

inova

MONOPRIX

GROUPE  
*Casino*  
NOURISHING A **WORLD**  
OF **DIVERSITY**

# HALF-YEAR RESULTS 2014

29 July 2014

# H1 2014 KEY FIGURES (CONTINUING OPERATIONS)

	H1 2014	<i>Organic change vs. H1 2013 published</i>
Consolidated net sales	€23,248m	+6.0%
EBITDA	€1,353m	+9.1%
<i>EBITDA margin</i>	5.8%	+17 bp
Trading profit	€880m	+13.3%
<i>Trading margin</i>	3.8%	+26 bp
Net underlying profit, Group share	€176m	+5.8% *
Cash flow	€865m	+9.3% *
Net financial debt	(€7,836m)	- €1,020m vs. June 2013

# H1 WAS ADVERSELY AFFECTED BY EXCHANGE RATES WHICH, EVERYTHING ELSE BEING EQUAL, SHOULD STABILIZE IN H2

	AVERAGE EXCHANGE RATE			SPOT RATE		Chg. %
	H1 2013	H1 2014	Chg.%	H2 2013	On July 25 2014	<i>vs. H2 2013</i>
Brazil (BRL / EUR)	2.6688	3.1499	<b>-15.3%</b>	3.0347	2.9968	<b>+2.1%</b>
Colombia (COP / EUR) (x 1,000)	2.3995	2.6856	<b>-10.7%</b>	2.5590	2.4833	<b>+3,2%</b>
Thailand (THB / EUR)	39.2025	44.6170	<b>-12.1%</b>	42.1701	42.7800	<b>-0.9%</b>



# Q1 2014 NET SALES

H1 2014 Highlights

Results

Conclusion

Appendices



**Jean-Charles NAOURI**  
Chairman and Chief Executive Officer

# TOTAL GROUP SALES OF €11.9 BILLION IN Q2, WITH ORGANIC GROWTH OF +6.5%\*

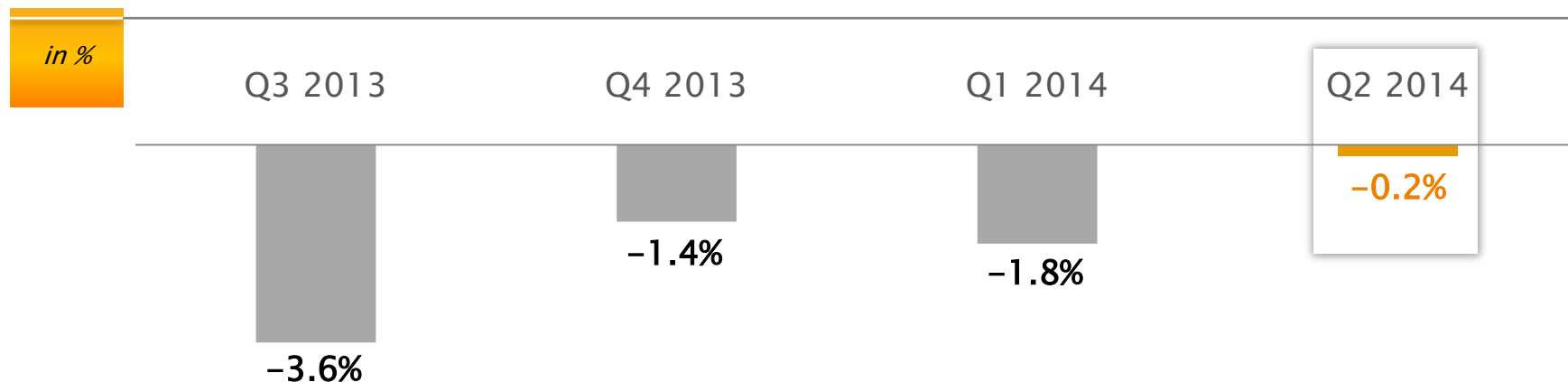
## CHANGE IN CONSOLIDATED NET SALES

<i>in €m</i>	Q2 2014	Organic change Q2 2014/Q2 2013*	Organic change Q1 2014/Q1 2013*
<b>Total continuing operations</b>	11,932.6	+6.5%	+6.6%
<b>France</b>	4,847.2	-0.2%	-1.8%
<b>International</b>	7,085.3	+10.9%	+11.0%

- In France, sequential improvement of +160 bp on an organic basis\* (-0.2% in Q2 vs. -1.8% in Q1 2014) with positive traffic
- Internationally, strong organic\* growth of +10.9%, driven by very good activity in Brazil (+12.7%)
- Translated into Euros, total international sales were down slightly. The foreign exchange effect was less unfavourable than in Q1 2014 (-12.7%)

# ONGOING SEQUENTIAL IMPROVEMENT IN ACTIVITY IN FRANCE IN Q2

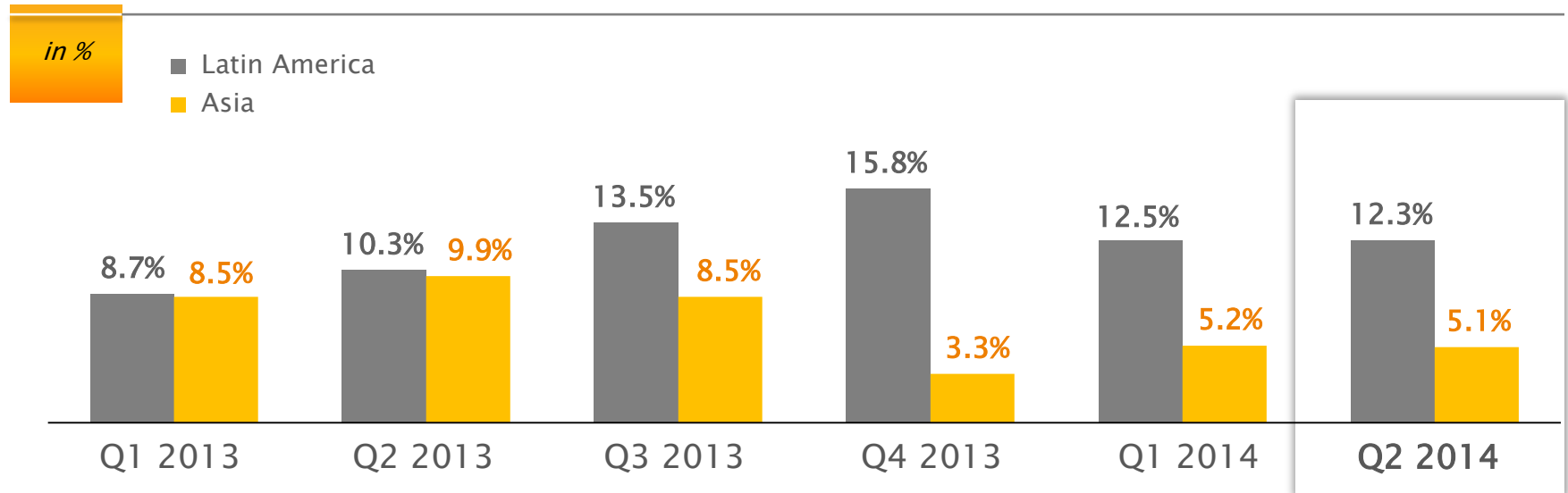
## ORGANIC SALES GROWTH\*



- +2.1% growth in same-store sales excluding petrol at Géant hypermarkets (+1.1% vs. -0.1% in Q1 2014 excluding calendar)
- Improvement relative to Q1 in Casino supermarket same-store sales, which include price cuts
- Monoprix sales remained virtually stable despite the 9 p.m. closing time for some stores, which had a negative impact of -0.8% on same-store sales
- Convenience sales showed a sequential improvement over the quarter
- On an organic basis\*, Franprix-Leader Price sales showed a sequential improvement (-2.9% in Q2 vs. -5.3% in Q1 2014)

