

Q3 2016 SALES

❖ **In France, growth in food sales and in gross sales under banners⁽¹⁾ and market share gains**

❖ **Faster increase in food sales in Brazil and sustained good performance in Colombia**

❖ **Total Group sales up +6.7%, highest growth in 13 quarters**

- **In France:** gross sales under banners up +1.4% in food
 - **Géant Casino⁽²⁾:** sustained growth in food sales, up +1.8% (+7.5% over two years) and market share gains
 - **Supermarchés Casino:** ongoing improvement in sales (+4.5% on an organic basis and +2.8% on a same-store basis) and growth in traffic (+2.4% on a same-store basis), market share gains
 - **Monoprix:** continued organic growth (+0.8%) with a strong expansion drive
 - **Franprix:** traffic positive on a same-store basis (+2.6%) thanks to the success of renovated stores
- **In Latin America:** food sales up +13.2% on an organic basis and +8.2% on a same-store basis; very favorable currency effect
 - **Exito (excluding Brazil):** good organic and same-store performance
 - **GPA Food:** strong growth (+8.3% on a same-store basis) driven by the recovery of food sales at Extra hypermarkets and supermarkets and by Assaí, which recorded double-digit growth in traffic
 - **Via Varejo:** continued sales growth (up +2.0% on a same-store basis) and maintenance of marketshare at a level comparable to highest historical records
- **E-commerce:**
 - **Cdiscount France:** net sales growth of +5.6% and marketplaces' GMV up +19%
 - **Cnova Brazil⁽³⁾:** marked decline in activity

SALES TRENDS BY SECTOR

BY SECTOR (in €m)	Q2 2016/Q2 2015 change				Q3 2016/Q3 2015 change			
	Q2 2016	Total growth	Organic growth	Same-store growth	Q3 2016	Total growth	Organic growth	Same-store growth
France Retail	4,716	+0.1%	+1.2%	+0.2%	4,760	-1.1%	+0.0%	-0.6%
Latam Retail	3,498	-11.1%	+11.8%	+7.1%	3,872	+20.8%	+13.2%	+8.2%
Latam Electronics	1,092	-13.1%	+0.3%	+2.6%	1,122	+14.8%	-0.4%	+2.0%
E-commerce	660	-19.4%	-13.5%	-13.5%	671	-12.9%	-16.4%	-16.4%
TOTAL GROUP	9,966	-7.0%	+3.8%	+1.8%	10,425	+6.7%	+2.9%	+1.7%

Sales for Q3 2016 totalled €10.4 billion, up +2.9% on an organic basis and +1.7% on a same-store basis. This performance reflected a positive currency effect of +4.1% and a scope effect of -0.4%.

NB: Organic and same-store changes exclude fuel and calendar effects

⁽¹⁾ Total sales by each banner from integrated stores and franchises and excluding fuel

⁽²⁾ Excluding Codim's operations in Corsica (four hypermarkets)

⁽³⁾ Cnova has indicated that Cnova Brazil is classified as a discontinued activity as of January 1, 2015

■ France Retail

BY BANNER	Q2 2016/Q2 2015 change					Q3 2016/Q3 2015 change				
	Q2 2016	Total growth	Organic growth	Same-store growth	Same-store growth over 2 years	Q3 2016	Total growth	Organic growth	Same-store growth	Same-store growth over 2 years
Hypermarkets	1,153	-0.2%	+2.5%	+2.2%	+3.9%	1,233	-0.4%	+0.4%	+0.2%	+3.7%
<i>o/w Géant Casino</i>	1,081	-0.6%	+2.2%	+2.2%	+4.2%	1,147	-0.6%	+0.3%	+0.3%	+4.2%
Leader Price	641	-3.2%	+1.7%	+1.1%	+0.2%	597	-7.6%	-4.6%	-2.7%	-0.5%
Monoprix	1,055	+2.4%	+0.7%	-2.1%	-1.4%	971	+1.1%	+0.8%	-2.3%	-0.2%
Supermarchés Casino	816	+1.9%	+3.1%	+1.2%	-1.1%	903	+3.3%	+4.5%	+2.8%	+3.5%
Franprix	411	-3.2%	-2.8%	-0.6%	-3.6%	370	-6.5%	-1.9%	-0.1%	+0.5%
Convenience & Other⁽¹⁾	639	+0.6%	+0.5%	-1.1%	+1.2%	686	-1.7%	-2.1%	-3.9%	+0.5%
<i>o/w Convenience</i>	349	-0.6%	-1.4%	-3.3%	+4.0%	417	-0.6%	-0.9%	-2.3%	+6.0%
FRANCE RETAIL	4,716	+0.1%	+1.2%	+0.2%	+0.3%	4,760	-1.1%	+0.0%	-0.6%	+1.8%

The calendar effect in France in Q3 was +0.3%.

In France, total sales amounted to €4,760m and were shaped by two factors:

- a plan to close 282 loss-making stores (out of a total 10,521 stores), which had a negative -0.6% impact on sales;
- the transfer of stores to franchise in formats suited to this type of operation (Convenience, Franprix and Leader Price). These transfers, for which the Group continues to record wholesale sales, had a negative impact of -0.9% in Q3.

In these conditions, gross sales under banners remained dynamic, rising by +0.7% (+1.4% for food) in Q3. Since the beginning of the year, gross sales under banners are up +2.1% (+2.5% for food). This performance is reflected in the Group's market share in France, which increased by +0.1 pt over the cumulative year-to-date Kantar P09 period.

