

Business held up well in second-quarter 2009
Organic growth came to 0.9%, excluding petrol
 - Resilience of the convenience formats in France
 - Improved sales momentum at Géant Casino
 - Sustained strong growth in International markets

Consolidated net sales	Q2 2009 ⁽¹⁾ €m	H1 2009 ⁽¹⁾ €m	% Change QoQ		% change HoH	
			Reported	Organic ⁽²⁾	Reported	Organic ⁽²⁾
Continuing operations	6,822.6	13,446.7	-1.9%	-0.5%	-2.6%	-1.0%
France	4,321.1	8,529.5	-5.0%	-3.9%	-5.3%	-4.2%
International	2,501.4	4,917.2	+3.8%	+5.8%	+2.4%	+5.0%

⁽¹⁾ IFRS 8 "Operating Segments" and IFRIC Interpretation 13 "Customer Loyalty Programmes" were applicable by the Group as from 1 January 2009. 2008 data were adjusted accordingly (see details in appendix).

⁽²⁾ Based on constant scope of consolidation and exchange rates.

Organic growth	Q2 2009		H1 2009	
	Excluding petrol	Excluding petrol and the calendar effect	Excluding petrol	Excluding petrol and the calendar effect
Continuing operations	+0.9%	+1.1%	+0.4%	+1.3%
France	-2.0%	-1.1%	-2.4%	-1.2%
International	+5.9%	+4.8%	+5.2%	+5.6%

Consolidated net sales declined by 1.9% on a reported basis in the **second quarter of 2009**. Changes in the scope of consolidation (mainly the deconsolidation of two Franprix–Leader Price franchisees) reduced growth by 0.5%, while the currency effect was a negative 0.9%, caused primarily by the decline in the Brazilian real and the Colombian peso against the euro. Lower petrol prices had a 1.4% negative impact. The calendar effect was overall neutral (negative 0.2%), with a 0.9% negative effect in France and a 1.0% positive effect in International markets.

Excluding petrol sales, organic growth for the period came to 0.9%, reflecting the resilience of the business.

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In France, sales declined by an organic 2.0% in the second quarter excluding petrol.

The convenience formats (Monoprix, Casino supermarkets and Franprix) continued to perform satisfactorily with total sales up over the period, attesting to their good positioning, which is aligned with consumer trends.

Sales trend at the hypermarkets showed tangible improvement with same-store sales down 4.2% excluding petrol (versus an 8.6% fall in the first quarter), underpinned by the marketing initiatives launched since the end of March.

Cdiscount maintained a double-digit growth, confirming its strong momentum.

With footfalls almost stable, same-store sales at Leader Price declined 6.1% (excluding the calendar effect), attributable to a reduction in the average basket. Indeed discount customers are generally more sensitive to the economic environment, leading them to limit their purchases. The banner has launched various commercial actions designed notably to increase the average basket size.

International operations continued to enjoy robust underlying growth in the second quarter, with sales rising 5.9% on an organic basis excluding petrol. Organic growth excluding petrol came to 7.3% in South America, led by continuing strong growth in Brazil. Asia reported another quarter of solid organic growth (7.4%), lifted by the dynamic expansion strategy in Thailand and another quarter of very strong same-store growth in Vietnam.

First-half organic sales growth came to 0.4% excluding petrol, reflecting the good positioning of the Group's business portfolio:

- A favourable mix of formats in France, weighted towards the convenience and discount formats.
- Leadership in online non-food sales.
- An international presence focused on high potential countries.

The Group is in line with its business plan and is continuing to rapidly deploy its cost-cutting programme and optimise its food and non-food product mixes.

The Group's financial flexibility will be significantly enhanced by the improvement in free cash flow¹ generation and a €1 billion asset disposal programme to be implemented by the end of 2010.

The Group therefore confirms its objective of improving the net debt/EBITDA ratio at the end of 2009 and of bringing this ratio down to below 2.2x by the end of 2010.

First-half results will be published on 27 August 2009.

