

2014

FIRST-HALF RESULTS

- Total Group sales stood at **€11.9 billion** in the second quarter, with organic⁽¹⁾ growth of **+6.5%** (excluding petrol and calendar effect), in line with the previous quarter
 - Gradual improvement in activity in France, featuring in particular a recovery in Géant sales
 - Continuing strong growth in international sales, up +10.9% driven by Brazil
 - Gross Merchandise Volume of e-commerce activities up +24% at Cdiscount and +44% at Nova Pontocom
- In H1 2014, trading profit of **€880 million**, with very strong organic growth: **+13.3%**
 - In France, trading profit was affected by price cuts, mainly at Leader Price
 - Internationally, very robust growth in trading profit (+21.6%), and a steady improvement in margins
- Net underlying profit, Group share totalled **€176 million**, up **+5.8%** at constant exchange rates
- Ongoing improvement in the Group's financial structure

⁽¹⁾ Organic growth is at constant scope and exchange rates

Jean-Charles Naouri, Chairman and Chief Executive Officer of Casino Group, stated: *“H1 2014 confirms the recovery underway at Géant in France. The robust operating performance of our convenience and supermarkets banners in France together with the excellent performance from international businesses, particularly in Brazil, enabled the Group to record a +5.8% increase in underlying net profit, Group share, at constant exchange rates in H1 2014, against a background of substantial price cuts at Leader Price.”*

KEY FIGURES

Continuing operations (€m)	H1 2013 published	H1 2014	H1 2014 at constant exchange rates
Sales ⁽¹⁾	23,703	23,248	25,529
EBITDA ⁽¹⁾	1,381	1,353	1,519
EBITDA margin ⁽¹⁾	+5.8%	+5.8%	+6.0%
Trading profit ⁽¹⁾	894	880	1,008
Trading margin ⁽¹⁾	+3.8%	+3.8%	+3.9%
Underlying net profit, Group share	193	176	204

⁽¹⁾ Excluding Mercialys, accounted for under the equity method as from H2 2013

**+13.3% ORGANIC GROWTH IN TRADING PROFIT
TO €880 MILLION, AND UNDERLYING NET PROFIT,
GROUP SHARE OF €176 MILLION,
UP +5.8% AT CONSTANT EXCHANGE RATES**

As exchange rates have negatively impacted the translation into euros of international subsidiaries' results, analyses of activities and operating results are presented below on an organic basis (i.e. at constant scope and exchange rates).

- **Strong organic growth in activity** in Q2 in line with the previous quarter

In the second quarter of 2014, the Group's consolidated sales totalled €11.9 billion, with organic growth⁽¹⁾ of +6.5%. **In France**, organic growth in sales (excluding petrol and calendar) of -0.2% in the second quarter marked an improvement on the first quarter thanks to the business recovery at Géant. **Internationally**, the Group continued to post very robust organic growth (+10.9% in organic in Q2, +11% in Q1 2014). Lastly, **non-food e-commerce** business in France and Brazil posted growth in business volumes of +23.9% at Cdiscount and +44.1% at Nova Pontocom in Q2 2014.

- **Increase in EBITDA and trading profit on an organic basis in H1 2014**

In H1 2014, Group EBITDA stood at €1,353 million, up +9.1% on an organic basis, and trading profit grew by +13.3% to €880 million. The EBITDA margin increased by +17bp and the trading margin rose by +26bp.

In France, after taking into account the deconsolidation of Mercialys, EBITDA and trading profit were down moderately. At Casino, the operational efficiency plans have offset the investments in pricing. Margins remained solid at Monoprix and Franprix. Profitability at Leader Price declined under the impact of the price cuts implemented since Q4 2013.

Internationally, all operations recorded an organic increase in profitability in the first half. Trading profit for the food activities in Latin America increased by +18.4%. Latam electronics business and furniture (Viavarejo) and Asia food retail increased respectively by +34.2% and by +6%.

E-commerce generated EBITDA of €7 million in H1 2014 versus €2 million in H1 2013.

⁽¹⁾ Excluding petrol and calendar effect

■ **Net underlying profit, Group share, and net financial debt**

Net finance costs for the period amounted to €311 million (vs. €309 million in H1 2013) and the income tax expense was €179 million (vs. €192 million). The share of profits of associates was €30 million (vs a loss of €2 million) and now includes Casino's share of Mercialys results.

Net underlying profit, Group share, came to €176 million, down -8.9%, due mainly to the impact of translation into euro of the results of foreign subsidiaries. **Adjusted for exchange rate fluctuations, net underlying profit, Group share, increased by +5.8%.**

Net financial debt stood at €7,836 million at 30 June 2014, down by €1,020 million compared with the end of H1 2013. Given the seasonality in cash flows, debt will continue to decrease in the second half.

■ **Perspectives for the second half of 2014**

In the second half of 2014, the Group will **pursue its strategy** aimed at:

- Rolling out the discount banners
- Strengthening the positioning on premium formats
- Accelerating expansion in convenience
- Becoming a leading player in non-food e-commerce.

Moreover, the Group **confirms its targets for 2014**:

- A return to positive organic sales growth in France
- Continued strong organic sales growth internationally
- Further trading profit growth in organic terms
- Continued improvement in the financial structure.

