



# 2018

## HALF-YEAR RESULTS



26 July 2018

GRUPE  
**Casino**  
NOURRIR UN MONDE  
DE DIVERSITÉ

# CONTENTS

1

Key figures and highlights – H1 2018

2

Business review by banner

3

Financial results

4

Outlook for H2 2018

5

Appendices

1

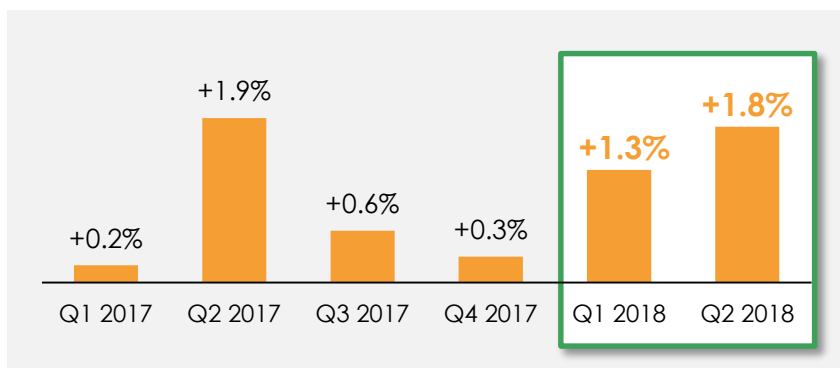
# Key figures and highlights – H1 2018

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# Continuous growth acceleration throughout H1 2018

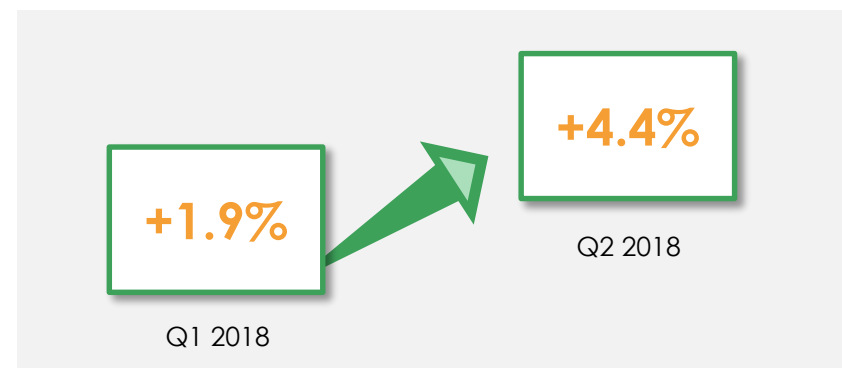
## Best semester for France Retail activity since 2015

Same-store growth by quarter

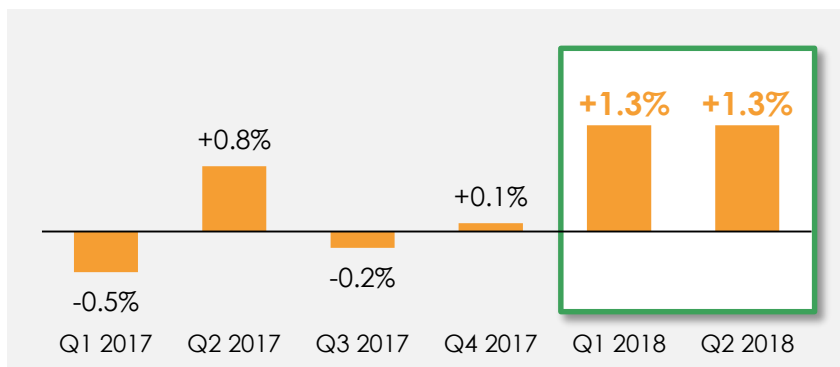


## Return to strong growth in Latam in Q2 2018

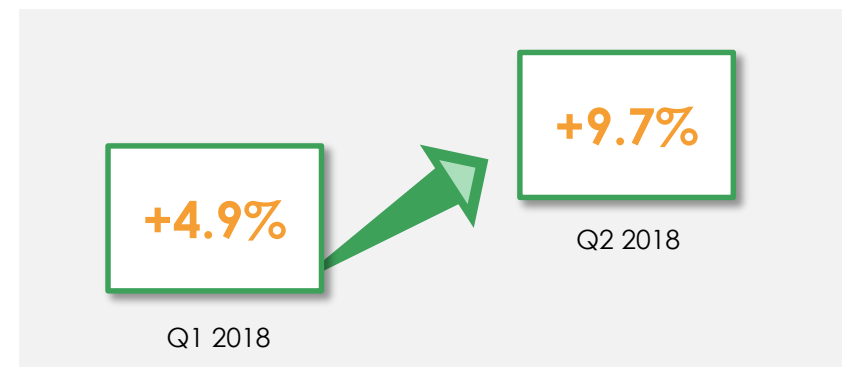
Same-store growth in Q1 and Q2 2018



Organic growth by quarter



Organic growth in Q1 and Q2 2018



# H1 2018 Group key figures

<i>In €m</i>	H1 2017*	H1 2018	Change (in% and €m)	Organic change**
Consolidated net sales	18,439	17,816	-3.4%	+4.1%
EBITDA	798	773	-3.2%	+7.3%
Trading profit	450	439	-2.4%	+10.3%
Trading profit excl. tax credits	320	339	+6.1%	+17.3%
Underlying net profit, Group share	37	48	+28.6%	+73.6%
Group consolidated net debt	5,594	5,445	-€149m	
Consolidated net debt in France	4,314	4,019	-€295m	

\* The 2017 financial statements have been restated in line with the application of IFRS 15 to permit meaningful comparisons to 2018

\*\* The organic change corresponds to total change adjusted for changes in exchange rates and scope. Excluding fuel and calendar for sales



# First-half performances that support financial objectives for the year

	GROUP		FRANCE	
	2018 Guidance	H1 2018 Actual	2018 Guidance	H1 2018 Actual
<b>Trading profit</b> Organic growth	<b>&gt;10%</b> Excluding tax credits	<b>+17%</b> €339m	<b>&gt;10%</b> Excluding property development	<b>+37%</b> €114m
<b>Free cash flow*</b>	<b>&gt;€1bn</b> Excluding exceptional items	<b>€1.6bn</b>	FCF excluding exceptional items <b>&gt; Financial expenses + dividends</b>	<b>€1.2bn</b>
<b>Net debt**</b>	<b>Reduction</b>	<b>-€149m</b>	<b>Reduction</b>	<b>-€295m</b>

\* Calculated over a 12-month rolling period. Before dividends paid to shareholders of the parent company, TSSDI holder and minority interests, excluding financial expenses

\*\* Calculated over a 12-month rolling period. Target of €1bn reduction in net debt in 2018 in France, taking into account the asset disposal plan announced in June 2018

# Announcement of an asset disposal plan of €1.5bn in June 2018

## Transformation into a less capital-intensive model



In-store innovations and digitisation of customer relationship



Partnerships with leading e-commerce players



On-going expansion of the franchise model

## Net debt reduction in France



Process to dispose of €1.5bn of non-core assets, notably real estate assets



Half of the disposal plan to be completed in 2018 and half in 2019



Targeted €1bn reduction in net debt in France as of end-2018

The Group's objective is to complete half of the €1.5bn asset disposal plan announced on 11 June 2018 this year

■ Taking into account:

- the definitive disposal of 15% of Mercialys equity through an equity swap with a bank for €213m,
- the indicative offers received in July 2018 for other Group assets representing around half of the disposal plan,

the Group confirms this objective.