# INTERNATIONAL: CONTINUING STRONG ORGANIC GROWTH, DRIVEN IN PARTICULAR BY BRAZIL

## ORGANIC SALES GROWTH\*



- Latin America posted very strong organic growth, excluding petrol, of +13.7% (+12.3% excluding calendar) thanks to good same-store performances and GPA's expansion in Brazil
- Organic growth in Asia remained strong at +5.1%\* despite the macroeconomic and political situation in Thailand

# VERY STRONG GROWTH IN E-COMMERCE ACTIVITY

## GROWTH IN CDISCOUNT ACTIVITY

<i>in %</i>			
	Q2	Q2	Change
<i>(in €m)</i>	2013**	2014	
<b>Net sales</b>	278.0	326.6	<b>+17.5%</b>
<b>GMV*</b>	376.2	466.1	<b>+23.9%</b>
<b>Units sold</b>			<b>+27.0%</b>

## GROWTH IN NOVA PONTOCOM ACTIVITY

<i>in %</i>			
	Q2	Q2	Change
<i>(in BRLm)</i>	2013**	2014	
<b>CA net</b>	950.3	1,306.9	<b>+37.5%</b>
<b>GMV*</b>	1,064.7	1,534.2	<b>+44.1%</b>
<b>Units sold</b>			<b>+37.0%</b>

- Strong growth in Cdiscount's\*\*\* activity, driven mainly by rapid development of the marketplace (+85%), and growth in the website's own sales
- Excellent growth for Nova Pontocom in Q2 2014, with a +44.1% increase in volume (GMV) and +37.5% increase in sales in BRL

\* GMV: Gross Merchandise Volume, including tax

\*\* Sales are recognised on receipt of goods by customers.  
The Q2 2013 figures have been adjusted accordingly.

\*\*\* Including vertical and international sites; stand-alone vision



Q1 2014 Net sales

# H1 2014 HIGHLIGHTS

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**Jean-Charles NAOURI**  
Chairman and Chief Executive Officer



In Q2 2014  
Same-store growth\*  
**+2.1%**

Traffic	Food Volumes (FMCG)	Non-food volumes
+2.1%	+6.3%	+3.5%



## BACK TO POSITIVE SALES MOMENTUM

- Géant now offers an excellent pricing profile
- Numerous commercial initiatives have contributed to the banner revitalisation
- +3% growth of in food sales excluding calendar in Q2 2014
- Pronounced recovery in non-food volumes
- Ongoing operational excellence plans in stores and back-office functions





In Q2 2014  
Same-store growth\*  
**-8.6%**



## PRICE REPOSITIONING NOW COMPLETED

- The banner is now positioned as the least expensive in the market\*\*
- Traffic improved gradually over the second quarter and turned positive in June excluding calendar effect
- Total sales benefited from the integration of recent acquisitions (Le Mutant and Norma). The number of stores went from 619 at end-December 2013 to 728 at 30 June 2014
- The banner's margin was affected in the first half of 2014 by the price cuts implemented



# MONOPRIX



## GOOD RESILIENCE OF SUPERMARKET BANNERS...

### MONOPRIX

- Monoprix sales were affected by the change in evening closing time for some stores
- Expansion continuing at a satisfactory pace
- The banner's profitability remains highly satisfactory with good textiles sales



### CASINO SUPERMARKETS

- Continuing growth in traffic thanks to the pricing investments made
- Pursuit of expansion in the 1<sup>st</sup> half

# franprix



## ...AND THE OTHER CONVENIENCE BANNERS

### FRANPRIX

- Roll-out of loyalty card is complete
- Good performance of the banner with a gradual resumption of expansion in the second half of 2014

# Casino Proximité



### CONVENIENCE

- Gradual improvement in the competitiveness and attractiveness of the Vival and Spar franchise networks
- Continuing conversion of Petit Casino into Casino Shop with very good commercial results



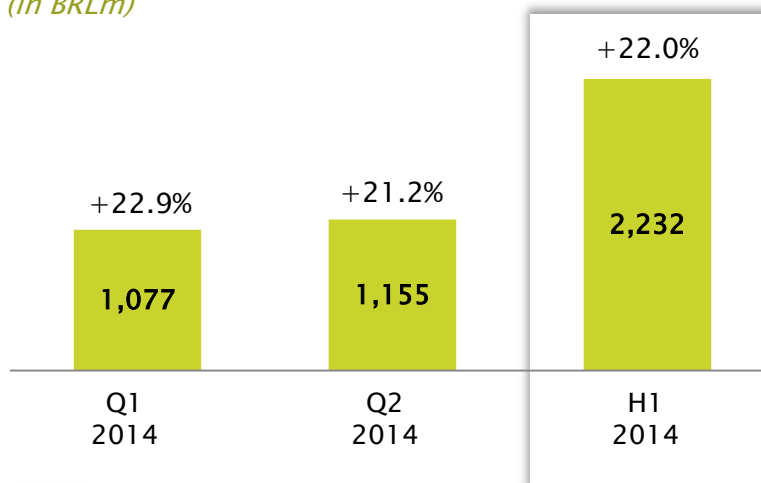
# BRAZIL: EXCELLENT PERFORMANCE OF GPA AT CONSOLIDATED LEVEL

- The three activities of GPA achieved good performance during the semester
- Organic growth\* of +12.7% in the second quarter of 2014 and strong growth in profitability over the first half
- Very good performances, both at the food banners (Multivarejo, Assaí) and non-food banners (Viavarejo)
- Ongoing expansion of buoyant formats
- Very strong growth at Nova Pontocom (E-commerce)