¹ Free cash flow= current operating cash flow before tax – capital expenditure + change in WCR - income tax paid - net interest paid

FRANCE

Sales in France fell by 5.0% in the second quarter, primarily due to the 1.1% negative impact of changes in the scope of consolidation concerning Franprix-Leader Price and the 1.9% negative effect of lower petrol prices.

On an organic basis and excluding petrol, sales were down 2.0% over the period. Part of the decline was due to the termination of affiliate contracts, mainly with the Coop de Normandie, which had a 0.7% negative impact on sales growth.

In €millions	Second Quarter				First Half			
	2008 ⁽¹⁾	2009 ⁽¹⁾	% change	Organic growth excluding petrol	2008 ⁽¹⁾	2009 ⁽¹⁾	% change	Organic growth excluding petrol
Net sales, France	4,547.3	4,321.1	-5.0%	-2.0%	9,007.6	8,529.5	-5.3%	-2.4%
Franprix-Leader Price	1,072.9	1,005.8	-6.3%	-1.6%	2,138.3	2,017.7	-5.6%	-1.1%
Géant Casino hypermarkets	1,473.7	1,329.6	-9.8%	-6.1% ⁽²⁾	2,924.4	2,587.7	-11.5%	-8.2% ⁽²⁾
Convenience stores	1,694.9	1,662.6	-1.9%	-0.7%	3,309.8	3,241.4	-2.1%	-0.9%
Casino supermarkets	858.2	835.0	-2.7%	-0.3% ⁽²⁾	1,653.8	1,605.1	-2.9%	-0.6% ⁽²⁾
Monoprix	448.1	451.0	+0.7%	+0.7%	902.7	905.3	+0.3%	+0.3%
Superettes	388.7	376.6	-3.1%	-3.1%	753.3	731.0	-3.0%	-3.0%
Other segments	305.7	323.1	+5.7%	+5.7%	635.0	682.7	+7.5%	+8.4%

⁽¹⁾ IFRS 8 "Operating Segments" and IFRIC Interpretation 13 "Customer Loyalty Programmes" were applicable by the Group as from 1 January 2009. 2008 data were adjusted accordingly (see details in appendix).

⁽²⁾ Negative impact of affiliate contract terminations: respectively 1.4% on hypermarket sales and 1.4% on Casino supermarkets sales in Q2 2009, and 1.4% on hypermarket sales and 1.5% on Casino supermarkets sales in H1 2009.

Same-store sales	Second Quarter 2009		H1 2009	
	Including petrol	Excluding petrol	Including petrol	Excluding petrol
Franprix	-0.5%	-0.5%	0.0%	0.0%
Leader Price	-8.5%	-8.5%	-7.6%	-7.6%
Géant Casino hypermarkets	-8.3%	-4.2%	-10.0%	-6.4%
Casino supermarkets	-5.9%	-2.5%	-6.4%	-3.1%
Monoprix	-1.8%	-1.8%	-1.9%	-1.9%

Franprix-Leader Price

Franprix's same-store sales were stable at -0.5% in the second quarter. Footfalls held firm, attesting to the robustness of the banner's retail concept.

Same-store sales at Leader Price followed the same trend as in the first quarter, declining 6.1% excluding the calendar effect. Traffic was almost stable over the period. The decrease was therefore primarily due to a reduction in the average basket, as customers who shop in discount stores are generally more sensitive to the economic environment, leading them to keep a tight hold on their purse strings.

Improved purchasing conditions enabled the banner to continue the implementation of initiatives aiming at strengthening its shopper appeal, for example by expanding the fresh food offering and stepping up communication.

Franprix continued to rapidly expand its network, with the opening of 16 stores in the second quarter. During the first half of the year, 27 stores were opened under the new concept, which results are very satisfactory.

Leader Price opened ten stores during the period, in line with objectives.

In addition, the two banners began rationalising their store base by notably closing non-profitable outlets.

In all, and excluding the impact of the deconsolidation of two franchisees, Franprix-Leader Price sales ended the period down 1.6%.

Following the recent Court of Arbitration ruling, both companies will be wholly-owned by the Group.