FIRST-HALF 2014 RESULTS

Continuing operations (€m)	H1 2013 Adjusted ⁽¹⁾	H1 2013 published	H1 2014	Organic change vs. 2013 published
SALES	23,125	23,767	23,248	+6.0%
EBITDA	1,406	1,456	1,353	+9.1%
Trading profit	933	969	880	+13.3%
Other operating income and expense	533	530	(174)	
Operating profit	1,466	1,499	706	
Finance costs, net	(310)	(309)	(311)	
Other financial income and expense	(31)	(31)	32	
Income tax expense	(273)	(285)	(149)	
Share of profits of associates	19	(2)	30	
Net profit from continuing operations, Group share	595	594	76	
Net profit from discontinued operations, Group share	(0)	(0)	(0)	
Net profit, Group share	595	594	75	
NET UNDERLYING PROFIT, GROUP SHARE⁽³⁾	193	193	176	

⁽¹⁾2013 results adjusted for retrospective application of IFRS 11 and for determination at fair value of profit and loss acquired by Monoprix

SALES AND TRADING PROFIT BY SEGMENT

Sales (€m)	H1 2013	H1 2014	Organic change
France Retail⁽¹⁾ <i>Casino, Monoprix, Franprix-Leader Price and Vindémia banners</i>	8,935.0	9,247.6	-2.3%
Latam Retail <i>GPA (food banners), Exito and Libertad banners</i>	7,794.7	7,305.0	+11.6%
Latam Electronics <i>Viavarejo Group banners: Casas Bahia and Ponto Frio</i>	3,842.9	3,476.5	+6.8%
Asia <i>Big C Thailand and Big C Vietnam banners</i>	1,828.0	1,692.5	+4.2%
E-commerce <i>Cdiscount and Nova Pontocom</i>	1,302.5	1,526.0	+29.4%
Group trading profit⁽¹⁾	23,703.1	23,247.5	+6.0%

Trading profit (€m)	H1 2013	H1 2014	Organic change
France Retail⁽¹⁾ <i>Casino, Monoprix, Franprix-Leader Price and Vindémia banners</i>	191.1	165.0	-18.9%
Latam Retail <i>GPA (food banners), Exito and Libertad banners</i>	353.2	341.7	+18.4%
Latam Electronics <i>Viavarejo Group banners: Casas Bahia and Ponto Frio</i>	243.9	276.2	+34.2%
Asia <i>Big C Thailand and Big C Vietnam banners</i>	114.1	107.0	+6.0%
E-commerce <i>Cdiscount and Nova Pontocom</i>	(8.6)	(8.7)	n.s.
Group trading profit⁽¹⁾	893.8	879.9	+13.3%

⁽¹⁾ Excluding Mercialys

Trading profit (€m)	H1 2013	H1 2014
Casino	23.2	29.2
Monoprix	99.6	130.4
FPLP	68.4	5.4
Trading profit – food retail France	191.1	165.0

UNDERLYING NET PROFIT

.In € million	H1 2013	Adjustments	H1 2013 underlying	H1 2014	Adjustments	H1 2014 underlying
TRADING PROFIT	969	0	969	880	0	880
Other operating income and expense	530	(530)	0	(174)	174	0
OPERATING PROFIT	1,499	(530)	969	706	174	880
Finance costs, net	(309)	0	(309)	(311)	0	(311)
Other financial income and expense ⁽¹⁾	(31)	27	(4)	32	(17)	15
Income tax expense ⁽²⁾	(285)	93	(192)	(149)	(30)	(179)
Share of profit of associates	(2)	0	(2)	30	0	30
PROFIT FROM CONTINUING OPERATIONS	871	(410)	462	307	128	435
Attributable to minority interests ⁽³⁾	277	(9)	268	232	27	259
GROUP SHARE	594	(401)	193	76	100	176

⁽¹⁾ Other financial income and expense is restated for deferred tax liabilities in Brazil (-€13m in 2013 and -€13m in 2014) and fair value adjustments from Total Return Swaps related to shares in GPA and Big C, and GPA calls and forwards (-€15m in 2013 and +€29m in 2014).

⁽²⁾ Income tax expense is restated for the tax effect of the above adjustments and non-recurring income tax expense/benefits.

⁽³⁾ Minority interests are restated for the above adjustments.

Net underlying profit corresponds to net 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 annual 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 at fair value 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 net 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.

ANALYST AND INVESTOR CONTACTS

Régine GAGGIOLI
Tel: +33 (0)1 53 65 64 17
rgaggioli@groupe-casino.fr
or
+33 (0)1 53 65 64 18
IR_Casino@groupe-casino.fr

GROUP EXTERNAL COMMUNICATION DEPARTMENT

Aziza BOUSTER
Tel: +33 (0)1 53 65 24 78
Mob : +33 (0)6 08 54 28 75
abouster@groupe-casino.fr

Disclaimer

This press release was prepared solely for informational purposes and should not be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Similarly, it does not and should not be treated as giving investment advice. It has no connection with the specific investment objectives, financial situation or needs of any receiver. No representation or warranty, express or implied, is provided in relation to the accuracy, completeness or reliability of the information contained in this document. It should not be regarded by recipients as a substitute for the exercise of their own judgement. Any opinions expressed herein are subject to change without notice.