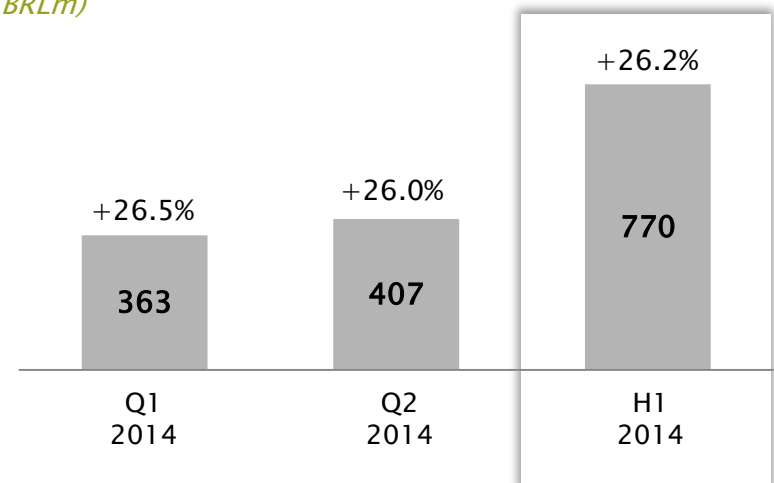
## EBITDA

(in BRLm)



## Net Income Group Share

(in BRLm)



\* Excluding petrol and calendar effect



In Q2 2014  
Same-store growth  
excluding petrol

**+8.5%**

Organic growth  
at food banners

**+15%**

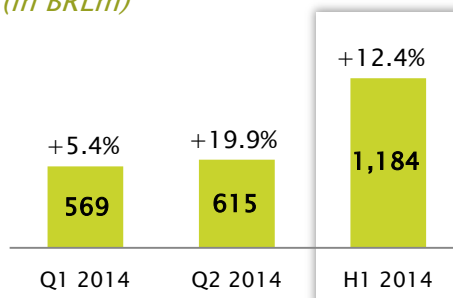


# GPA: VERY GOOD PROGRESSION OF FOOD BANNERS

- Strong growth in the second quarter of 2014
- Good performance of supermarket banners and excellent performance of Assaí
- Continuing expansion with 25 stores opened in Q2 and the opening of the first convenience store: Minuto Pão de Açúcar
- Increase in Assaí's profitability

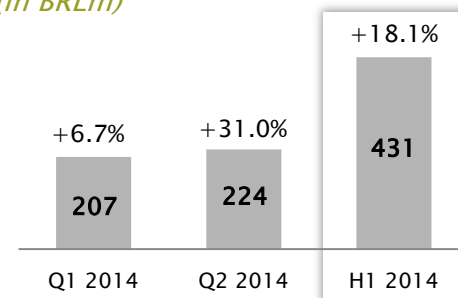
## EBITDA

(in BRLm)



## Net Income Group Share

(in BRLm)





In Q2 2014  
Same-store growth\*  
**+6.4%**

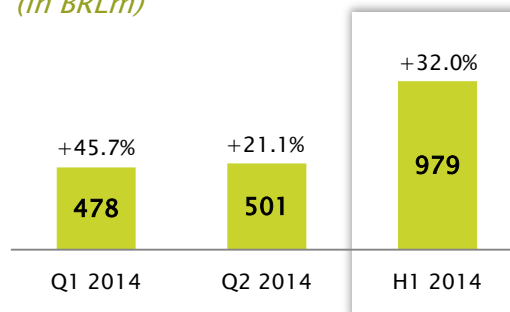


## VIAVAREJO: CONTINUING IMPROVEMENT IN PROFITABILITY

- Good performance in H1 2014 in terms of both sales and margin
- Fast execution of operational excellence plans (logistics, stores and head office) enabling a reduction in general expenses as a percentage of sales
- Continuing improvement in profitability

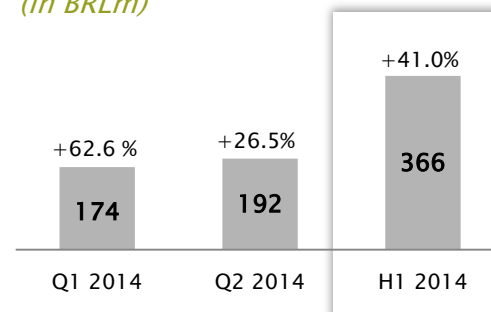
### EBITDA

(in BRLm)



### Net Income Group Share

(in BRLm)



\* Excluding petrol and calendar effect

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In Q2 2014  
Organic growth\*  
**+7.4%**



## INCREASE IN ACTIVITY AND PROFITABILITY

- Sustained organic growth thanks to the success of major commercial initiatives
- The acquisition of the Super Inter group, which will add 50 new stores as a whole, is proceeding in a satisfactory manner
- Continuing expansion, particularly in discount formats through the affiliates networks (508 Surtimax stores open at 30 June 2014)
- Very satisfactory development of the activity in Uruguay





THAILAND

In Q2 2014  
Organic growth\*  
**+4.6%**



## SOLID H1 2014 PERFORMANCE IN A DIFFICULT ENVIRONMENT

- Strengthened leadership in terms of price image and successful promotional initiatives
- Gradual improvement in same-store sales, following two quarters adversely affected by the political situation
- Very robust pace of expansion, particularly in the convenience formats in cooperation with the oil group Bangchak (313 Mini Big C at 30 June)
- Continuing high profitability





VIETNAM

In Q2 2014  
Organic growth\*  
**+9.4%**



## ORGANIC GROWTH CONTINUES IN H1

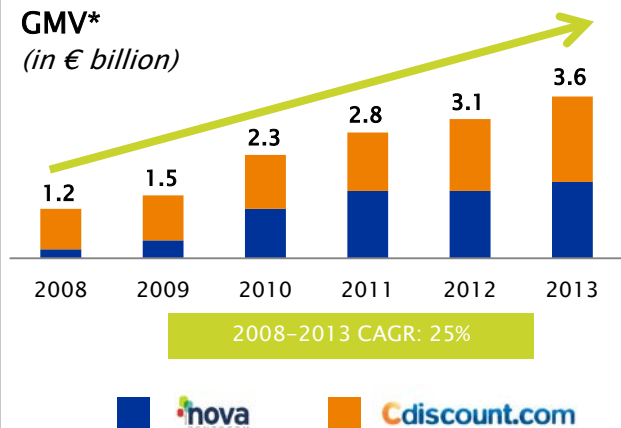
- Strong organic sales growth
- Development of commercial galleries
- Ongoing expansion with 2 hypermarkets and 1 supermarket opened in the first half, bringing the total number of stores to 28



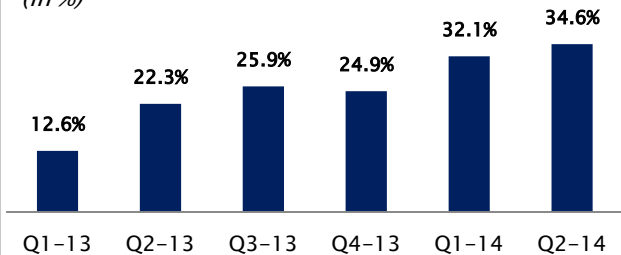
# Cnova

CDISCOUNT & NOVA PONTOCOM

GMV\*  
(in € billion)



GMV\* Growth at constant exchange rates  
(in %)



