Good operating performance across all businesses in H1 2018
Increased underlying net profit
Reduction in net debt in France and at Group level

- **Consolidated net sales** of **€17.8bn,** reflecting **organic growth of +4.1%** and -3.4% after taking into account the negative impact of currency, compared with H1 2017
  - **France:** organic growth of +1.3% and same-store growth of +1.5%
  - **Latin America:** organic growth of +7.3% and same-store growth of +3.1%, led by the dynamism of cash & carry business and the recovery of Multivarejo
  - **E-commerce:** net sales up +5.7% on an organic basis(1) and gross merchandise volume (GMV) up +7.5% on an organic basis(1), supported by rapid marketplace expansion
- **Group trading profit**:
  - **€439m,** a growth of +10.3% on an organic basis and a variation of -2.4% after taking into account the negative impact of currency, compared with H1 2017
  - **€339m** excluding tax credits in Brazil, an increase of +6.1% and +17.3% on an organic basis compared with H1 2017
- **Trading profit in France** up +23.0% at **€136m** compared with H1 2017 (€110m)
  - **€114m** for the retail business, an increase of +47.3% and +37.4% on an organic basis compared with H1 2017
- **Underlying net profit, Group share** of **€48m**, up +28.6% compared with H1 2017 (€37m)
- **Free cash flow from continuing operations** of **€1.6bn for the 12-month rolling period to 30 June 2018, excluding non-recurring items and before dividends(2)**
- **Group net debt reduced** by -€149m to **€5,445m** and **net debt in France** reduced by -€295m to **€4,019m** compared with H1 2017
- **The Group's objective is to complete half of the €1.5bn disposal plan (announced on 11 June 2018) this year.** Taking into account:
  - the definitive sale of 15% of Mercialys equity through an equity swap with a bank for €213m,
  - indicative offers received in July 2018 for other Group's assets representing around half of the disposal plan,

the Group confirms this objective.

- **Confirmation of annual financial objectives and deleveraging objective in France**

Key figures *In €m*	**H1 2017**	**H1 2018**	**Change**	**Organic change(3)**
Net sales	**18,439**	**17,816**	-3.4%	+4.1%
EBITDA	**798**	**773**	-3.2%	+7.3%
EBITDA margin	*4.3%*	*4.3%*	*+1bp*	*+13bp*
Trading profit	**450**	**439**	-2.4%	+10.3%
Trading margin	*2.4%*	*2.5%*	*+3bp*	*+14bp*
Net profit (loss) from continuing operations, Group share	**(88)**	**(67)**	+24.1%	n.a.
Underlying net profit, Group share	**37**	**48**	+28.6%	+73.6%
Consolidated net debt	**5,594**	**5,445**	-€149m	n.a.
Net debt of Casino in France	**4,314**	**4,019**	-€295m	n.a.

In the first half of 2018, the Casino Group adopted IFRS 15 – « Revenue from Contracts with Customers » with retrospective application to 2017. In light of the ongoing process to sell Via Varejo in Q2 2018, this business has been classified as a discontinued operation in both 2017 and H1 2018 in accordance with IFRS 5.

(1) Data published by the subsidiary. The organic changes exclude sales of technical products and household equipment generated with customers of the Casino Group hypermarkets and supermarkets (impact of -6.4 pts and -8.9 pts on GMV and net sales, respectively), but include sales generated in corners. (2) Prior to dividends paid to shareholders of the parent company, TSSDI holders and excluding financial expenses (3) The organic change corresponds to the total change adjusted for changes in exchange rates and scope of consolidation. Note: Organic and same-store changes exclude fuel and calendar effects

Consolidated net sales of €17.8bn supported by a good performance of the activity in France and organic sales growth in Latin America

In H1 2018, the **Group** reported consolidated net sales of €17.8bn, representing organic growth of +4.1% and -3.4% after taking into account the negative impact of currency.