# Deployment of the Group's strategic priorities during the semester

1

**Expansion  
of the most  
buoyant formats  
&  
Development  
of new concepts**

2

**Strengthened  
leadership  
in digital  
and omni-channel**

3

**New  
complementary  
levers  
of profitability  
activated during  
the first half**

# Expansion of the most buoyant formats and development of new concepts

## Key figures – H1 2018

## Main accomplishments in H1 2018

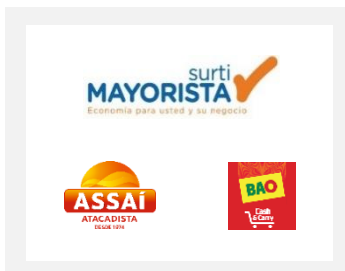
### PREMIUM



**+2.4%\*** growth at Monoprix  
**+1.4%\*** growth at Franprix  
**33** stores opened in France

- New integrated and franchise stores opened
- New concepts created at Franprix & Naturalia
- Numerous proximity services deployed

### CASH & CARRY



**+24.0%\*** growth at Assaí  
**9** openings in total

- Assaí and Surtimayorista stores opened
- Increased market shares in Latam
- 1 store opened in Cameroon

### REVITALISED BANNERS



**+2.9%\*** growth at Géant  
**+3.5%\*** growth at Casino Proximités

- Hypermarket/Supermarket and Convenience franchised stores openings
- Roll-out of Cdiscount corners and new corners concepts at Géant
- Market share gains for hypermarkets

\* Organic sales growth, H1 2018 vs. H1 2017

# Strengthened leadership in digital and omni-channel

## Strengthening of positions in non-food e-commerce

Integration

**SARENZA**  
NET DE LA CHAUSSURE SUR INTERNET

Website transformation

**MONOPRIX**.fr

Launch

**Cdiscount Assistance**

International delivery

Launch

**Cdiscount Voyages**

Launch

**Cdiscount Location**

## Acceleration in food e-commerce

Partnership

 **MONOPRIX**  


Baskets' growth

 **epicery**<sup>®</sup>

Deployment in line with the objectives

 **ocado**

## Continuous leadership in omni-channel and data

Cdiscount corners roll-out

Launch

 **Casino Max**

Acquisition of 100%

**relevanc**

# New complementary levers of profitability activated during the first half

## 1 Purchasing agreements with

**Auchan** | RETAIL

**METRO**



“Horizon” next-generation purchasing platforms created in France and internationally

- France: national brands, general expenses, private labels
- International: services, general expenses, private labels

- Agreement announced in June 2018
- Agreement for France signed in May 2018
- Announcement by the French Competition Authority of an investigation on the alliance

## 2 Development of **greenyellow** activities

Group subsidiary specialised in energy efficiency and decentralised energy production

- 1,200 energy performance contracts
- More than 150MWc of solar panels installed

Joint venture announced with Engie dedicated to offers for all external customers <1MW

## 3 Data monetisation with

**relevanC**

**3W** | Régie

Group subsidiary specialised in elaborating qualitative and monetisable databases

- 60m transactions/month
- 8 various banners
- 21m profiles

- Partnerships with corporates
- Bringing together relevanC and 3WRégie

# Excellent trading over the last four weeks

<i>Growth in net sales*</i>	<b>Same-store**</b>	<b>Organic**</b>
Monoprix	+2.1%	+2.1%
Franprix	+6.4%	+6.2%
Leader Price	+4.8%	+5.2%
Géant Hypermarkets	+4.1%	+4.1%
Casino Supermarkets	+4.2%	+4.2%
Convenience	+5.5%	+5.5%
<b>France</b>	<b>+3.5%</b>	<b>+3.5%</b>

- The Group, which is particularly exposed to Paris and the French Riviera, enjoyed solid momentum at the beginning of Q3, driven by tourism activity
- The Group gained 0.1pt market share over the last measured Kantar period (P07), of which 0.2pt for Géant and 0.1pt for Casino Supermarkets

\* Current trading France (4 weeks from 25 June to 23 July 2018)

\*\* Including calendar effect, excluding fuel



# 2

## Business review by banner

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# Dynamic growth and numerous initiatives for the Group's premium banners in H1

 **MONOPRIX**

**+2.4%\***  
Organic

**+1.3%\***  
Same-store

**Strong growth  
in organic products  
and of Naturalia**

Double-digit growth  
at Naturalia and opening  
of six new stores

**Outperformance  
of the Paris region**

Dynamic customer  
traffic lifted  
by tourism  
and Sunday openings

**Faster growth  
in e-commerce**

Double-digit growth  
for e-commerce  
activity and integration  
of Sarenza

**franprix** 

**+1.4%\***  
Organic

**+1.1%\***  
Same-store

**Banner  
expansion**

12 new stores opened  
and increased  
customer traffic

**Continuous  
innovations**

New store concepts  
and new proximity  
services

**Partnerships  
with start-ups to offer  
more services**



 **Casino**  
supermarchés

**+1.3%\***  
Organic

**+1.4%\***  
Same-store

**Sustained  
momentum**

Strong growth in sales  
of organic and private  
label products

**Expansion of franchises  
and new independent  
retailers joining  
the network**

Strong growth of franchisees  
(25% of the store base)

**Ongoing concept  
upgrade**

Further stores  
converted  
to the "Bijou" concept

\* Sales variation between H1 2018 and H1 2017

# Three new concepts unveiled at Franprix and Monoprix in H1 2018

## Franprix



### New Franprix concept

- New offering of vegetables and bulk products
- Catering areas, ready to eat meals
- Freshly cut items displayed in self service

## Naturalia Origines



### New Naturalia concept

- Dedicated to alternative medicines
- Team of specialists
- Food supplements, herbal teas and organic beauty products

## “...le drugstore parisien”



### A new drugstore concept in partnership with L'Oréal

- Cosmetics, toilettries, wellness products, parapharmaceuticals
- Service area: make-up artist, barbershop, shoe-polisher, dry cleaning, parcel pick-up point

# Growth acceleration among the revitalised banners

**Géant**  
Casino

**+2.9%\***  
Organic

**+2.5%\***  
Same-store

**Excellent sales  
dynamic**

Strong growth in food sales,  
market shares,  
and new franchisees  
added to the network

**New  
corners deployed**

Sharp increase  
in Cdiscount, Organic  
and Homeware corners

**Acceleration  
in digital**

Deployment  
of Casino Max,  
with a basket increase  
among users



**-0.9%\***  
Organic

**+1.5%\***  
Same-store

**Growth  
acceleration**

Three consecutive  
quarters of same-store  
growth

**Continuous  
renovations**

70 stores renovated  
(≈10% of the store base)  
with significant  
sales uplift

**Expansion of the  
commercial offering**

Deployment  
of the Sooa range  
and expanded  
organic/frozen food  
offerings

**Casino  
proximités**

**+3.5%\***  
Organic

**+0.8%\***  
Same-store

**Strong growth  
among franchisees**

Outperformance  
by franchise network  
and increased transfers  
to franchise model