## CREATION OF AN E-COMMERCE POLE

- GMV up +23.9% for Cdiscount and +44.1% for Nova Pontocom in the second quarter
- On 6 May 2014, Casino announced its plan to create an e-commerce platform combining Cdiscount's activities in France, Colombia and Asia with those of Nova Pontocom in Brazil
- It is envisaged to float Cnova in the United States to accelerate its development and improve its visibility
- To this end, Cnova filed a prospectus with the SEC on 4 June 2014
- The creation of Cnova was completed on 24 July with the contribution of the various concerned entities
- The Cnova team has been strengthened with the recruitment of Jean-Jacques Charhon (CFO) and David Mossé (General Counsel)



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**Antoine GISCARD D'ESTAING**  
Chief Financial Officer

# PRELIMINARY NOTES

- The 2014 first-half results were affected by several changes in consolidation scope
  - ▶ Change to equity accounting method for Mercialys, which had been fully consolidated in the first half of 2013
  - ▶ Full consolidation of 100% of Monoprix
  - ▶ Equity interest in GPA raised to 41.3% with effect from June 2014
- The figures adjusted in application of IFRS 11 (retrospective elimination of proportional consolidation) are provided in the appendices
- Foreign exchange rates had a significant impact during the first half with an average depreciation of -15.3% for the Brazilian real (BRL), -10.7% for the Colombian peso (COP) and -12.1% for the Thai baht (THB)
- To reflect the Group's evolution, sector reporting has been simplified and now comprises five segments:
  - ▶ France Retail
  - ▶ Latam Retail
  - ▶ Latam Electronics
  - ▶ Asia Retail
  - ▶ E-commerce

The breakdown of operational results in France and at international level is provided in the appendices on pages 49 and 50

# GOOD ORGANIC GROWTH IN ACTIVITY AND EARNINGS IN H1 2014

CONTINUING OPERATIONS <i>(in € millions)</i>	H1 2013 published*	H1 2014	<i>Organic growth</i>
Net sales	23,703	23,248	+6.0%
EBITDA**	1,381	1,353	+9.1%
EBITDA margin	5.8%	5.8%	
Trading profit	894	880	+13.3%
Trading margin	3.8%	3.8%	

- The Group's consolidated sales were down -1.9% in the first half. Adjusted for foreign exchange effects and changes in consolidation scope, organic sales growth was +6.0%
- Under the impact of pricing investments in France and foreign exchange effects at international level, EBITDA and trading profit (excluding Mercialys which is now accounted for under the equity method) were down very slightly in euro, by respectively -2.1% and -1.6%
- On an organic basis, they were respectively up +9.1% and +13.3%

\* Excluding Mercialys, contribution to H1 2013: Sales of €64m, EBITDA and trading profit of €75m

\*\* EBITDA = trading profit + depreciation and amortisation expense

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# FRANCE RETAIL: RESILIENT TOTAL MARGIN AGAINST A BACKDROP OF PRICE CUTS

CONTINUING OPERATIONS <i>(in € millions)</i>	H1 2013 published*	H1 2014
Net sales	8,935	9,248
EBITDA**	394	384
Trading profit	191	165
Trading margin	2.1%	1.8%

- This segment comprises the activities of the **Casino**, **Monoprix**, **Franprix–Leader Price** and **Vindémia** banners
- France Retail activities' EBITDA and trading profit are moderately lower:
  - ▶ Casino banners: a slight increase in the contribution to trading profit and EBITDA, with pricing investments offset by operational efficiency action plans
  - ▶ Monoprix and Franprix: trading margin remained firm
  - ▶ Decline in profitability of Leader Price due to the price cuts initiated since Q4 2013

\* Excluding Mercalys, contribution to H1 2013: Sales of €64m, EBITDA and trading profit of €75m

\*\* EBITDA = trading profit + depreciation and amortisation expense

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# LATAM RETAIL: STRONG ORGANIC GROWTH IN TRADING PROFIT

CONTINUING OPERATIONS <i>(in € millions)</i>	H1 2013 published	H1 2014	Organic growth	CER* growth
Net sales	7,795	7,305	+11.6%	+10.2%
EBITDA*	545	500	+10.3%	+7.9%
Trading profit	353	342	+18.4%	+14.2%
Trading margin	4.5%	4.7%		

- This segment comprises the activities of the **GPA** (food banners), **Éxito** and **Libertad** banners
- Latam Retail posted significant organic growth in EBITDA and trading profit:
  - ▶ GPA food banners: good performances at Pão de Açúcar, Minimercado and Extra SM and stabilisation of Assaí's profitability taking into account its expansion
  - ▶ Organic growth in Exito's margin in Colombia and continuing high level of profitability in Uruguay
  - ▶ Increased profitability in Argentina thanks to an improvement in the commercial margin and efficient cost control
- This segment's contribution to the Group's operating results was adversely affected by a negative foreign exchange effect

\* EBITDA = trading profit + depreciation and amortisation expense

\*\* At constant exchange rates

# LATAM ELECTRONICS: CONTINUING STRONG GROWTH IN EARNINGS

CONTINUING OPERATIONS <i>(in € millions)</i>	H1 2013 published	H1 2014	Organic growth	CER* growth
Net sales	3,843	3,477	+6.8%	+6.8%
EBITDA*	273	304	+32.1%	+32.1%
Trading profit	244	276	+34.2%	+34.3%
Trading margin	6.3%	7.9%		

- This segment comprises the activities of the **Viavarejo** group's banners: Casas Bahia and Ponto Frio
- Latam Electronics recorded strong organic growth in EBITDA and trading profit
  - ▶ Very satisfactory sales growth during the semester
  - ▶ Good sales financing activity and stable gross margins
  - ▶ Strengthened monitoring of structural costs
- Increased contribution in euro to Group trading profit and EBITDA
- Strong generation of free cash flow on rolling twelve months

\* EBITDA = trading profit + depreciation and amortisation expense

\*\* At constant exchange rates

# ASIA RETAIL: MARGIN GROWTH DESPITE A DIFFICULT ENVIRONMENT

CONTINUING OPERATIONS <i>(in € millions)</i>	H1 2013 published	H1 2014	<i>Organic growth</i>	<i>CER* growth</i>
Net sales	1,828	1,692	+4.2%	+4.2%
EBITDA*	167	159	+7.1%	+7.1%
Trading profit	114	107	+6.0%	+6.0%
Trading margin	6.2%	6.3%		

- This segment comprises the activities of **the Big C Thailand** and **Big C Vietnam** banners
- Despite the adverse impact on same-store sales of the environment in Thailand, operating performances remained very satisfactory:
  - ▶ In Thailand, profitability improved thanks to the efforts made in terms of commercial margin and cost control and to the contribution from the commercial galleries
  - ▶ In Vietnam, the trading margin improved and structural costs were streamlined

\* EBITDA = trading profit + depreciation and amortisation expense

\*\* At constant exchange rates

# E-COMMERCE: STRONG GROWTH IN ACTIVITY AND POSITIVE EBITDA

CONTINUING OPERATIONS <i>(in € millions)</i>	H1 2013 published	H1 2014	Organic growth	CER* growth
Net sales	1,302	1,526	+29.4%	+28.9%
EBITDA*	2	7	<i>n.s.</i>	<i>n.s.</i>
Trading profit	(9)	(9)	<i>n.s.</i>	<i>n.s.</i>

- This segment includes the activities of **Cdiscount**, of its specialized\*\*\* sites and international sites launched during the first half, as well as the activities of **Nova Pontocom** in Brazil
- The two main entities which will compose Cnova offer a very strong growth profile and generated slightly improving EBITDA despite the negative impact of the launches of new international websites

\* EBITDA = trading profit + depreciation and amortisation expense

\*\* At constant exchange rates

\*\*\* Monshowroom, Moncornerdeco,...