Hypermarkets

Same-store sales at Géant Casino were down 4.2% excluding petrol. This represented a significantly improved sales momentum compared with the 8.6% drop in the first quarter, both in terms of traffic (3.7% decline in footfalls in the second quarter versus 5.7% in the first quarter) and average basket (0.5% dip versus 3.1%).

The recovery in food sales, down by just 2.4% versus 7.4% in the first quarter, is very satisfactory, reflecting stronger sales dynamics. As announced, the banner stepped up its controlled promotional activity since the end of March and made targeted price cuts since mid-May. This price investment was enabled by gains resulting from improved purchasing terms.

Private label sales continued to grow rapidly.

Non-food sales declined by 9.2% (versus 11.7% in the first quarter), in an environment unfavourable to discretionary spending. Géant Casino continued to refocus its offer on the most revenue-generating and highest margin categories, such as apparel and home & leisure. As a result, white and brown product sales were down significantly, while sales trends for apparel and leisure lines posted a tangible improvement.

Convenience stores

Supermarkets

Same-store sales at Casino supermarkets declined by 2.5% excluding petrol.

The average basket gained 0.9%, lifted by dynamic private label sales.

All-store sales excluding petrol were virtually unchanged (negative 0.3%).

The banner's market share was stable in second-quarter 2009, at 2.3%.

Monoprix

Monoprix's same-store sales were down 1.8%. This satisfactory performance was in line with the first-quarter trend, attesting to the success of the banner's differentiated positioning.

All-store sales grew 0.7% in the second quarter, reflecting continuing expansion (opening of four citymarket stores and five Monop' outlets), as well as the integration of the Naturalia banner.

Superettes

Superette sales declined 3.1%, as the Group continued its programme to optimise the store base by closing 132 stores and opening 100 stores during the period.

Other businesses

Cdiscount continued to enjoy strong momentum, with sales up 10.8% in the second quarter and 14.9% in the first half.

In all, sales by the other businesses (Cdiscount, Mercialys, Casino Restauration and Banque Casino) rose by 5.7% over the second quarter.

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INTERNATIONAL

International sales expanded by 3.8% in the second quarter. The currency effect was a negative 2.7%, due primarily to the decline in the Brazilian and Colombian currencies against the euro, partially offset by the appreciation of the Thai baht during the period.

Organic growth in international markets remained high at 5.8%, reflecting gains of 7.1% in South America and 7.4% in Asia.

Growth in consolidated net sales	In euros		Organic		Same-store	
	Q2 2009	H1 2009	Q2 2009	H1 2009	Q2 2009	H1 2009
South America	+1.8%	+0.5%	+7.1%	+6.2%	+5.7%	+4.7%
Asia	+14.9%	+12.3%	+7.4%	+7.4%	-0.6%	-0.9%

In South America, same-store sales rose by a robust 5.7% in the second quarter.

CBD continued to enjoy very strong growth, with same-store sales up 15.6% in the second quarter and 11.8% in the first half. This excellent performance reflects in particular the efficiency of partnerships with suppliers, which enabled the company to implement aggressive promotions and to offer a product mix well aligned with customer needs. In all, including the impact of store expansion, total sales in Brazil were up 18.1%. In addition, CBD further strengthened its leadership of the Brazilian retail market by acquiring Ponto Frio, the second largest player in the very buoyant household and electronic appliance market.

In a persistently challenging economic environment in Colombia, Exito's business trend has improved.

In Venezuela, sales were hit by strikes over the period, while operations in Argentina and Uruguay continued to deliver satisfactory same-store growth.

In Asia, organic growth remained at a high 7.4% in the second quarter, lifted by Big C's dynamic expansion strategy in 2008 and another quarter of very strong same-store growth in Vietnam.

Operations in the **Indian Ocean** reported a satisfactory performance, with same-store sales down by just 0.3% over the period. Organic sales were down 1.6%.

In the Netherlands, **Super de Boer** reported sales up 3.2% despite the closure of 11 stores, reflecting a 5.1% increase in average sales per store (versus 2.5% in the first quarter).

