1,995**
Total Group	**36,030**	**37,822**

Consolidated EBITDA by segment

EBITDA *In €m*	2016	2017 at constant exchange rates	2017
France Retail	872	**900**	**901**
Latam Retail	816	**980**	**1 029**
E-commerce	10	**(0)**	**(0)**
Total Group	**1,697**	**1,879**	**1,930**

Consolidated trading profit by segment

ROC *In €m*	2016	2017 at constant exchange rates	2017
France Retail	508	**554**	**556**
Latam Retail	538	**679**	**713**
E-commerce	(11)	**(27)**	**(27)**
Total Group	**1,034**	**1,207**	**1,242**

2017 Results[1]

In €m	2016	2017
Net sales	**36 030**	**37 822**
EBITDA	1,697	**1,930**
Trading profit	**1,034**	**1,242**
Trading profit and share of profit of equity associates	1,054	**1,255**
Other operating income and expenses	(625)	**(480)**
Operating profit	409	**762**
Net finance costs	(324)	**(367)**
Other financial income and expenses	(35)	**(78)**
Tax expense	(34)	**(56)**
Share of profit of equity associates	20	**13**
Net profit from continuing operations, Group share	33	**127**
Net profit (loss) from discontinued operations, Group share	2,645	**(7)**
Net profit, Group share	**2,679**	**120**
Underlying net profit, Group share	341	**372**

[1] The 2016 and 2017 financial statements reflect the application of IFRS 5 to Via Varejo, which is being held for sale. In accordance with IFRS 5:

- *Via Varejo's operations (including those of Cnova Brazil) have been classified as discontinued operations since 2016. Via Varejo's assets and liabilities are presented on a separate line in the statement of financial position.*

Underlying net profit

In €m	2016	Restated items	2016 underlying	2017	Restated items	**2017 underlying**
Trading profit	1,034	0	1,034	1,242	0	1,242
Other operating income and expenses	*(625)*	*625*	*0*	*(480)*	*480*	*0*
Operating profit	409	*625*	1,034	762	*480*	1,242
Net finance costs	*(324)*	*0*	*(324)*	*(367)*	*0*	*(367)*
Other financial income and expenses[(1)]	*(35)*	*(51)*	*(87)*	*(78)*	*(30)*	*(108)*
Income tax[(2)]	*(34)*	*(155)*	*(189)*	*(56)*	*(103)*	*(159)*
Share of profit of equity associates	*20*	*0*	*20*	*13*	*0*	*13*
Net profit from continuing operations	36	*419*	455	273	*348*	621
Attributable to minority interests[(3)]	*2*	*111*	*114*	*146*	*103*	*249*
Of which Group share	33	*307*	341	127	*244*	372

Underlying net profit corresponds to net profit from continuing operations, adjusted for (i) the impact of other operating income and expenses, as defined in the "Significant accounting policies" section in the notes to the consolidated financial statements, (ii) the impact of non-recurring financial items, as well as (iii) income tax expense/benefits related to these adjustments.

Non-recurring financial items include fair value adjustments to equity derivative instruments (such as total return swaps and forward instruments related to GPA shares) and the effects of discounting Brazilian tax liabilities.

[(1)] *Other financial income and expenses have been restated, primarily for the impact of discounting tax liabilities, as well as for changes in the fair value of the total return swaps on GPA shares and the GPA forward.*
[(2)] *Income tax expense is restated for tax effects corresponding to the above restated financial items and the tax effects of the restatements.*
[(3)] *Minority (non-controlling) interests have been restated for the amounts relating to the restated items listed above.*

Simplified consolidated statement of financial position

In €m	2016	2017
Non-current assets	23,629	**21,990**
Current assets	18,412	**16,212**
Total assets	**42,042**	**38,202**
Total equity	14,440	**13,057**
Non-current financial liabilities	7,733	**7,229**
Other non-current liabilities	2,681	**2,106**
Current liabilities	17,189	**15,809**
Total equity and liabilities	**42,042**	**38,202**

Breakdown of net debt by segment

In €m	2016	2017
France Retail	(3,200)	**(3,715)**
Latam Retail	(1,032)	**(845)**
o/w GPA Food	*(221)*	***(189)***
o/w Éxito (excluding GPA Food)	*(810)*	***(655)***
Latam Electronics	697	**628**
E-commerce	168	**(194)**
Total	**(3,367)**	**(4,126)**

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