GROUPE Casino NOURISHING A WORLD OF DIVERSITY

Paris - 27 August 2009

Business held up well in first-half 2009

- **Organic growth of 1.3%, excluding petrol and the calendar effect**
- **EBITDA margin almost stable on an organic basis**
- **Resilience of the convenience formats in France, sustained growth in international markets and rapid implementation of the cost-cutting plan**
- **Attributable net profit stable at €231 million**

"In a challenging environment in the first half, the Group delivered results in line with its business plan. These results demonstrate the robustness of our business model and the effectiveness of the action plans deployed by Casino's teams, both on the marketing and financial sides.
In France, the Group's positioning, heavily weighted towards the convenience and discount formats, represents a solid earnings base, while in international markets, our leadership positions in Latin America and Southeast Asia constitute major growth drivers.
In this context, we are speeding up implementation of our strategy and are confident of meeting our targets." said Jean-Charles Naouri, Casino's Chairman and Chief Executive Officer.

KEY FIGURES

Continuing operations (in €m)	H1 2008 restated[1]	H1 2009	% change	% organic change[2]
Net sales	**13,810**	**13,447**	**-2.6%**	-1.0%
EBITDA[3]	861	**819**	**-5.0%**	-2.0%
EBITDA margin	*6.2%*	***6.1%***	***-15 bps***	*-6 bps*
Trading profit	538	**488**	**-9.1%**	-6.4%
Trading margin	*3.9%*	***3.6%***	***-26 bps***	*-21 bps*
Profit attributable to equity holders of the parent	**229**	**231**	**+0.8%**	
Cash flow	**607**	**570**	**-6.1%**	

[1] Data for 2008 have been adjusted to reflect the application of IFRS 8 and IFRIC 13 Interpretation (see note 2.4 of the appendix to the consolidated financial statements).
[2] Based on constant scope of consolidation and exchange rates, and excluding the impact of disposals to OPCI property mutual funds. Changes in the scope of consolidation consisted mainly of the deconsolidation of two Franprix–Leader Price franchisees, while the currency effect primarily concerned the decline in the Brazilian real and the Colombian peso against the euro.
[3] EBITDA = Earnings before interest, taxes, depreciation and amortisation.

The business continued to grow in first-half 2009 with sales up 1.3% on an organic basis, excluding petrol and calendar effect, reflecting continued strong momentum in international markets while revenues and margins held up well in France.

EBITDA margin was almost stable on an organic basis, thanks to resilient performances by the convenience formats in France, firm margins in international markets and rapid implementation of the cost-cutting plan. The decline in trading profit was limited to 9.1% (6.4% on an organic basis) and was due to higher depreciation expense. Trading margin was down by a moderate 26 basis points.

The Group met its targets in terms of marketing strategy, costs and capital employed, demonstrating the effectiveness of its business model.

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A resilient performance in France

In France, sales declined by 4.2% on an organic basis, 2.4% excluding petrol. The convenience formats (Monoprix, Casino supermarkets, the superettes and Franprix) continued to perform satisfactorily, attesting to their positioning, which is well aligned with consumer trends.

EBITDA margin was stable on an organic basis, thanks to firm gross margins reflecting the favourable impact of format and brand mix and to the rapid implementation of the cost-cutting plan.

Trading profit was down 11.8% as reported and 9.8% on an organic basis, primarily due to the increase in depreciation expense that resulted from expansion of the Casino supermarkets and Monoprix store bases.

- ✓ Sales trends at **Géant Casino** showed tangible improvement in the second quarter, led by the ramp up of marketing initiatives underway since the end of March. Operating margin declined, in line with business plan projections. Tight cost control helped to partly offset the impact of lower sales. The banner intends to step up its programme of measures to cut costs, reduce inventories and optimize purchasing conditions. It will also accelerate the repositioning of the non-food offering on higher margin product families, while continuing to price the food offering more competitively.
- ✓ Sales by the **convenience formats** were stable overall, excluding petrol and the impact of terminating affiliate contracts. Operating margins in this segment remained high, attesting to the operating model's robustness. Casino supermarkets' sales were boosted by the banner's ambitious expansion strategy, while Monoprix delivered a resilient sales performance that once again demonstrated the effectiveness of its differentiated positioning. The superettes took further action to optimise their store base.
- ✓ **Franprix** delivered a satisfactory performance, with stable same-store sales and sustained footfalls attesting to the banner's robustness. **Leader Price's** same-store sales decreased by 7.6% mainly due to the decline in the average basket experienced across the entire discount segment. Combined sales by the two banners were down by just 1.1%, thanks to the significant contribution of new stores. Trading margin was stable.
- ✓ The **other businesses** (Mercialys, Cdiscount, Banque Casino, Casino Restauration) enjoyed another period of expanding sales (up 7.5%) and trading profit. Cdiscount continued to be a major growth driver, with sales up 14.9%, while Mercialys once again reported double-digit growth in rental revenue.