**Revamped integrated  
store offering**

Expanded offerings  
and inclusion  
of the Group's distinctive  
products

**Deployment  
of digital strategy**

Deployment  
of Casino Max  
in ≈350 stores

\* Sales variation between H1 2018 and H1 2017

# New concepts in revitalised banners

## Géant



### New Cdiscount corners

- Over 600 different non-food items displayed in a 300sq.m. dedicated showroom
- A further 300,000 items available online, via tablets available on site

## Leader Price



### New “Next” concept

- Fully redesigned retail spaces: fishmonger, rotisserie, delicatessen, bakery, fine wines
- Expanded fresh and organic product ranges
- Revamped private label range


## Casino Convenience (“Proximités”)





### New “Un Tour Au Jardin” concept


- Locally-sourced and organic offerings for urban dwellers
- Selection of organic, vegan products and regional references
- Soup, salad and freshly cut fruits bars


# Cdiscount: main H1 2018 successes


- 

1 Fast growth in B2C offerings & services
- 

2 Dynamic progression of the Marketplace
- 

3 Improved customer experience and faster delivery
- 

4 Continuous expansion of customers that subscribed to “Cdiscount à Volonté”
- 

5 Acceleration of the omni-channel strategy
- 

6 Sustained increase in data monetisation revenues

# Cdiscount: a good performance and market share gains

## Sequential growth acceleration

**€1,614m**

GMV in H1 2018

**+7.5%\***

Organic GMV growth

- Growing contribution of Cdiscount corners
- Positive impact of “French Days”
- Data monetisation revenues – a key driver of profitability – up by around 35%

## Strong Marketplace momentum

**34.4%**

Marketplace as a % of GMV in H1 2018

**+92bp\***

Growth in marketplace contribution to GMV

- Acceleration of the marketplace contribution throughout Q1, Q2 and still in Q3
- Growing contribution to GMV from “Fulfillment by Cdiscount”

## An increasingly loyal customer base

**34.2%**

CDAV as a % of GMV in H1 2018

**+417bp\***

Growth in CDAV contribution to GMV

- Dynamic mobile traffic
- Very promising launch of new customer services
- Buying frequency 3 times higher for CDAV members

\* Sales variation between H1 2018 and H1 2017

NB: Figures published by the subsidiary. CDAV: Cdiscount A Volonté, GMV: Gross Merchandise Volume



# Ongoing expansion of cash & carry in Latam and strong recovery in Brazil in Q2



**+24.0%\***

Organic

**+7.0%\***

Same-store

## Sustained robust growth

200bp market share gain\*\* in Q2, and increased customer traffic

## Continued expansion

4 new stores in H1, with a total 20 planned over the year

## Increased loyalty

Successful commercial operations, with 335,000 Passaí cardholders



**-1.8%\***

Organic

**+0.8%\***

Same-store

## Sharply improved performance in Q2

Growth bounced back, at 5.8%\*\* and 100 bp\*\* market share gain in Q2

## Efficient, revamped commercial strategy

Intensification of marketing initiatives, and dynamic tool for personalised promotions and digital loyalty

## Ongoing portfolio adaptation

Conversions into Assaí, new SM Extra formats and renovation of Pão de Açúcar stores



**Figures to be published by Éxito on 14 August 2018**

## Recovery in the economic environment

Recovery in GDP growth expected in 2018, at 2.7%\*\*\*\* vs. 1.8% in 2017

## Continuous initiatives to support return to growth

Expansion of cash & carry Carulla Fresh market and optimisation of "insuperables" strategy

## Development of omni-channel

Growth in deliveries, of which 75% via the Rappi app

\* Sales variation between H1 2018 and H1 2017

\*\* Figures provided by the subsidiary

\*\*\* Éxito Group will provide a detailed report on its Q2 net sales on 14 August 2018

\*\*\*\* IMF GDP growth forecast published in April 2018



GROUPE  
*Casino*  
NOURRIR UN MONDE  
DE DIVERSITÉ

3

Financial  
results

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- In the first half of 2018, the Casino Group adopted IFRS 15 – “Revenue from Contracts with Customers” with retrospective application to 2017

*Adoption of IFRS 15 has mainly led to reclassifications between net sales, other income, overall cost of goods sold and selling expenses. Retrospective application of IFRS 15 had the effect of reducing H1 2017 net sales by €158m and trading profit by €16m (o/w €11m for France Retail and €5m for e-commerce reporting segments)*

- 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
- Currency effects were negative in H1 2018, reflecting significant declines in average exchange rates for the Colombian peso and Brazilian real

	Average exchange rates			Closing exchange rates		
	H1 2017	H1 2018	% change	H1 2017	H1 2018	% change
Colombia (EUR/COP) (x1,000)	3.1659	<b>3.4470</b>	<b>-8.2%</b>	3.4772	<b>3.4154</b>	<b>+1.8%</b>
Brazil (BRL/EUR)	3.4431	<b>4.1415</b>	<b>-16.9%</b>	3.7600	<b>4.4876</b>	<b>-16.2%</b>

# H1 2018 Group key figures

<i>In €m</i>	H1 2017*	H1 2018	Change	Organic change**
<b>Consolidated net sales</b>	<b>18,439</b>	<b>17,816</b>	<b>-3.4%</b>	<b>+4.1%</b>
<b>EBITDA</b>	<b>798</b>	<b>773</b>	<b>-3.2%</b>	<b>+7.3%</b>
<i>EBITDA margin (%)</i>	4.3%	4.3%	+1bp	+13bp
<b>Trading profit</b>	<b>450</b>	<b>439</b>	<b>-2.4%</b>	<b>+10.3%</b>
<i>Trading margin (%)</i>	2.4%	2.5%	+3bp	+14bp
Impact of tax credits	130	100	-23.1%	-7.5%
<b>Trading profit excl. tax credits</b>	<b>320</b>	<b>339</b>	<b>+6.1%</b>	<b>+17.3%</b>
<i>Trading margin excl. tax credits (%)</i>	1.7%	1.9%	+17bp	+22bp

- Organic growth in consolidated EBITDA and trading profit exceeded sales growth
- Excluding tax credits in Brazil, trading profit was up by more than 6% at current exchange rates and by more than 17% on an organic basis

\* The 2017 financial statements have been restated in line with the application of IFRS 15 to permit meaningful comparisons to 2018

\*\* The organic change corresponds to the total change adjusted for changes in exchange rates and scope of consolidation. On the net sales line, it excludes fuel and calendar effects

# H1 2018 Group key figures

<b>Underlying profit</b> <i>In €m</i>	<b>H1 2017*</b>	<b>H1 2018</b>	<b>Change</b> <i>In% and €m</i>
<b>Trading profit</b>	<b>450</b>	<b>439</b>	<b>-2.4%</b>
Net financial expense	(246)	(206)	-16.0%
Income tax	(51)	(62)	+23.1%
Share of profit of equity-accounted investees	5	11	nm
<b>Net profit from continuing operations</b>	<b>158</b>	<b>182</b>	<b>+14.9%</b>
<b>Underlying net profit, Group share</b>	<b>37</b>	<b>48</b>	<b>+28.6%</b>
<b>Consolidated net debt</b>	<b>5,594</b>	<b>5,445</b>	<b>-€149m</b>
<b>Casino net debt in France</b>	<b>4,314</b>	<b>4,019</b>	<b>-€295m</b>