# UNDERLYING PROFIT AT CURRENT EXCHANGE RATES

<i>(in € millions)</i>	H1 2013 underlying published	H1 2014 underlying
<b>TRADING PROFIT</b>	969	880
Finance costs, net	(309)	(311)
Other financial income and expense, net	(4)	15
Income tax expense	(192)	(179)
Share of profit of associates	(2)	30
<b>PROFIT FROM CONTINUING OPERATIONS*</b>	<b>462</b>	<b>435</b>
Attributable to minority interests	268	259
<b>o/w Group share</b>	<b>193</b>	<b>176</b>

\* 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

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# STABLE FINANCE COSTS

<i>(in € millions)</i>	H1 2013 published	H1 2014
France	(130)	(122)
Brazil	(183)	(192)
Thailand	(13)	(10)
Other international	17	13
<b>TOTAL</b>	<b>(309)</b>	<b>(311)</b>

- Increase in the charge related to finance costs in Brazil in a context of rising interest rates

# UNDERLYING MINORITY INTERESTS

<i>(in € millions)</i>	H1 2013 published	H1 2014
FPLP	(3)	(4)
GPA	169	195
Big C Thailand	32	30
Exito	36	34
Other	4	5
<i>Mercialys*</i>	<i>30</i>	<i>0</i>
<b>TOTAL</b>	<b>268</b>	<b>259</b>

- Slight decrease in minority interests taking into account two opposing movements:
  - ▶ Equity accounting of Mercialys
  - ▶ Increase in share of profit attributable to minority shareholders of Viavarejo

# +5.8% GROWTH IN NET UNDERLYING PROFIT AT CONSTANT EXCHANGE RATES

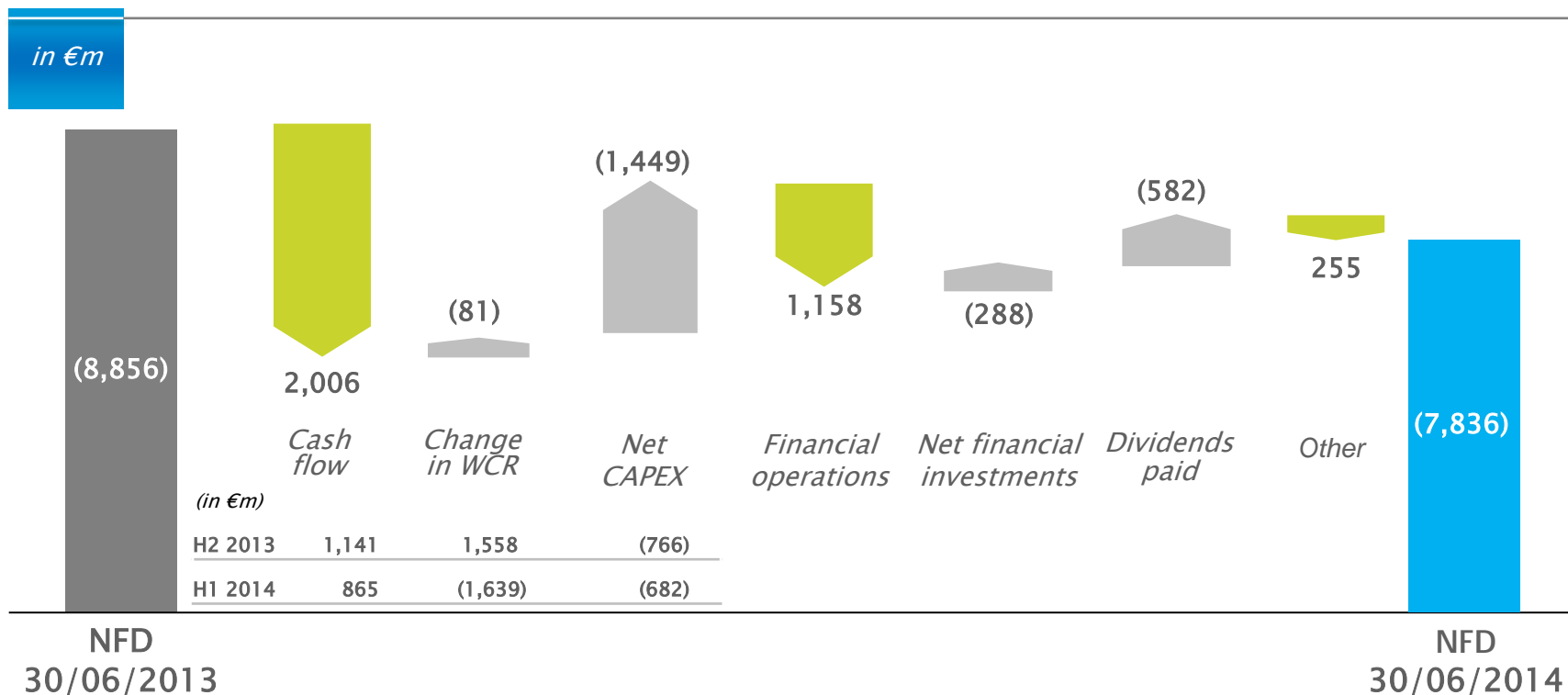
<i>(in € millions)</i>	H1 2013 underlying published	H1 2014 underlying at CER*
<b>TRADING PROFIT</b>	<b>969</b>	<b>1,008</b>
Finance costs, net	(309)	(346)
Other financial income and expense, net	(4)	17
Income tax expense	(192)	(207)
Share of profit of associates	(2)	35
<b>PROFIT FROM CONTINUING OPERATIONS</b>	<b>462</b>	<b>508</b>
Attributable to minority interests	268	303
<b>o/w Group share</b>	<b>193</b>	<b>204</b>



# NET UNDERLYING PROFIT PER SHARE

<b>CONTINUING OPERATIONS</b> <i>(in €m)</i>	H1 2013 published	H1 2014	<i>Change</i>
Net underlying profit at current exchange rates	183.1	159.5	-12.9%
Net underlying profit at constant exchange rates	183.1	187.9	+2.6%
Average number of shares (millions)	112.8	113.1	+0.2%
Underlying EPS at current exchange rates (€)	€1.626	€1.411	-13.3%
Underlying EPS at constant exchange rates (€)	€1.626	€1.662	+2.2%