Sustained growth in international markets

In international markets, organic sales growth for the period was a strong 5.0%, led by robust performances in South America and Asia which now account for nearly 30% of consolidated net sales. Trading profit decreased by 2.6%, due to the unfavourable impact of the decline in Brazilian real and Colombian peso against the euro. On an organic basis, however, the period-on-period change was an increase of 1.9%.

- ✓ Sales in **South America** rose 6.2% on an organic basis, lifted by continued strong sales momentum at Grupo Pao de Açucar in Brazil, which outperformed the market and reported double-digit growth in same-store sales. Trading profit rose 0.9% on an organic basis, reflecting firm margins in Brazil and Colombia partly offset by the impact of strikes in Venezuela.
- ✓ The Group continued to expand rapidly in **Asia** through its Big C banner, with sales up 7.4% on an organic basis. The region's margins remained high.

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Strict financial discipline

The Group maintained its strict financial discipline during the period, with debt ratios remaining stable compared with 30 June 2008. Net debt stood at €6,003 million at 30 June 2009, versus €5,868 million a year earlier, despite the negative impact of applying the shorter supplier payment terms imposed in France's LME Act. Energetic action was taken during the period to reduce inventories and limit capital expenditure, in line with the business plan.
The Group's liquidity position was strengthened through the issue of €1.5 billion worth of bonds since the beginning of 2009.

Outlook and conclusion

The Group's performance in first-half 2009 attests to its **ability to adapt** to a more challenging environment, as well as to the **effectiveness** of its **business model** built around:

- ✓ A strategic focus on expanding the convenience and discount formats as well as e-business in France
- ✓ A platform of international assets concentrated in high potential markets.
- ✓ An assertive strategy to capture the value of property assets.

The Group intends to speed up the implementation of its action plans, with three main strategic objectives:

1. Strengthen the banners' **shopper appeal** by:
   - ✓ Continuing to develop the private label offering
   - ✓ Optimising the pricing strategy
   - ✓ Transforming in-depth the hypermarket operating model in France

2. **Maintain margins** through:
   - ✓ Improved purchasing conditions
   - ✓ Ongoing action to cut costs, with the aim of achieving over €300 million in savings in 2010 (of which €150 million by the end of the current year)

3. **Enhance the Group's financial flexibility** by:
   - ✓ Improving free cash flow(1) generation
     - Reducing inventories by the equivalent of 2 days in 2009 and an additional day in 2010
     - Applying a more selective approach to capital expenditure (with gross expenditure budgeted at around €800 million in 2009 and €850 million in 2010)
   - ✓ Implementing a €1 billion asset disposal program by the end of 2010.

The Group therefore confirms its objective of **improving** its **net debt/EBITDA ratio by end-2009** and **reducing** the ratio to **less than 2.2x by the end of 2010**.

2009 Investor Calendar

Wednesday, 14 October 2009 (after the close of trading): Third-quarter 2009 sales announcement

(1) Corresponding to current operating cash flow before tax, less routine capital expenditure, changes in WCR, income tax paid and net interest expense paid