\* The 2017 financial statements have been restated in line with the application of IFRS 15 to permit meaningful comparisons to 2018

# France Retail results – H1 2018

<i>In €m</i>	H1 2017*	H1 2018	Var.	Var. organique**
<b>Consolidated net sales</b>	<b>9,208</b>	<b>9,310</b>	<b>+1.1%</b>	<b>+1.3%</b>
<b>EBITDA</b>	<b>281</b>	<b>307</b>	<b>+9.0%</b>	<b>+7.3%</b>
<i>EBITDA margin (%)</i>	3.1%	3.3%	+24bp	+19bp
<b>Trading profit</b>	<b>110</b>	<b>136</b>	<b>+23.0%</b>	<b>+17.3%</b>
Retail	78	114	+47.3%	+37.4%
Property development France	33	21	-34.4%	-34.4%
<i>Trading margin (%)</i>	1.2%	1.5%	+26bp	+21bp

- Strong growth of €26m in trading profit, benefited from good results in the retail business (up €36m)
- Improved performances by the main banners and favourable effect from the format mix

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\*\* The organic change corresponds to the total change adjusted for changes in exchange rates and scope of consolidation. On the net sales line, it excludes fuel and calendar effects



# E-Commerce results – H1 2018

<i>In €m</i>	H1 2017*	H1 2018	Change	Organic change**
<b>GMV***</b>	<b>1,419</b>	<b>1,614</b>	<b>+13.7%</b>	<b>+7.5%</b>
<b>Consolidated net sales</b>	<b>835</b>	<b>876</b>	<b>+4.9%</b>	<b>+4.8%</b>
<b>EBITDA</b>	<b>(12)</b>	<b>(7)</b>	<b>+43.8%</b>	<b>+45.3%</b>
<i>EBITDA margin (%)</i>	<i>-1.4%</i>	<i>-0.8%</i>	<i>+67bp</i>	<i>+69bp</i>
<b>Trading profit / (loss)</b>	<b>(24)</b>	<b>(23)</b>	<b>+6.3%</b>	<b>+7.4%</b>
<i>Trading margin (%)</i>	<i>-2.9%</i>	<i>-2.6%</i>	<i>+31bp</i>	<i>+34bp</i>

- Improved gross margin at Cdiscount thanks to growth in the marketplace contribution, data monetisation revenues and an optimised pricing strategy
- Controlled increase in costs, notably related to deliveries, leading to a sequential improvement in EBITDA

\* The 2017 financial statements have been restated in line with the application of IFRS 15 to permit meaningful comparisons to 2018

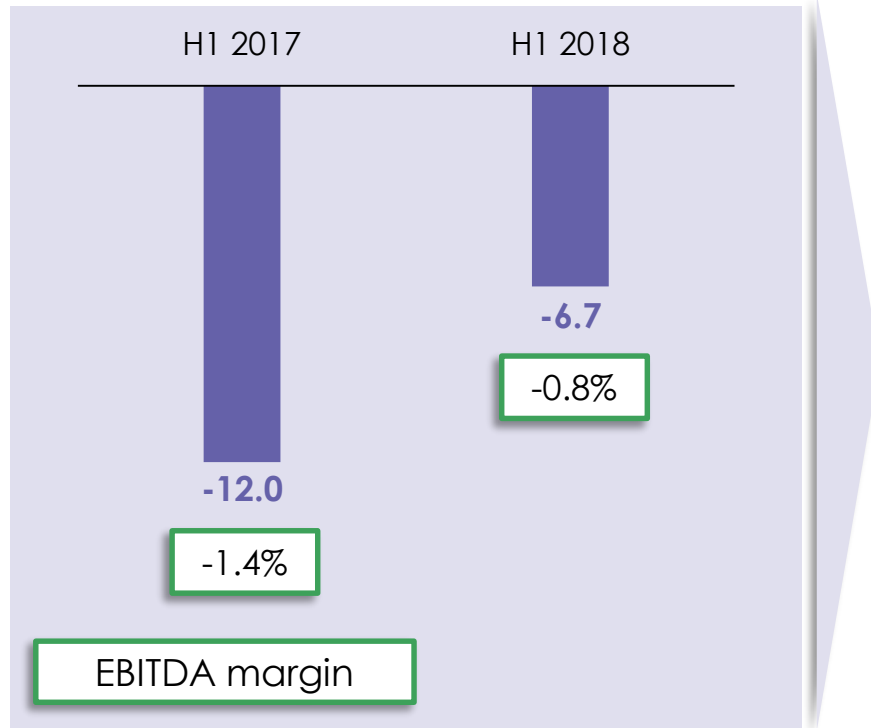
\*\* The organic change corresponds to the total change adjusted for changes in exchange rates and scope of consolidation

\*\*\* Data published by Cnova. GMV includes sales of merchandise, other revenues and the marketplace's sales volume and services based on confirmed and shipped orders, including tax

# Change in E-Commerce EBITDA in H1 2018

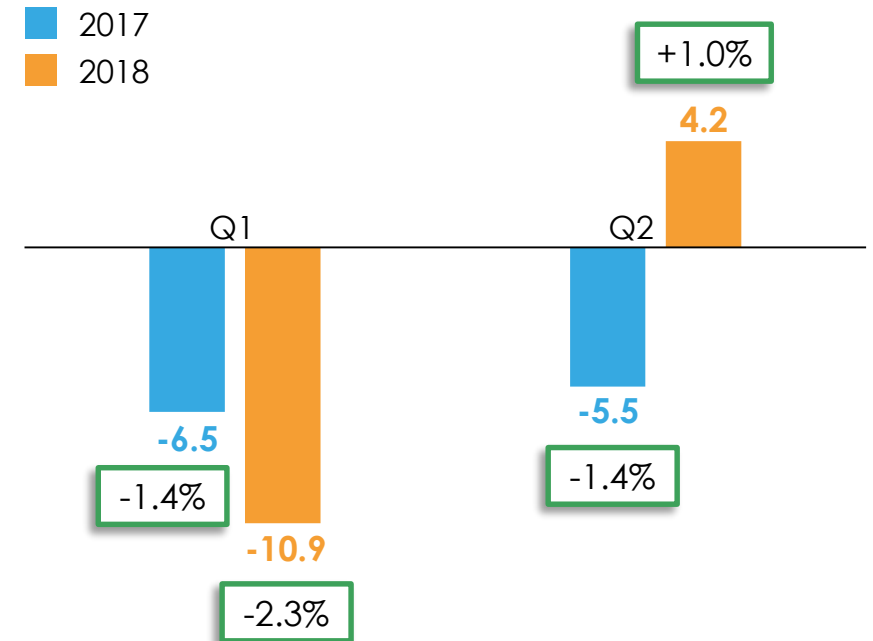
## E-Commerce EBITDA – H1 2018 vs. H1 2017

In €m



## E-Commerce EBITDA – Q2 vs. Q1

In €m



- EBITDA improved during H1 2018, reflecting optimised gross margin and tight control of overhead costs
- EBITDA was positive in Q2 2018, with an improvement of around €15m vs. Q1 2018