# CHANGE IN GROUP NET FINANCIAL DEBT

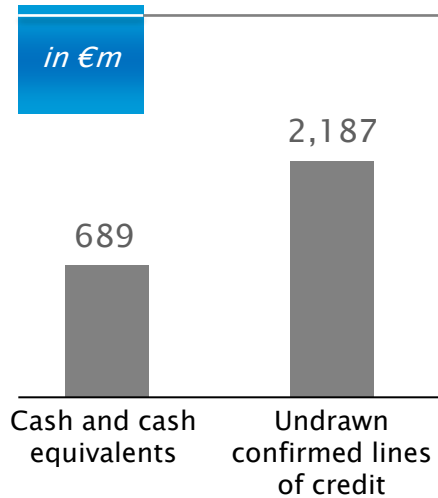


## ■ Net financial debt (NFD) decreased by €1,020 million over 12 rolling months:

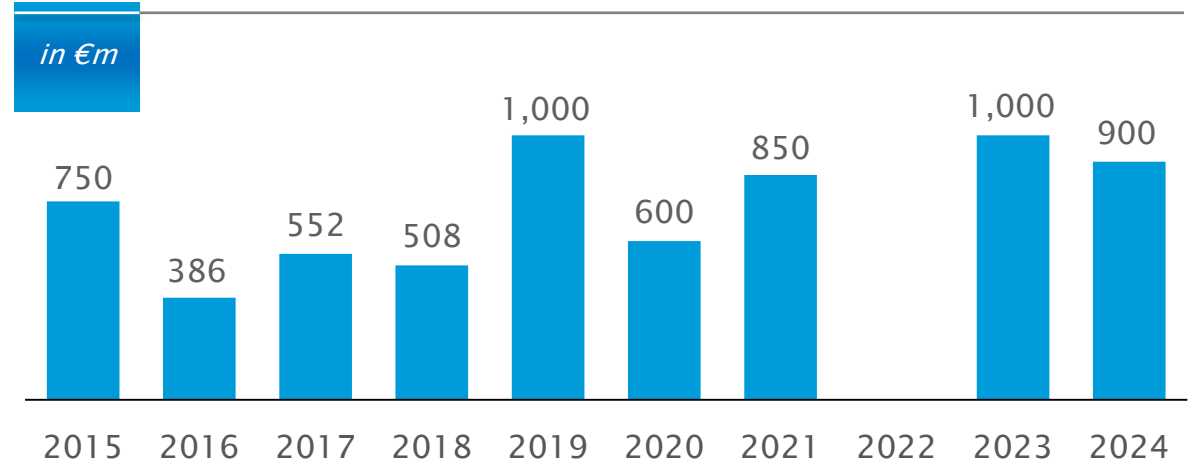
- ▶ In H1 2014, capital expenditure was down by €100 million compared with H2 2013
- ▶ The cash flow generated over the last 12 months to 30 June 2014 and the financial operations carried out in H2 2013 to strengthen equity contributed €1,634 million to the Group's resources
- ▶ In terms of uses, net financial investments for the period and dividends paid (Group and outside Group) amounted to €870 million

# STRENGTHENED LIQUIDITY POSITION

€2.9m IN LIQUIDITY\*  
AT 30/06/2014



BOND MATURITIES\*\* WELL SPREAD OVER TIME



- On **28 February 2014**, Casino successfully completed a **tender offer** that enabled it to repurchase €214 million and **€336 million of bonds maturing** in, respectively, April 2016 and February 2017
- This tender offer, together with the **10-year bond issue of €900 million** placed on Friday, 21 February, extended the Group's average bond maturity profile from 4.8 years at 31 December 2013 to 5.6 years at 30 June 2014
- On **28 February 2014**, Casino also announced the **signing of 5-year confirmed credit facility for an amount of €1.2 billion** with a group of 18 banks. This transaction strengthened the group's liquidity and extended the average maturity of Casino's confirmed lines from 2.6 years at end of December 2013 to 4.3 years at the date of the said operation
- Casino is rated **BBB–Outlook Stable** by Standard & Poor's and Fitch Ratings



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**Jean-Charles NAOURI**  
Chairman and Chief Executive Officer

# H1 2014 HIGHLIGHTS (1 / 2)

- The first half was marked by the recovery of Géant hypermarkets, in line with the roadmap
  - ▶ Improvement in traffic and steady growth in volumes since the end of 2013
- Following completion of its pricing investments, Leader Price is currently positioned as the least expensive banner in the market
  - ▶ Recovery during the second quarter of traffic, which has been positive since June 2014
- Good resilience of supermarket banners: Monoprix and Casino supermarkets

## H1 2014 HIGHLIGHTS (2/2)

- In Brazil, the managerial control achieved has resulted in good operating performances, in terms of both business development and profitability
  - ▶ Casino's stake in GPA was raised from 38.1% to 41.3%
  - ▶ Under the impact of numerous action plans, GPA's consolidated margin rose from +5.1% to +5.6% in H1 2014
- Strong growth in the Group's e-commerce activity and announced plans to float Cnova
- Organic growth in trading profit (+13.3%) and EBITDA (+9.1%)
- Net underlying profit, Group share up +5.8% at constant exchange rates, despite the pricing investments made in the first half

# CONTINUED IMPLEMENTATION OF THE GROUP'S STRATEGIC PRIORITIES

## 1 Roll out of the discount banners

- In France, at end of H1 2014, successful price repositioning of Géant and completion of that of Leader Price
  - ▶ Géant presents an excellent pricing profile
  - ▶ Leader Price is now the least expensive retail banner in the market
- Internationally, steady expansion in cash & carry and discount

# CONTINUED IMPLEMENTATION OF THE GROUP'S STRATEGIC PRIORITIES

## 2 Strengthening positioning on premium formats

- Strengthening the unique positioning on **Monoprix**, **Carulla** (Colombia) and **Pão de Açúcar** (Brazil)

## 3 Accelerating expansion in convenience

- In France, continued expansion, in particular under franchise
- Internationally, rapid development of convenience formats in Brazil, Colombia and Thailand



# CONTINUING IMPLEMENTATION OF THE GROUP'S STRATEGIC PRIORITIES

## 4 Becoming a major player in non-food e-commerce

- In 2013, the Casino group achieved a GMV of **€3.6 billion** in **non-food e-commerce**, in Brazil and France
  - ▶ **Cdiscount** is currently one of the leading players in non-food e-commerce in France
    - Growth will be supported by its price positioning, successful marketplace and by the international websites (Colombia, Ecuador, Thailand, Vietnam and Ivory Coast)
  - ▶ **Nova** is the fastest-growing e-commerce player in Brazil
    - Growth will be underpinned by low prices, well-known websites (pontofrio.com, casabahia.com.br, extra.com.br) and the roll out of its marketplace

## CONCLUSION

- The Group confirms its objectives 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