In **France**, growth stood at +1.3% on an organic basis and +1.5% on a same-store basis, with food sales up +2.3%. The increase reflected good performances by Monoprix, Casino Supermarkets and Franprix, and strong growth at Géant Hypermarkets. Same-store sales by the Convenience franchise network attested to the format's solid momentum over the semester. Leader Price continued to improve its level of same-store growth.

E-commerce (Cdiscount) GMV grew by +7.5% on an organic basis(1), sustained by the strong organic growth and contribution from Géant non-food sales. The marketplace has seen a sharp acceleration in business since the beginning of Q3 2017 and its contribution to GMV now stands at 34.4%. Cdiscount benefits from the rapid growth of B2C services including Cdiscount Energie and the acceleration of financial services.

The food retail business in **Latin America** delivered organic growth of +7.3% and same-store growth of +3.1% in the first half, reflecting the good performance of the cash & carry business, the return to growth of Multivarejo and organic and same-store growth at Exito.

Group trading profit up +10.3% on an organic basis, led by higher profitability in retail business in France and a good organic performance in Latin America

Group trading profit came to €439m, up +10.3% on an organic basis compared to H1 2017 and down -2.4% after taking into account the negative impact of currency. Excluding tax credits in Brazil, Group trading profit amounted to €339m, an increase of +6.1% and +17.3% on an organic basis compared with H1 2017.

In **France**, trading profit totalled €136m, up +23.0% compared with H1 2017. Trading profit in France for the retail business amounted to €114m, an increase of +47.3% and +37.4% on an organic basis compared with H1 2017 (€78m). The significant increase reflected improved performances by the main banners and a favourable change in format mix.

The **E-commerce** segment posted a trading loss of -€23m. Gross margin improved by +31bp, thanks to dynamic growth in the marketplace contribution and in revenue from data monetisation initiatives. The controlled increase in costs, mainly related to deliveries, drove a +45.3% improvement in EBITDA on an organic basis compared to H1 2017.

Trading profit from **food retail operations in Latin America** came to €326m, up +6.8% on an organic basis compared to H1 2017. The total includes the tax credits recorded by GPA in H1 2018 for an amount of €100m versus €130m in H1 2017. Adjusted for these items, trading profit stood at €226m, reflecting organic growth of +14.8% that was attributable to the good performance of Assaí and the recovery of Multivarejo.

Underlying net financial expense and net profit, Group share(2)

Underlying net financial expense amounted to -€206m, a +€39m improvement compared with H1 2017 that mainly concerned Latam Retail. In Latin America, the Group benefited from lower average interest rates in Brazil (-527bp) and Colombia (-207bp), as well as from declines in local currencies.

Net profit (loss) from continuing operations, Group share was -€67m, representing a +24.1% improvement on H1 2017 (-€88m).

Underlying net profit (loss) from continuing operations, Group share was €48m, up +28.6% compared to H1 2017 (€37m).

(1) *Data published by the subsidiary. The organic changes exclude sales of technical products and household equipment generated with customers of the Casino Group hypermarkets and supermarkets (impact of -6.4 pts and -8.9 pts on GMV and net sales, respectively), but include sales generated in corners*

(2) *See definition on page 6*

Financial position at 30 June 2018

Free cash flow[1] from continuing operations amounted to €1.6bn for the **12-month rolling period to 30 June 2018,** excluding non-recurring items and before dividends[2].

Casino Group consolidated net debt at 30 June 2018 stood at €5,445m vs €5,594m at 30 June 2017, a decrease of -€149m.

Free cash flow from operations in France amounted to €500m for the **12-month rolling period to 30 June 2018**, after non-recurring items, interest and dividends. After taking into account financial investments, cash transfers from subsidiary and shares buybacks for the period, the net debt position in France[3] improved by €295m compared with H1 2017.

At 30 June 2018, Casino in France[3] had €5.5bn in **liquidity**, with a **gross cash position** of €2.1bn and **confirmed undrawn lines of credit** of €3.3bn.