# Latam Retail results – H1 2018

<i>In €m</i>	H1 2017*	H1 2018	Organic	Organic change**
<b>Consolidated net sales</b>	<b>8,397</b>	<b>7,630</b>	<b>-9.1%</b>	<b>+7.3%</b>
<b>EBITDA</b>	<b>529</b>	<b>473</b>	<b>-10.6%</b>	<b>+6.1%</b>
<i>EBITDA margin (%)</i>	6.3%	6.2%	-10bp	-9bp
<b>Trading profit excl. tax credits</b>	<b>234</b>	<b>226</b>	<b>-3.2%</b>	<b>+14.8%</b>
<i>Trading margin excl. tax credits (%)</i>	2.8%	3.0%	+18bp	+19bp
Impact of tax credits	130	100	-23.1%	-7.5%
<b>Trading profit</b>	<b>364</b>	<b>326</b>	<b>-10.3%</b>	<b>+6.8%</b>
<i>Trading margin (%)</i>	4.3%	4.3%	-6bp	-4bp

- 14.8% organic increase in trading profit and 19bp improvement in trading margin, excluding tax credits, reflecting the profitability improvement at GPA
- €100m tax credits recognised in H1 2018, consisting mainly of ICMS-ST credits at Assaí following a decision from the Federal Supreme Court in Brazil

\* The 2017 financial statements have been restated in line with the application of IFRS 15 to permit meaningful comparisons to 2018

\*\* The organic change corresponds to the total change adjusted for changes in exchange rates and scope of consolidation. On the net sales line, it excludes fuel and calendar effects

# Underlying net financial result

<i>In €m</i>	H1 2017	H1 2018	Change
<b>France Retail</b>	<b>(65)</b>	<b>(72)</b>	<b>-10.7%</b>
<b>E-commerce</b>	<b>(18)</b>	<b>(20)</b>	<b>-14.3%</b>
<b>Latam Retail</b>	<b>(163)</b>	<b>(114)</b>	<b>+29.9%</b>
<i>O/w Éxito (excluding GPA Food)</i>	<i>(65)</i>	<i>(56)</i>	<i>+13.0%</i>
<i>O/w Brazil</i>	<i>(98)</i>	<i>(58)</i>	<i>+41.1%</i>
<b>Total</b>	<b>(246)</b>	<b>(206)</b>	<b>+16.0%</b>

- Underlying net financial result improved by €39m compared with H1 2017, mainly in the Latam Retail segment
- In France, underlying net financial result was stable, excluding technical effects (counterparty risk measurement and fair value adjustments to optional interest rate instruments)
- 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

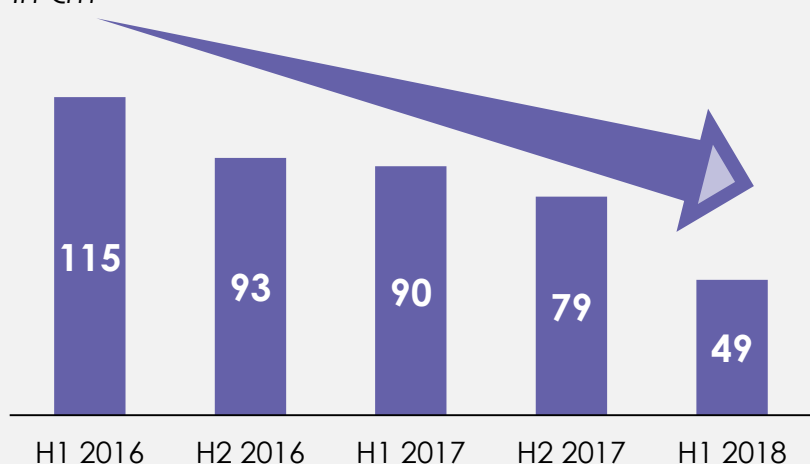
NB: Underlying net financial expense corresponds to finance costs and other financial income and expense adjusted for the effects of non-recurring financial items. Non-recurring financial items include fair value adjustments to equity derivative instruments (such as total return swaps and forward instruments related to GPA shares) and the effects of discounting Brazilian tax liabilities

# H1 2018 other operating income and expenses – Group and France

<i>In €m</i>	H1 2017*	H1 2018	% change
<b>Other operating income and expenses – Group</b>	<b>(274)</b>	<b>(136)</b>	<b>-50.2%</b>
<i>O/w restructuring costs</i>	<i>(124)</i>	<i>(96)</i>	<i>-22.1%</i>
<b>Other operating income and expenses – France</b>	<b>(169)</b>	<b>(75)</b>	<b>-55.4%</b>
<i>O/w restructuring costs</i>	<i>(90)</i>	<i>(49)</i>	<i>-45.1%</i>

## Restructuring costs – France

*In €m*



- As expected, other operating income and expenses fell sharply both in France and at Group level
- Outside France, restructuring projects concerned e-commerce logistics systems and store conversions
- Restructuring costs in France notably concerned transformation of Leader Price and Convenience banners

\* The 2017 financial statements have been restated in line with the application of IFRS 15 to permit meaningful comparisons to 2018

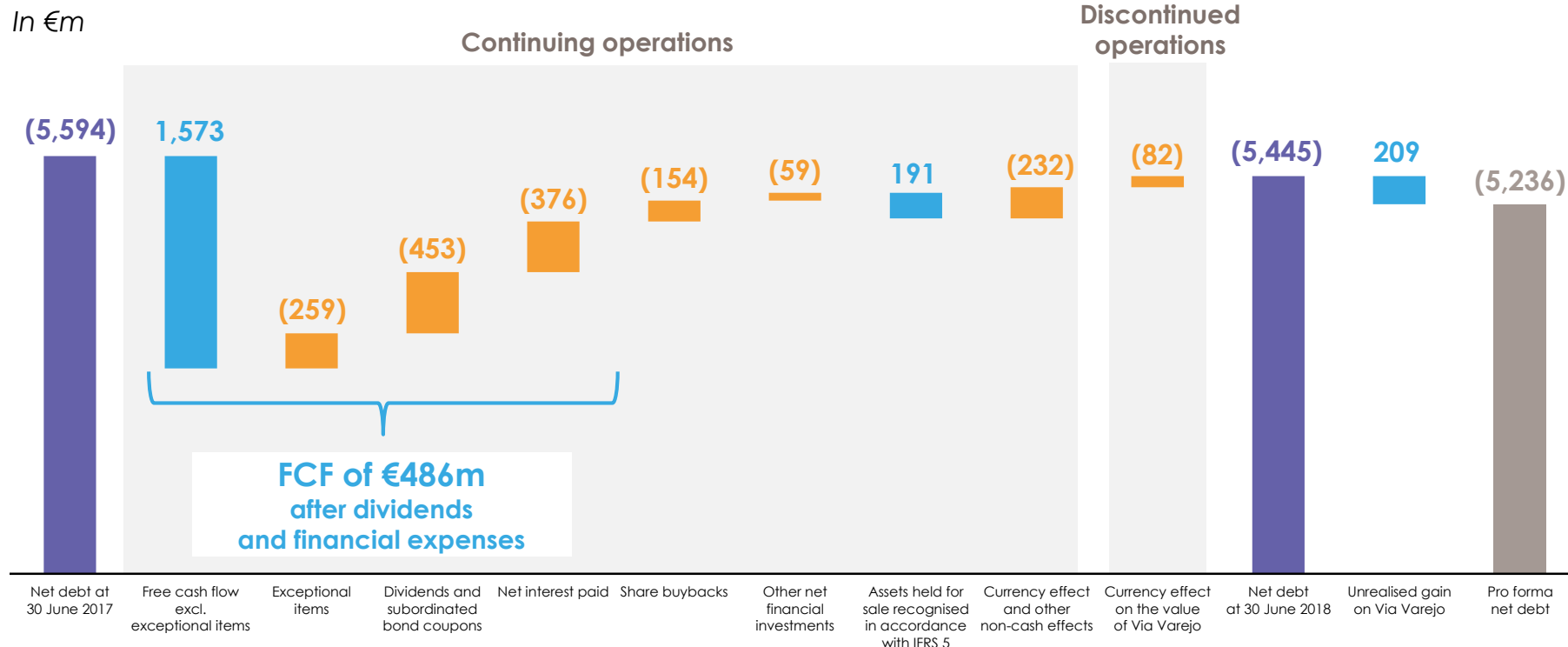
# Group free cash flow from continuing operations, 12 months ended 30 June 2018