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OF **DIVERSITY**

# HALF-YEAR RESULTS 2014

29 July 2014



Q1 2014 Net sales

H1 2014 Highlights

Results

Conclusion

**APPENDICES**



# CHANGE IN SAME STORE SALES EXCLUDING PETROL

France	Q1 2014	Q2 2014	H1 2014
HM Géant	-1.6%	+2.1%	+0.4%
Casino SM	-3.4%	-1.2%	-2.3%
Franprix	-3.4%	-3.0%	-3.2%
Leader Price	-9.5%	-8.8%	-9.2%
Monoprix	-1.2%	-1.0%	-1.0%

International	Q1 2014	Q2 2014	H1 2014
Latin America	+6.1%	+10.0%	+8.1%
Asia	-2.3%	-2.3%	-2.3%

# CALENDAR EFFECTS

	Q2 2014	H1 2014
Géant Hypermarkets	+1.0%	-0.2%
Casino Supermarkets	+0.9%	0%
Superettes	+0.2%	0%
Monoprix	+0.2%	-0.1%
FPLP	-0.5%	-0.3%
<b>France</b>	<b>+0.4%</b>	<b>-0.2%</b>
<b>International</b>	<b>+1.1%</b>	<b>-0.3%</b>
<b>Group</b>	<b>+0.9%</b>	<b>-0.3%</b>

# DETAILED INCOME STATEMENT

## CONTINUING OPERATIONS

(in € millions)

	H1 2013 adjusted*	H1 2013 published	H1 2014
<b>Trading profit</b>	<b>933</b>	<b>969</b>	<b>880</b>
Other operating income and expense, net	533	530	(174)
Finance costs, net	(310)	(309)	(311)
Other financial income and expense, net	(31)	(31)	32
<b>Profit before tax</b>	<b>1,126</b>	<b>1,158</b>	<b>427</b>
Income tax expense	(273)	(285)	(149)
Share of profits of associates	19	(2)	30
<b>Profit from continuing operations</b>	<b>872</b>	<b>871</b>	<b>307</b>
<b>Minority interests</b>	<b>277</b>	<b>277</b>	<b>232</b>
<b>o/w Group share</b>	<b>595</b>	<b>594</b>	<b>76</b>
<b>Underlying net profit**</b>	<b>462</b>	<b>462</b>	<b>435</b>
<b>Minority interests</b>	<b>268</b>	<b>268</b>	<b>259</b>
<b>o/w Group share</b>	<b>193</b>	<b>193</b>	<b>176</b>

\* Excluding Mercialys

\*\* 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

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# DEFINITION OF UNDERLYING PROFIT

- 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 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



# FROM REPORTED NET PROFIT TO UNDERLYING NET PROFIT

<i>(in € millions)</i>	H1 2013 published	Adjustments	H1 2013 underlying	H1 2014	Adjustments	H1 2014 underlying
<b>Trading profit</b>	<b>969</b>		<b>969</b>	<b>880</b>	<b>0</b>	<b>880</b>
Other operating income and expense, net	530	(530)	0	(174)	174	0
<b>Operating profit</b>	<b>1 499</b>	<b>(530)</b>	<b>969</b>	<b>706</b>	<b>174</b>	<b>880</b>
Finance costs, net	(309)	0	(309)	(311)	0	(311)
Other financial income and expense, net <sup>(1)</sup>	(31)	27	(4)	32	(17)	15
Income tax expense <sup>(2)</sup>	(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 <sup>(3)</sup>	277	(9)	268	232	27	259
<b>Group share</b>	<b>594</b>	<b>(401)</b>	<b>193</b>	<b>76</b>	<b>100</b>	<b>176</b>

(1) Other financial income and expense, net is stated before discounting 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 stated before the tax effect of the above adjustments and non-recurring income tax expense/benefits

(3) Minority interests are stated before the above adjustments

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# BREAKDOWN OF EBITDA AND TRADING PROFIT – FRANCE

*(in € millions)*

	H1 2013 published	H1 2014
<b>EBITDA – Retail France</b>	<b>394</b>	<b>384</b>
Franprix–Leader Price	112	50
Monoprix	138	183
Casino France*	144	151

*(in € millions)*

	H1 2013 published	H1 2014
<b>Trading Profit – Retail France</b>	<b>191</b>	<b>165</b>
Franprix–Leader Price	68	5
Monoprix	100	130
Casino France*	23	29

# BREAKDOWN OF TRADING PROFIT – INTERNATIONAL

*(in € millions)*

	H1 2013 published	H1 2014
<b>TRADING PROFIT - INTERNATIONAL</b>	<b>711</b>	<b>725</b>
Latin America	597	618
Asia	114	107

# OTHER OPERATING INCOME AND EXPENSES

<i>(in € millions)</i>	H1 2013 published	H1 2014
<b>Capital gains or losses on asset disposals</b>	<b>59</b>	<b>(1)</b>
<b>Other operating income and expense, net</b>	<b>471</b>	<b>(173)</b>
Net income or expense related to scope operations	621	(52)
Net impairment of assets	(25)	(11)
Provisions and charges for restructuring	(40)	(72)
<i>o/w GPA in Brazil</i>	<i>(15)</i>	<i>(18)</i>
Tax, legal and risk provisions and charges	(59)	(36)
<i>o/w GPA in Brazil</i>	<i>(36)</i>	<i>(23)</i>
Other	(25)	(2)
<b>TOTAL</b>	<b>530</b>	<b>(174)</b>

# DÉTAIL DES AUTRES PRODUITS ET CHARGES FINANCIERS

<i>(in € millions)</i>	H1 2013 published	H1 2014
Change in derivatives excluding hedging instruments	(14)	30
Foreign exchange gains and losses off-NFD	(4)	5
Discounting adjustments	(7)	(8)
Other	(6)	4
<b>TOTAL</b>	<b>(31)</b>	<b>32</b>

# SHARE OF PROFIT OF ASSOCIATES

<i>(in € millions)</i>	H1 2013 published	H1 2014
France	(6)	7
International	4	23
<b>TOTAL</b>	<b>(2)</b>	<b>30</b>

# CASH FLOW STATEMENT

(in € millions)

	H1 2013 published	H1 2014
<b>Net financial debt at beginning of period</b>	<b>(6,260)</b>	<b>(5 502)</b>
<b>Cash flow</b>	<b>894</b>	<b>865</b>
Change in working capital requirement	(1,136)	(1,639)
Other*	374	224
<b>Net cash flow from operating activities, after tax</b>	<b>132</b>	<b>(550)</b>
Capital expenditure	(782)	(693)
Acquisitions	(68)	(8)
Proceeds from disposals	183	19
Change in scope and other transactions with minority interests	(1,280)	(405)
Net increase in loans and advances	1	22
Capital increase and reduction	9	4
(Purchases) sales of treasury shares, net	(36)	(4)
Dividends paid	(413)	(433)
Dividends paid to holders of TSSDI	(9)	(19)
Interest paid, net	(359)	(387)
Change in non-cash debt	22	83
Translation adjustment	4	38
<b>Net financial debt at 30/06 of the consolidated Group</b>	<b>(8,856)</b>	<b>(7,836)</b>
<i>Of which net financial debt of discontinued operations</i>	0	0
<b>Net financial debt at 30/06</b>	<b>(8,856)</b>	<b>(7,836)</b>