Casino has been rated Ba1 (stable outlook) by Moody's since 30 November 2017 and BB+ by Standard & Poor's (negative outlook since 24 April 2018).

Status of the disposal plan announced on 11 June, 2018

- **The Group's objective is to complete half of the €1.5bn disposal plan (announced on 11 June 2018) this year**. Taking into account:
  - the definitive sale of 15% of Mercialys equity through an equity swap with a bank for €213m,
  - indicative offers received in July 2018 for other Group's assets representing around half of the disposal plan,

the Group confirms this objective.

2018 outlook – Full-year objectives confirmed

The Group confirms its 2018 objectives, and updates them to take into account the asset disposal plan announced in June 2018:

- Trading profit:
  - In France, it targets in food retail an organic[4] growth **above 10%** of trading profit excluding property development, led by growth in the most profitable formats, by improved hypermarket and convenience profitability
  - In all, the Group is aiming to deliver organic[4] growth of its consolidated trading profit and **above 10%** excluding tax credits
- In France, a free cash flow[2] from operations excluding exceptional items covering financial expenses and dividends and enabling to improve net financial debt
- Reduction in net debt in France by around €1bn at 31 December 2018 thanks to self-financing and the proceeds from the asset disposals announced in June
- A reduction in Group net financial debt, with:
  - Return to breakeven for Cdiscount's free cash flow
  - Free cash flow[2] from continuing operations excluding exceptional items of over €1bn in total
  - A CAPEX envelop of around €1bn
  - And the impact of the disposal of Via Varejo

The presentation of the 2018 half-year results is available on the Casino Group corporate website (www.groupe-casino.fr/en/).

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(1) The definitions of the main non-GAAP indicators are available on the Casino Group website: https://www.groupe-casino.fr/wp-content/uploads/2018/07/Group-Casino-FY-2017-Alternative-performance-indicators.pdf
(2) Prior to dividends paid to shareholders of the parent company, TSSDI holders and excluding financial expenses
(3) Casino in France comprises the Casino, Guichard Perrachon parent company, French businesses and wholly-owned holding companies
(4) Excluding currency effect and scope impact

APPENDICES

Consolidated net sales by segment

Net sales *In €m*	H1 2017	H1 2018	Organic change
France Retail	9,208	**9,310**	**+1.3%**
E-commerce	835	**876**	**+4.8%**
Latam Retail	8,397	**7,630**	**+7.3%**
Group total	**18,439**	**17,816**	**+4.1%**

Consolidated EBITDA by segment

EBITDA *In €m*	H1 2017	H1 2018	Organic change
France Retail	281	**307**	**+7.3%**
E-commerce	(12)	**(7)**	**+45.3%**
Latam Retail	529	**473**	**+6.1%**
Group total	**798**	**773**	**+7.3%**

Consolidated trading profit by segment

Trading profit *In €m*	H1 2017	H1 2018	Organic change
France Retail	110	**136**	**+17.3%**
E-commerce	(24)	**(23)**	**+7.4%**
Latam Retail	364	**326**	**+6.8%**
Group total	**450**	**439**	**+10.3%**

Notes: The organic change corresponds to the total change adjusted for changes in exchange rates and scope of consolidation
Organic and same-store changes exclude fuel and calendar effects

2018 half-year results

In €m	H1 2017	H1 2018
Net sales	**18,439**	**17,816**
EBITDA	**798**	**773**
Trading profit	**450**	**439**
Other operating income and expenses	(274)	**(136)**
Operating profit	176	**303**
Net finance costs	(192)	**(158)**
Other financial income and expenses	(35)	**(91)**
Income tax	30	**(23)**
Share of profit of equity associates	5	**11**
Net profit (loss) from continuing operations, Group share	(88)	**(67)**
Net profit (loss) from discontinued operations, Group share	(8)	**4**
Net profit (loss), Group share	**(96)**	**(63)**