12 months ended 30 June 2018 In €m		Group
Cash flow from continuing operations		1,611
<i>O/w exceptional items</i>		(259)
Change in working capital		682
Income tax		(182)
<b>Net cash from operating activities</b>		<b>2,112</b>
Net CAPEX		(797)
<b>Free cash flow from continuing operations before dividends* and excluding financial expenses</b>		<b>1,314</b>
<b>Free cash flow from continuing operations before dividends* and financial expenses, excluding exceptional items</b>		<b>1,573</b>

\* Before dividends paid to owners of the parent and holders of TSSDI deeply-subordinated notes



# Change in Group net debt, 12 months ended 30 June 2018



- FCF after dividends and interest of €486m
- 2.6m shares purchased between July 1<sup>st</sup> 2017 and June 30<sup>th</sup> 2018 o/w 1.3m were cancelled since July 1<sup>st</sup> 2017, and 885k net shares purchased under the liquidity contract. These buybacks will have an accretive impact of about 2% on EPS. They will reduce the amount of dividends paid accordingly
- €59m of net financial investments
- €82m negative impact in reported net debt, mainly relating to the impact of the weaker BRL on the valuation of Via Varejo
- Pro forma debt including the unrealised gain on Via Varejo at the 23 July 2018 closing price (BRL18.9) would amount to €5.2bn

NB: EPS: Earnings Per Share, FCF: Free Cash Flow

# Free cash flow from operations in France, 12 months ended 30 June 2018

## 12 months ended 30 June 2018

In €m

## France

Cash flow from continuing operations	628
<i>O/w exceptional items</i>	<i>(203)</i>
Changes in working capital	597
Income tax	(29)
<b>Cash from operating activities</b>	<b>1,196</b>
Net CAPEX	(236)
<b>Free cash flow from operations before dividends* and financial expenses</b>	<b>960</b>
<b>Free cash flow from operations before dividends* and financial expenses, excluding exceptional items</b>	<b>1,162</b>

- Improvement in working capital, particularly trade working capital, thanks to good management of inventory supply rate, the introduction of advanced inventories and good activity dynamic
- Net CAPEX impacted by disposals carried out in accordance with IFRS 5

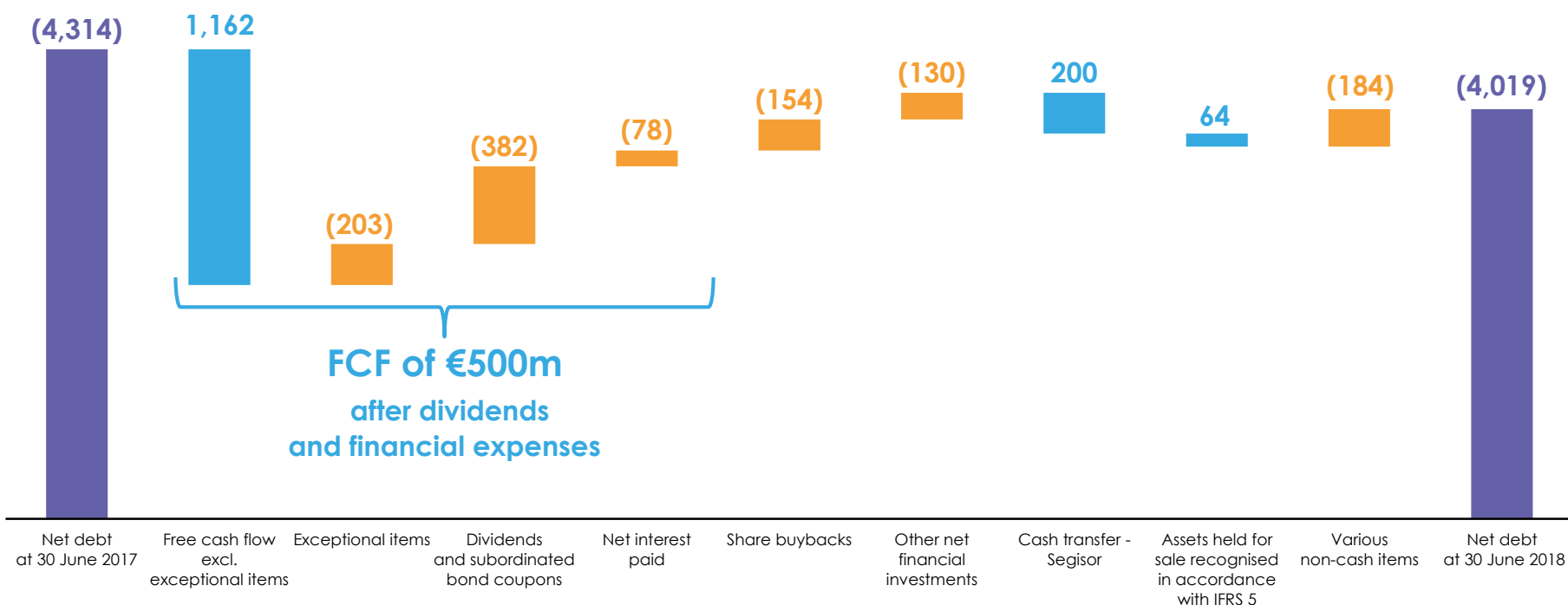
\* Before dividends paid to owners of the parent and holders of TSSDI deeply-subordinated notes

# €400m capital reduction of the holding company that controls Brazil, enabling deleveraging of Colombia and France

- Debt at the Segisor holding company, which is financing the capital reduction, comprises a medium-term loan that will be repaid by future dividends from GPA
- Taking into account the value of its stake in GPA, the LTV (loan-to-value) ratio of Segisor is below 25%

# Change in net debt in France, 12 months ended 30 June 2018

In €m



- FCF of €500m after dividends and financial expenses
- Financial investments related to acquisitions of retail businesses, o/w franchisees and the Sarenza acquisition
- Various non-cash items: impact of unwinding interest rate swaps in H2 2017 (€90m). No such operations in H1 2018