Main changes in the scope of consolidation

- Deconsolidation of two franchisees in the Franprix-Leader Price sub-group as of 31 December 2008.

	Second Quarter		% Change		H1		% Change	
	2008 €m	2009 €m	in Euros	At constant exchange rates	2008 €m	2009 €m	in Euros	At constant exchange rates
FRANCE	4,547.3	4,321.1	-5.0%	-5.0%	9,007.6	8,529.5	-5.3%	-5.3%
<i>Of which :</i>								
Franprix – Leader Price	1,072.9	1,005.8	-6.3%	-6.3%	2,138.3	2,017.7	-5.6%	-5.6%
Geant Casino hypermarkets	1,473.7	1,329.6	-9.8%	-9.8%	2,924.4	2,587.7	-11.5%	-11.5%
Convenience stores	1,694.9	1,662.6	-1.9%	-1.9%	3,309.8	3,241.4	-2.1%	-2.1%
Casino supermarkets	858.2	835.0	-2.7%	-2.7%	1,653.8	1,605.1	-2.9%	-2.9%
Monoprix	448.1	451.0	+0.7%	+0.7%	902.7	905.3	+0.3%	+0.3%
Superettes	388.7	376.6	-3.1%	-3.1%	753.3	731.0	-3.0%	-3.0%
Other segments	305.7	323.1	+5.7%	+5.7%	635.0	682.7	+7.5%	+7.5%
	2,409.1	2,501.4	+3.8%	+6.5%	4,802.0	4,917.2	+2.4%	+5.7%
INTERNATIONAL								
<i>Of which :</i>								
South America	1,441.4	1,468.0	+1.8%	+8.2%	2,876.5	2,890.8	+0.5%	+7.2%
Asia	385.2	442.5	+14.9%	+7.4%	770.5	865.1	+12.3%	+7.4%
Other segments	582.4	591.0	+1.5%	+1.7%	1,155.1	1,161.3	+0.5%	+0.7%
Indian Ocean	203.2	198.6	-2.3%	-1.6%	407.4	399.9	-1.8%	-1.4%
Netherlands	378.9	391.1	+3.2%	+3.2%	747.0	759.0	+1.6%	+1.6%
Other (Poland)	0.3	1.3	ns	ns	0.7	2.4	ns	ns
NET SALES, Continuing Operations	6,956.4	6,822.6	-1.9%	-1.0%	13,809.6	13,446.7	-2.6%	-1.5%

Average exchange rates	Q1, 2008	Q1, 2009	% change	H1, 2008	H1, 2009	% change
Argentina (ARS/EUR)	0.2114	0.2170	2.6%	0.2082	0.2065	-0.8%
Uruguay (UYU/EUR)	0.0319	0.0326	2.4%	0.0321	0.0318	-0.9%
Venezuela (VEB/EUR) (x1.000)	0.3100	0.3557	14.8%	0.3038	0.3490	14.9%
Thailand (THB/EUR)	0.0215	0.0217	1.2%	0.0206	0.0214	4.0%
Vietnam (VND/EUR) (x1.000)	0.0415	0.0452	8.9%	0.0406	0.0443	9.0%
Colombia (COP/EUR) (x1.000)	0.3491	0.3196	-8.4%	0.3547	0.3247	-8.4%
Brazil (BRL/EUR)	0.3843	0.3316	-13.7%	0.3854	0.3423	-11.2%