Underlying net profit

In €m	H1 2017	Restated items	H1 2017 underlying	H1 2018	Restated items	**H1 2018 underlying**
Trading profit	**450**	**0**	**450**	**439**	**0**	**439**
Other operating income and expenses	*(274)*	*274*	*0*	*(136)*	*136*	*0*
Operating profit	**176**	**274**	**450**	**303**	**136**	**439**
Net finance costs	*(192)*	*0*	*(192)*	*(158)*	*0*	***(158)***
Other financial income and expenses[(1)]	*(35)*	*(18)*	*(53)*	*(91)*	*43*	***(48)***
Income tax[(2)]	*30*	*(81)*	*(51)*	*(23)*	*(39)*	***(62)***
Share of profit of equity associates	*5*	*0*	*5*	*11*	*0*	***11***
Net profit (loss) from continuing operations	**(16)**	**175**	**158**	**42**	**140**	**182**
Of which attributable to minority interests[(3)]	*72*	*50*	*122*	*108*	*26*	***135***
Of which Group share	**(88)**	**125**	**37**	**(67)**	**114**	**48**

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.

Underlying financial income corresponds to financial income restated from fair value adjustments to equity derivative instruments for example Total Return Swap (TRS) and forward instruments related to GPA shares and effects of discounting tax liabilities in Brazil.

Underlying minority interests represent the share of underlying net profit attributable to non-controlling interests. This indicator is therefore equal to net profit from continuing operations attributable to non-controlling interests, adjusted for other operating income and expenses, non-recurring financial items and non-recurring income tax credits and expenses attributable to these restatements.

[(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 total return swaps and forwards
[(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

Group free cash flow from continuing operations, 12-month rolling period to 30 June 2018

12-month rolling period to 30 June 2018 *In €m*	Group
Cash flow from continuing operations	**1,611**
o/w non-recurring items	***(259)***
Change in working capital	**682**
Income tax	**(182)**
Net cash from operating activities	**2,112**
Net CAPEX	**(797)**
Free cash flow from continuing operations before dividends[1] and financial expenses	**1,314**
Free cash flow from continuing operations, excluding non-recurring items, before dividends[1] and financial expenses	**1,573**

Free cash flow from operations in France, 12-month rolling period to 30 June 2018

12-month rolling period to 30 June 2018 *In €m*	France
Cash flow from continuing operations	**628**
o/w non-recurring items	***(203)***
Change in working capital	**597**
Income tax	**(29)**
Net cash from operating activities	**1,196**
Net CAPEX	**(236)**
Free cash flow from operations before dividends[1] and financial expenses	**960**
Free cash flow from operations, excluding non-recurring items, before dividends[1] and financial expenses	**1,162**

[1] *Prior to dividends paid to shareholders of the parent company, TSSDI holders and excluding financial expenses*

Simplified H1 2018 balance sheet

In €m	H1 2017	H1 2018
Non-current assets	22,887	**21,437**
Current assets	14,787	**15,131**
Total assets	**37,674**	**36,568**
Total equity	13,426	**11,827**
Non-current financial liabilities	7,831	**7,873**
Other non-current liabilities	2,256	**2,056**
Current liabilities	14,162	**14,812**
Total equity and liabilities	**37,674**	**36,568**

Breakdown of net debt by segment

In €m	H1 2017	H1 2018
France Retail	(4,314)	**(4,019)**
Latam Retail	(1,706)	**(1,719)**
Latam Electronics	641	**562**
E-commerce	(214)	**(269)**
Total	**(5,594)**	**(5,445)**

Exchange rate

	Average exchange rates			Closing exchange rates (30 June)		
	H1 2017	H1 2018	Change	H1 2017	H1 2018	Change
Columbia (EUR/COP) (x1000)	3.1659	**3.4470**	-8.2%	3.4772	**3.4154**	+1.8%
Brazil (EUR/BRL)	3.4431	**4.1415**	-16.9%	3.7600	**4.4876**	-16.2%

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