NB: FCF: Free Cash Flow

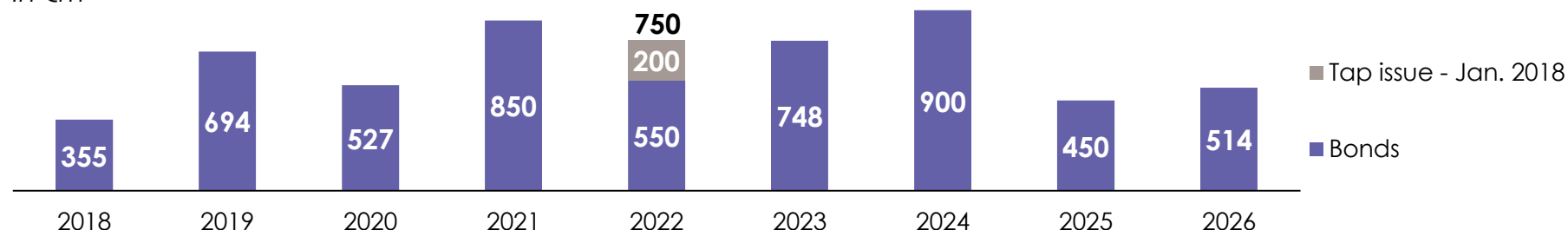
# Change in net debt by entity, 12 months ended 30 June 2018

<i>In €m</i>	30 June 2017	Change over the period	Impact of the Segisor capital reduction	30 June 2018
<b>France Retail</b>	<b>(4,314)</b>	+95	+200	<b>(4,019)</b>
<b>E-commerce</b>	<b>(214)</b>	-55	0	<b>(269)</b>
<b>Latam Retail</b>	<b>(1,706)</b>	+187	-200	<b>(1,719)</b>
O/w GPA	(722)	+194	0	(528)
O/w Éxito	(984)	-9	+200	(793)
O/w Segisor	0	0	-400	(400)
<b>Latam Electronics</b>	<b>641</b>	-79	0	<b>562</b>
<b>Total</b>	<b>(5,594)</b>	+149	0	<b>(5,445)</b>

- Excluding the Segisor operation, consolidated net debt was reduced by €149m over the 12 months ended 30 June 2018, of which €95m at France Retail and €187m at Latam Retail
- Non-cash impact reflecting the negative currency effect on the value of Via Varejo
- The change in e-commerce debt mainly related to H2 2017

## Maturities of bond debt at 30 June 2018: €5.8bn\*

In €m



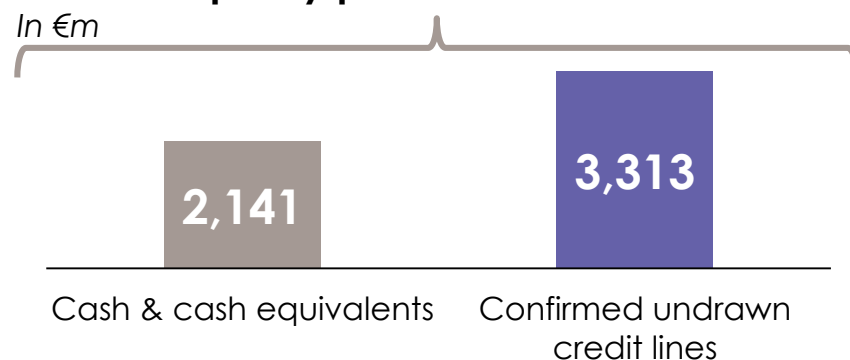
- Bond buybacks to take advantage of favourable market conditions:
  - €27m worth of 2019, 2020 and 2023 bonds bought back in July
  - Casino may pursue this opportunistic strategy considering its gross debt reduction objective
- Recent transactions (in 2017 and 2018) have improved the Group's debt structure
  - 2017: successful €184m bond swap in H1 and gross debt reduction
    - Bond exchange in H1: €550m issue in May and €366m worth of buybacks in June
    - €552m bond issue redeemed at maturity without refinancing
  - 2018: 2022 bond tap issue for €200m in January
- Group credit rating
  - 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)

\* After July 2018 bond buybacks

# High liquidity position maintained in France

- Upcoming debt maturities are easily covered by the €5.5bn liquidity position at 30 June 2018:
  - The Group had cash and cash equivalents of €2.1bn in France as of end June
  - €3.3bn in confirmed undrawn credit lines with an average maturity of 2.8 years as of end June

## €5.5bn\* liquidity position at 30 June 2018



### Confirmed credit lines

In €m	Rate	Amount	Drawn	Maturity
Confirmed credit lines – Casino*	Variable	50	-	2018
Confirmed credit lines – Casino*	Variable	175	-	2019
Confirmed credit lines – Casino*	Variable	675	-	2020
Confirmed credit lines – Monoprix	Variable	200	-	2020
Syndicated credit lines – Monoprix	Variable	370	-	2021
Syndicated credit lines** – Casino*	Variable	1,843	-	2021-2022
<b>Total</b>		<b>3,313</b>	<b>-</b>	

\* Scope France: the Casino, Guichard-Perrachon parent company, French businesses and wholly-owned holding companies

\*\* Includes (1) the €1.2bn syndicated credit line renewed in February 2014 for five years, whose expiry date was extended successively to 2020 and 2021, and (2) the USD 750m credit line expiring in July 2022





GROUPE  
*Casino*  
NOURRIR UN MONDE  
DE DIVERSITÉ

4

Outlook  
for H2 2018

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## The Group confirms its 2018 objectives, and updates them following the asset disposal plan announced in June 2018:

### ■ For **trading profit**:

- In France, it targets in food retail an organic\* 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\* growth of its consolidated trading profit and **above 10%** excluding tax credits

### ■ In France, **a free cash flow**\*\* 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\*\* 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

\* Excluding changes in the scope of consolidation and exchange rates.

\*\* Before dividends paid to owners of the parent and holders of TSSDI deeply-subordinated notes, and excluding financial expenses

# 5

## Appendices

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# Simplified consolidated income statement

<i>In €m</i>	H1 2017*	H1 2018
<b>Net sales</b>	18,439	17,816
<b>Operating profit</b>	<b>176</b>	<b>303</b>
Net finance costs	(192)	(158)
Other financial income and expenses	(35)	(91)
<b>Net profit (loss) from continuing operations</b>	<b>(16)</b>	<b>42</b>
<i>O/w Group share</i>	(88)	(67)
<b>Consolidated net profit (loss)</b>	<b>(30)</b>	<b>90</b>
<i>O/w Group share</i>	(96)	(63)

\* The 2017 financial statements have been restated in line with the application of IFRS 15 to permit meaningful comparisons to 2018

# Reconciliation of reported net profit to underlying net profit

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

\* The 2017 financial statements have been restated in line with the application of IFRS 15 to permit meaningful comparisons to 2018

# Underlying net profit and EPS

	H1 2017*	H1 2018
Weighted average number of ordinary shares before dilution	<b>110,852,275</b>	<b>108,892,169</b>
<b>Underlying net profit, Group share (in €m)</b>	<b>37</b>	<b>48</b>
Dividends payable on perpetual deeply subordinated bonds (TSSDI) (in €m)	(43)	(42)
<b>Underlying net profit, Group share, attributable to ordinary shares</b>	<b>(5.8)</b>	<b>5.4</b>
<b>Underlying diluted EPS (€)</b>	<b>(0.05)</b>	<b>0.05</b>