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Store network

France	31 Dec 08	31 March 09	30 June 09
Géant Casino hypermarkets	131	129	128
Of which French Affiliates	6	3	3
<i>International Affiliates</i>	14	15	14
+ Service stations	99	99	99
Casino supermarkets	401	391	393
Of which French Franchise Affiliates	67	57	56
<i>International Franchise Affiliates</i>	22	22	22
+ Service stations	149	153	156
Franprix supermarkets	702	712	723
Of which Franchise outlets	281	421	428
Monoprix supermarkets	377	380	389
Of which Naturalia	39	39	39
Of which Franchise affiliates/outlets	47	47	48
Leader Price discount stores	530	540	548
Of which Franchise outlets	216	262	265
TOTAL supermarkets and discount stores	2,010	2,023	2,053
Of which Franchise outlets/Stores operated under business leases	633	809	819
Petit Casino superettes	1,903	1,911	1,870
Of which Franchises	26	25	25
Eco Services superettes	7	6	3
Of which Franchises	6	5	2
Spar superettes	915	916	899
Of which Franchises	735	736	737
Vival superettes	1,677	1,685	1,690
Of which Franchises	1,677	1,685	1,690
Casitalia and C'Asia superettes	23	1	1
Other Franchise stores	1,126	1,142	1,165
Casino supermarkets	1,126	1,142	1,165
<i>Corners, Relay, Shell, Elf, Carmag, other</i>			440
Wholesale activity	441	439	
TOTAL convenience stores	6,092	6,100	6,068
Of which Franchise outlets/Stores operated under business leases	4,011	4,032	4,059
Other affiliate stores	99	15	15
Of which French Affiliates	98	14	14
<i>International Affiliates</i>	1	1	1
Other businesses	269	268	270
Imagica	0	0	0
Casino Restauration	269	268	270
TOTAL France	8,601	8,535	8,534
Hypermarkets	131	129	128
Supermarkets	1,480	1,483	1,505
Discount stores	530	540	548
Superettes and other stores	6,191	6,115	6,083
Other	269	268	270

International	31 Dec 08	31 March 09	30 June 09
ARGENTINA	65	65	62
Libertad hypermarkets	15	15	15
Leader Price discount stores	26	26	26
Other businesses	24	24	21
URUGUAY	52	52	52
Géant hypermarkets	1	1	1
Disco supermarkets	27	27	27
Devoto supermarkets	24	24	24
VENEZUELA	60	42	42
Exito hypermarkets	6	6	6
Cada supermarkets	36	36	36
Q Precios discount stores	18	0	0
BRAZIL	597	600	603
Extra hypermarkets	102	102	101
Pão de Açúcar supermarkets	145	144	144
Sendas supermarkets	73	73	71
Extra Perto supermarkets	5	4	5
CompreBem supermarkets	165	165	163
Assai discount stores	28	28	32
Extra Facil supermarkets	32	37	40
Eletro (other businesses)	47	47	47
THAILAND	79	77	78
Big C hypermarkets	66	66	67
Leader Price discount stores	13	11	11
VIETNAM	8	8	8
Big C hypermarkets	8	8	8
INDIAN OCEAN	51	51	50
Jumbo hypermarkets	11	11	11
Score/Jumbo supermarkets	20	20	20
Cash and Carry supermarkets	5	5	5
Spar supermarkets	6	6	6
Other	9	9	8
COLOMBIA	264	262	261
Exito hypermarkets	87	87	87
Pomona and Carulla supermarkets	94	94	94
Bodega discount stores	14	14	19
Ley, Q Precios, Merquefacil, Surtimax and others	69	67	61
NETHERLANDS	305	303	302
Super de Boer supermarkets	305	303	302
TOTAL INTERNATIONAL	1,481	1,460	1,458
Hypermarkets	296	296	296
Supermarkets	905	901	897
Discount stores	99	79	88
Other businesses	181	184	177

Application of IFRS 8 and IFRIC 13

International Financial Reporting Standard 8 “Operating Segments” and IFRIC Interpretation 13 “Customer Loyalty Programmes” were applicable by the Group as from 1 January 2009. This resulted in two changes in accounting method, with 2008 data adjusted to reflect retrospective application for comparison purposes.

- IFRS 8 replaced IAS 14 “Reporting Financial Information by Segment.” While the standard does not have any impact on the Group’s performance or financial position, it has led to a change in the way the reported data are presented. In practice, the main change in the 2008 sales figures concerns the presentation of net sales, primarily by Easydis to external customers, which are now recognised in “Other businesses” instead of being allocated among the various French banners as previously.
- IFRIC Interpretation 13 “Customer Loyalty Programmes” requires entities to recognise the fair value of the consideration granted to customers under loyalty programmes (such as award credits or purchase coupons) as a separately identifiable component of the sales transaction in which they are granted. In practice, this leads to revenue being reduced at the time of the grant and increased when the award credits are redeemed. Until 2008, the cost of these loyalty programmes was deducted from trading profit.