\* Neutralisation of finance costs and of income tax expense, replaced by income tax paid

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# BREAKDOWN OF CHANGE IN WCR

<b>CHANGE IN WCR</b> <i>(in € millions)</i>	H1 2013 published	H1 2014
“Goods” France	(327)	(325)
“Goods” International	(319)	(755)
“Non-goods”	(490)	(559)
<b>TOTAL</b>	<b>(1,136)</b>	<b>(1,639)</b>



# SIMPLIFIED CONSOLIDATED BALANCE SHEET

<i>(in € millions)</i>	31/12/2013 published	30/06/2014
Goodwill	10,791	11,177
Intangibles and property, plant and equipment	14,128	14,745
Investments in associates	768	908
Non-current assets	1,593	1,912
Other non-current assets	425	589
Inventories	4,693	5,001
Trade and other receivables	3,242	3,298
Cash and cash equivalents	5,433	3,972
Assets held for sale	96	42
<b>TOTAL ASSETS</b>	<b>41,168</b>	<b>41,643</b>
Equity	15,426	15,803
Long-term provisions	963	1,098
Non-current financial liabilities*	8,516	8,051
Other non-current liabilities	2,012	2,127
Short-term provisions	214	194
Trade payables	7,016	6,230
Other liabilities	4,397	4,065
Current financial liabilities	2,623	4,076
Liabilities linked to assets held for sale	0	0
<b>TOTAL LIABILITIES</b>	<b>41,168</b>	<b>41,643</b>

# PUTS INCLUDED IN NET FINANCIAL DEBT

<i>(in € millions)</i>	% capital	Value at 31/12/2013	Value at 30/06/2014	Exercise period
Franprix – Leader Price	Majority-owned franchise stores	48	48	Various dates
Monshowroom		10	0	Various dates
Uruguay		15	14	At any time → 2021
Other		1	1	At any time → 2014
<b>TOTAL</b>		<b>75</b>	<b>63</b>	

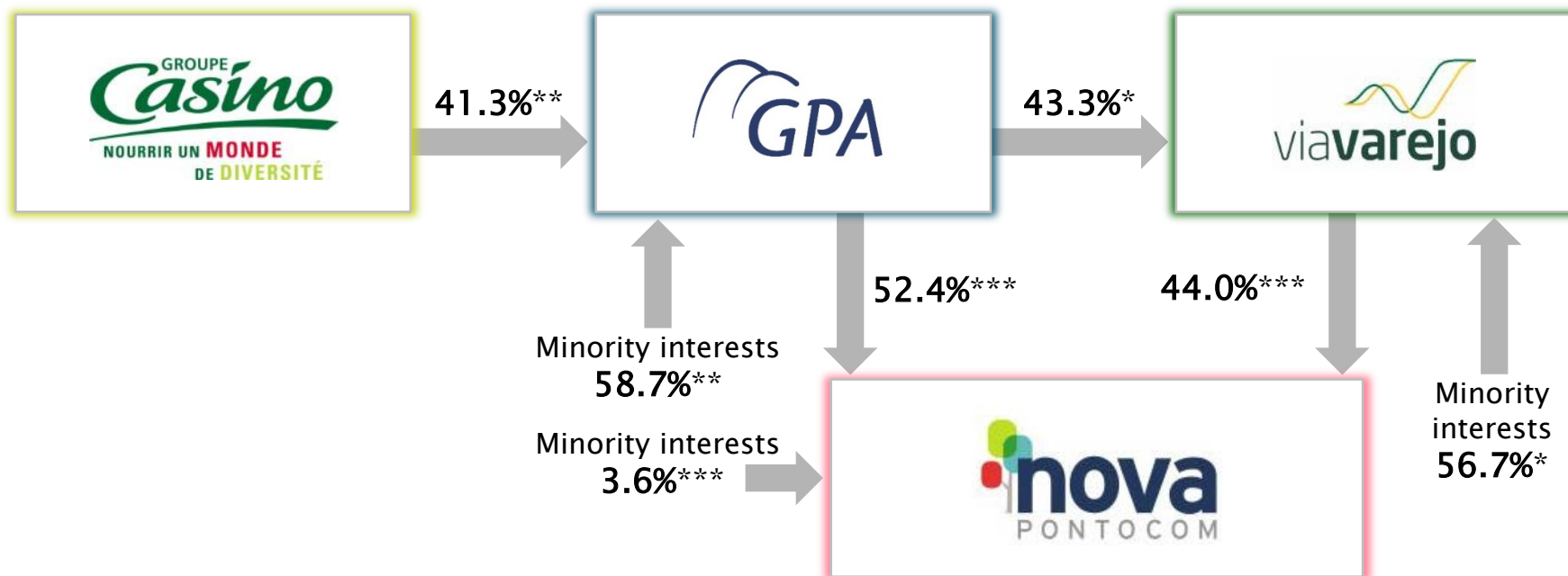
# PUTS HORS BILAN

<i>(in € millions)</i>	% capital	Value at 31/12/2013	Value at 30/06/2014	Exercise period
Franprix – Leader Price	Minority-owned franchise stores	71	73	Various dates
Uruguay (Disco)		87	82	At any time → 2021
<b>TOTAL (off-balance sheet)</b>		<b>158</b>	<b>155</b>	

# AVERAGE EXCHANGE RATES

	Q1 2013	Q1 2014	Chg. %	H1 2013	H1 2014	Chg. %
Argentina (ARS / EUR)	6.6187	10.3805	-36.2%	6.7345	10.7101	-37.1%
Uruguay (UYU / EUR)	25.3291	30.2755	-16.3%	25.4438	30.9096	-17.7%
Thailand (THB / EUR)	39.3425	44.7221	-12%	39.2025	44.6170	-12.1%
Vietnam (VNB / EUR) (x 1,000)	27.4961	28.8132	-4.6%	27.3568	28.8474	-5.2%
Colombia (COP / EUR) (x 1,000)	2.3651	2.7477	-13.9%	2.3995	2.6856	-10.7%
Brazil (BRL / EUR)	2.6347	3.2400	-18.7%	2.6688	3.1499	-15.3%

# SHAREHOLDER STRUCTURE AND BREAKDOWN OF GPA MINORITY INTERESTS



**ECONOMIC INTEREST**  
(in %)

	GPA Food	Viavarejo	Nova.com
Casino Group	41.3%	17.9%	29.5%
<b>Minority interests</b>	<b>58.7%</b>	<b>82.1%</b>	<b>70.5%</b>

\* Since 18 December 2013

\*\* Since June 2014

\*\*\* Since May 2014

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# HALF-YEAR RESULTS 2014

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