\* The 2017 financial statements have been restated in line with the application of IFRS 15 to permit meaningful comparisons to 2018

# Underlying minority interests

	H1 2017	H1 2018
<b>France Retail</b>	2	<b>4</b>
<b>E-commerce</b>	(11)	<b>(10)</b>
<b>Latam Retail</b>	130	<b>141</b>
<i>O/w Éxito (excl. GPA Food)</i>	15	<b>20</b>
<i>O/w GPA Food</i>	115	<b>121</b>
<b>Total</b>	<b>122</b>	<b>135</b>

NB: 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



# Share of profit of equity-accounted investees

	H1 2017	H1 2018
France Retail	(0)	<b>(4)</b>
Latam Retail	5	<b>15</b>
<b>Total</b>	<b>5</b>	<b>11</b>

# Cash-flow statement

## Group, continuing operations, first semester

	H1 2017	H1 2018
<b>Net debt at 1 January</b>	<b>(3,367)</b>	<b>(4,126)</b>
<b>Cash flow from continuing operations</b>	<b>582</b>	<b>635</b>
<i>o/w exceptional items</i>	<i>(141)</i>	<i>(133)</i>
Change in working capital	(1,871)	(867)
Income tax	(40)	(107)
<b>Cash from operating activities</b>	<b>(1,329)</b>	<b>(340)</b>
Capital expenditure	(625)	(529)
Asset disposals (business related)	173	223
Net Capex	(452)	(305)
<b>Free cash flow from operations before dividends and financial expenses</b>	<b>(1,781)</b>	<b>(646)</b>
Financial expenses	(425)	(297)
Dividends	(238)	(247)
Share buybacks	(25)	(135)
Other net financial investments	(227)	(41)
Assets held for sale recognised in accordance with IFRS 5	271	96
Various non-cash items	288	16
Discontinued activities	(90)	(67)
<b>Net debt at 30 June</b>	<b>(5 594)</b>	<b>(5 445)</b>

\* Before dividends paid to owners of the parent and holders of TSSDI deeply-subordinated notes, and excluding financial expenses

# Cash-flow statement

## France, first semester

	H1 2017	H1 2018
<b>Net debt at 1 January</b>	<b>(3,200)</b>	<b>(3,715)</b>
<b>Cash flow from continuing operations</b>	<b>129</b>	<b>175</b>
<i>o/w exceptional items</i>	<i>(119)</i>	<i>(91)</i>
Change in working capital	(628)	69
Income tax	(51)	(37)
<b>Cash from operating activities</b>	<b>(550)</b>	<b>208</b>
Capital expenditure	(352)	(274)
Asset disposals (business related)	146	216
Net Capex	(206)	(57)
<b>Free cash flow from operations before dividends and financial expenses</b>	<b>(756)</b>	<b>151</b>
Financial expenses	(118)	(143)
Dividends	(201)	(204)
Share buybacks	(28)	(134)
Other net financial investments	(254)	(78)
Assets held for sale recognised in accordance with IFRS 5	268	(25)
Various non-cash items	(26)	(70)
Segisor	0	200
<b>Net debt at 30 June</b>	<b>(4,314)</b>	<b>(4,019)</b>

\* Before dividends paid to owners of the parent and holders of TSSDI deeply-subordinated notes, and excluding financial expenses

In €m	H1 2017			H1 2018		
	Gross CAPEX	Sale	Net CAPEX	Gross CAPEX	Sale	Net CAPEX
<b>France</b>	<b>(352)</b>	146	<b>(206)</b>	<b>(274)</b>	216	<b>(57)</b>
O/w Property CAPEX	(104)	55	(49)	(11)	152	141
O/w Retail CAPEX	(248)	91	(157)	(263)	65	(198)
<b>E-commerce</b>	<b>(22)</b>	0	<b>(21)</b>	<b>(34)</b>	6	<b>(28)</b>
<b>Latam Retail</b>	<b>(251)</b>	27	<b>(224)</b>	<b>(221)</b>	1	<b>(220)</b>
<b>Total</b>	<b>(625)</b>	173	<b>(452)</b>	<b>(529)</b>	223	<b>(305)</b>

# Simplified consolidated balance sheet

<i>In €m</i>	<b>H1 2018</b>
Goodwill	<b>8,819</b>
Intangible assets, property, plant and equipment, and investment property	<b>10,017</b>
Investments in associates and joint ventures	<b>581</b>
Other non-current assets	<b>1,389</b>
Deferred tax assets	<b>631</b>
Inventories	<b>3,885</b>
Trade and other receivables	<b>2,303</b>
Cash and cash equivalents	<b>3,397</b>
Assets held for sale	<b>5,545</b>
<b>Total assets</b>	<b>36,568</b>
Total equity	<b>11,827</b>
Long-term provisions	<b>811</b>
Non-current financial liabilities	<b>7,873</b>
Deferred tax liabilities	<b>700</b>
Other non-current liabilities	<b>545</b>
Short-term provisions	<b>154</b>
Trade payables	<b>6,012</b>
Other liabilities	<b>2,703</b>
Current financial liabilities	<b>2,238</b>
Liabilities associated with assets held for sale	<b>3,704</b>
<b>Total equity and liabilities</b>	<b>36,568</b>

# Derivative financial instruments included in other liabilities

<i>In €m</i>	% capital	Maturity date	Interest rate	Notional	FV at 30/06/2017	FV at 30/06/2018
GPA forward	2.2%	February 2020	Libor 3M +2.04%	209	<b>(109)</b>	<b>(105)</b>
GPA TRS	2.9%	June 2020	E3M +1.99%	332	<b>(200)</b>	<b>(193)</b>
<b>Total</b>					<b>(308)</b>	<b>(298)</b>

- These derivative instruments are measured at fair value, determined primarily by reference to the year-end share price and exchange rate
- They are carried at fair value in “Other liabilities” in the consolidated balance sheet (€260m at end-2017)
- Gains and losses arising from annual remeasurement at fair value are recorded in “Other financial income” or “Other financial expense” in the consolidated income statement
- The GPA forward was renegotiated in June 2017 (reduction in the interest rate from Libor +2.76% to Libor +2.04% and extension of the instrument’s life until February 2020)
- The GPA TRS was renegotiated in October 2017 (reduction in the interest rate from E3M +2.695% to E3M +1.99% and extension of the instrument’s life until June 2020)

# Puts included in the balance sheet

<i>In €m</i>	% capital	Value at 30/06/2017	Value at 30/06/2018	Exercise period
Franprix – Leader Price	Majority-held franchised stores	<b>52</b>	<b>51</b>	Several dates
Monoprix		<b>1</b>	<b>3</b>	Several dates → 2022
Distribution Casino France		<b>0</b>	<b>19</b>	→ April 2023 to June 2023
Uruguay (Disco)		<b>110</b>	<b>112</b>	Any time → 2021
<b>Total</b>		<b>162</b>	<b>185</b>	

# Off-balance sheet puts

<i>In €m</i>	% capital	Value at 30/06/2017	Value at 30/06/2018	Exercise period
Franprix – Leader Price	Minority-held franchised stores	3	<b>1</b>	Several dates
Monoprix		0	<b>14</b>	Several dates ➔ 2022
<b>Total (off-balance sheet)</b>		<b>3</b>	<b>15</b>	



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