<i>In € millions</i>	Q1-2008 (reported)	IFRS 8 impact	IFRIC 13 impact	Q1-2008 pro forma
Franprix – Leader Price	1,065.4	0.0	0.0	1,065.4
Géant Casino hypermarkets	1,462.1	(9.0)	(2.4)	1,450.7
Convenience stores	1,628.0	(10.7)	(2.4)	1,614.9
Casino supermarkets	803.7	(5.7)	(2.4)	795.6
Monoprix	454.7	0.0	0.0	454.7
Superettes	369.6	(5.0)	0.0	364.6
Other segments	309.9	19.6	(0.2)	329.3
TOTAL France	4,465.3	0.0	(5.0)	4,460.3
South America	1,437.2	0.0	(2.1)	1,435.0
Asia	386.7	0.0	(1.4)	385.3
Other segments	572.6	0.0	0.0	572.6
Indian Ocean	204.1	0.0	0.0	204.1
Netherlands	368.1	0.0	0.0	368.1
Other (Poland)	0.4	0.0	0.0	0.4
TOTAL International	2,396.5	0.0	(3.5)	2,392.9
Net sales from continuing operations	6,861.8	(0.0)	(8.6)	6,853.2

<i>In € millions</i>	Q2-2008 (reported)	Impacts IFRS 8	Impacts IFRIC 13	Q2-2008 (Pro Forma)
Franprix – Leader Price	1,072.9	0.0	0.0	1,072.9
Géant Casino hypermarkets	1,480.4	(9.7)	3.0	1,473.7
Convenience stores	1,704.2	(8.8)	(0.6)	1,694.9
Casino supermarkets	864.0	(5.2)	(0.7)	858.2
Monoprix	448.1	0.0	0.0	448.1
Superettes	392.1	(3.6)	0.1	388.7
Other segments	287.5	18.5	(0.2)	305.7
TOTAL France	4,545.1	(0.0)	2.2	4,547.3
South America	1,436.8	0.0	4.7	1,441.4
Asia	386.5	0.0	(1.3)	385.2
Other segments	582.4	0.0	0.0	582.4
Indian Ocean	203.2	0.0	0.0	203.2
Netherlands	378.9	0.0	0.0	378.9
Other (Poland)	0.3	0.0	0.0	0.3
TOTAL International	2,405.7	0.0	3.4	2,409.1
Net sales from continuing operations	6,950.8	0.0	5.6	6,956.4

<i>In € millions</i>	H1-2008 (reported)	Impacts IFRS 8	Impacts IFRIC 13	H1-2008 (Pro Forma)
Franprix – Leader Price	2,138.3	0.0	0.0	2,138.3
Géant Casino hypermarkets	2,942.5	(18.6)	0.6	2,924.4
Convenience stores	3,332.2	(19.4)	(2.9)	3,309.8
Casino supermarkets	1,667.7	(10.8)	(3.1)	1,653.8
Monoprix	902.7	0.0	0.0	902.7
Superettes	761.8	(8.6)	0.1	753.3
Other segments	597.4	38.1	(0.4)	635.0
TOTAL France	9,010.4	(0.0)	(2.8)	9,007.6
South America	2,873.9	0.0	2.5	2,876.5
Asia	773.2	0.0	(2.7)	770.5
Other segments	1,155.1	0.0	0.0	1,155.1
Indian Ocean	407.4	0.0	0.0	407.4
Netherlands	747.0	0.0	0.0	747.0
Other (Poland)	0.7	0.0	0.0	0.7
TOTAL International	4,802.2	0.0	(0.2)	4,802.0
Net sales from continuing operations	13,812.6	(0.0)	(3.0)	13,809.6