H1 2009 results

Continuing operations (in €m)	H1 2008 restated[1]	H1 2009	% change	% organic change[2]
Net sales	**13,810**	**13,447**	**-2.6%**	**-1.0%**
- Of which France	9,008	***8,530***	*-5.3%*	*-4.2%*
- Of which International	4,802	***4,917***	*+2.4%*	*+5.0%*
EBITDA [3]	**861**	**819**	**-5.0%**	**-2.0%**
- Of which France	*589*	***550***	*-6.6%*	*-4.2%*
- Of which International	*272*	***269***	*-1.4%*	*+2.7%*
EBITDA margin	**6.2%**	**6.1%**	**-15 bps**	**-6 bps**
- Of which France	*6.5%*	***6.4%***	*-9 bps*	*+0 bps*
- Of which International	*5.7%*	***5.5%***	*-21 bps*	*-12 bps*
Trading profit	**538**	**488**	**-9.1%**	**-6.4%**
- Of which France	*384*	***339***	*-11.8%*	*-9.8%*
- Of which International	*154*	***150***	*-2.6%*	*+1.9%*
Trading margin	**3.9%**	**3.6%**	**-26 bps**	**-21 bps**
- Of which France	*4.3%*	***4.0%***	*-29 bps*	*-24 bps*
- Of which International	*3.2%*	***3.0%***	*-16 bps*	*-10 bps*
Other operating income and expense, net	(15)	***11***	*n.m.*	
Operating profit	522	**500**	-4.4%	
Finance costs, net	(163)	**(167)**		
Other financial income and expense, net	2	**(4)**		
Income tax expense	(89)	**(71)**		
Share of profits of associates	7	**4**		
Profit from continuing operations	280	262		
- Attributable to equity holders of the parent	***229***	***231***	***+0.8%***	
- Attributable to minority interests	*51*	*31*		
Profit (loss) from discontinued operations attributable to equity holders of the parent	(2)	**(1)**		
Net profit attributable to equity holders of the parent	227	**230**		
Underlying profit attributable to equity holders of the parent[4]	**223**	**189**	**-15.1%**	

[1] Data for 2008 have been adjusted to reflect the application of IFRS 8 and IFRIC 13 Interpretation (see note 2.4 of the appendix to the consolidated financial statements).
[2] Based on constant scope of consolidation and exchange rates and excluding the impact of disposals to OPCI property funds.
[3] EBITDA = Earnings before interest, taxes, depreciation and amortisation.
[4] See definition in the Appendix.

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Appendix – Reconciliation of reported profit to underlying profit

Underlying profit attributable to equity holders of the parent 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 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 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.

In € millions	**H1 2008 (reported)**	***Adjustments***	**H1 2008 (underlying)**	**H1 2009 (reported)**	***Adjustments***	**H1 2009 (underlying)**
Trading profit	538		**538**	488		**488**
Other operating income and expense, net	(15)	*15*	**0**	11	*(11)*	**0**
Operating profit	522	*15*	**538**	500	*(11)*	**488**
Finance costs, net[(1)]	(163)	*(2)*	**(166)**	(167)	*3*	**(164)**
Other financial income and expense, net[(2)]	2	*(8)*	**(6)**	(4)	*9*	**5**
Income tax expense[(3)]	(89)	*(19)*	**(108)**	(71)	*(26)*	**(98)**
Share of profit of associates	7		**7**	4		**4**
Profit from continuing operations	280	*(14)*	**266**	262	*(26)*	**236**
Attributable to minority interests[(4)]	51	*(8)*	**43**	31	*16*	**47**
Attributable to equity holders of the parent	229	*(6)*	**223**	231	*(42)*	**189**

(1) Finance costs, net are stated before (i) changes in the fair value of the embedded derivative corresponding to the indexation clause on the bonds indexed to the Casino share price and (ii) gains realized on the partial redemption of the bonds. In first-half 2009, these items were respectively an expense of €3 million and income of €0 million (first-half 2008: expense of €13 million and income of €15 million).

(2) Other financial income and expense is stated before changes in the fair value of interest rate derivatives not qualifying for hedge accounting, representing an expense of €9 million in first-half 2009 (first-half 2008: income of €2 million) and changes in the fair value of share put and call options, representing €0 million in first-half 2009 and income of €6 million in first-half 2008.

(3) Income tax expense is stated before the tax effect of the above adjustments and non-recurring income tax expense/benefits (recognition of tax loss carryforwards, etc.) In other words, the tax on underlying profit before tax is calculated at the standard average tax rate paid by the Group.

(4) Minority interests are stated before the above adjustments and, in first-half 2009, before adjustment of profit for the period from 29 April to 31 December 2008 initially allocated to minority interests for €17 million and subsequently re-allocated to equity holders of the parent (see Note 17 to the 2009 consolidated financial statements).