Looking at integrated stores over a two-year period, same store sales were up +1.8%, a sequential improvement from the +0.3% increase in Q2 2016 over two years.

- At **Géant Casino**, sales were up +0.3% on a same-store basis during the semester, excluding a calendar effect of +0.6% (+0.9% including calendar).. Food sales increased by +1.8% on a same-store basis and by +7.5% over a two-year period. Sales of fresh products rose +4.3% over one year. Non-food sales declined considering the impact of unfavourable weather on seasonal items. The banner's market share continued to widen: +0.1 pt over the last Kantar P09 period.
- **Leader Price's** reported Q3 sales were affected by two measure in Q3:
 - the transfer of stores to franchise (negative impact of -3.9% on reported sales);
 - the closure of 71 loss-making stores (negative impact of -1.9%).

As a whole, gross sales under banner stood at €657m versus €659m in Q3 2015.

The 403 integrated stores saw a -2.7% decrease in same-store sales excluding the calendar effect (+0.8% of calendar effect), reflecting the deployment of new operating processes over the summer. Performance has improved gradually since September. Same-store sales over a two-year period were virtually stable in Q3.

- **Monoprix** saw sales rise by +1.1% overall and by +0.8% in organic terms. Expansion was dynamic, with 10 new stores opened during the quarter, for a total of 89 over the past 12 months. Same-store sales were down -2.3% and were virtually stable over two years (versus -1.4% in Q2). Food volumes were down -0.5%. Non-food sales were again impacted by unfavourable weather conditions and the decline in tourist activity in Paris. As a whole, gross sales under banner rose by +1.1%. Monoprix's market share held stable over the cumulative year-to-date Kantar P09 period.

⁽¹⁾ Others : mainly Vindémia and Cafeterias

- Same-store sales at **Supermarchés Casino** continued to improve their comparable sales (+2.8% vs. +1.2% in Q2), thanks in particular to a good performance during the summer. Traffic continued to improve, up +2.4 % after +1.9% in Q2 2016, thanks to the deployment of commercial initiatives. Organic growth of +4.5% was boosted by the opening of one new integrated store and the affiliation of seven new franchises since Q3 2015. Gross sales under banner rose by +4.9% over the period. Market share widened by +0.1 pt over the last Kantar P09 period.
- At **Franprix**, sales were virtually stable (up +0.1% including the +0.2% calendar effect) and traffic was positive on a same-store basis (+2.6%). Over two years, the banner recorded a sequential improvement of +4.1 pt on a same-store basis (from -3.6% in Q2 to +0.5% in Q3 2016), reflecting the success of the renovations to the new Mandarine concept. Total growth was impacted by transfers of stores to franchises and store closures.
- **Convenience** sales saw a slight sequential improvement from the previous quarter. Over a two-year period, same-store sales rose by +6.0%, an acceleration vs. +4.0% in Q2 thanks to measures to transform the store network. Gross sales under banners increased by +1.0% over the quarter.

▪ **Latam Retail**

Food sales in Latin America continued to rise, gaining +13.2% on an organic basis and +8.2% on a same-store basis (vs +11.8% and +7.1%, respectively, in Q2 2016). Factoring in the favourable currency effect, the increase came to +20.8%.

- **Exito** (excluding the effect of consolidating GPA's sales) continued to show robust sales growth in Q3 2016, thanks to solid performances in Colombia, Uruguay and Argentina that reflected strong commercial dynamics.
- Growth in **GPA Food** sales in Brazil accelerated in Q3 2016, rising by +14.0% on an organic basis and +8.3% on a same-store basis (vs +11.4% and +6.3% in Q2 2016). Food sales rose by +17.1% on an organic basis and +10.8% on a same-store basis.
 - **Assaí** turned in another very strong performance, with sales up +45.8% on an organic basis, driven by high same-store sales with double-digit growth in traffic and very dynamic expansion. The banner now accounts for 37% of GPA Food's sales.
 - **Multivarejo** achieved a +1.8% increase in same-store sales over the quarter, compared with +0.9% in Q2 2016.
 - Food sales at Extra hypermarkets and supermarkets rose by more than +6.0%⁽¹⁾, driven by the effects of the reshuffled sales policy. Extra hypermarkets have seen an increase in volumes and market share over the past five months. Sales of non-food items are still negative (in line with the market), yet improving.
 - Pão de Açúcar and the convenience formats remained on a good trend.

GPA provided a detailed report on its Q3 sales on 11 October 2016.

▪ **Latam Electronics**

Sales at Via Varejo rose +2.0% on a same-store basis thanks to the action plans deployed. The banner's market share has resumed historic highs.

Via Varejo provided a detailed report on its Q3 sales on 11 October 2016.

⁽¹⁾ Data published by the subsidiary.

■ E-commerce

In France, sales of **Cdiscount France**⁽¹⁾ website sales rose +5.6%. The banner remained on a good business trend while continuing to improve profitability, by reducing loss-making B2B sales and closing specialised sites. These moves had a negative -2.5 pt impact on Q3 growth. The marketplaces' GMV increased by +19% and their share of total GMV reached 33.3% in Q3 2016, representing a +347 bp improvement on the same period last year.

July was impacted by unfavourable weather and the tragic events in France. In August-September, the site recorded average growth in sales of +9.8%. The banner now has nearly 8 million active customers⁽²⁾ and the number of "Cdiscount à volonté" members more than doubled over 12 months.

Cnova Brazil reported a sharp contraction in business due, in particular, to the economic slowdown in Brazil that is penalizing non-food sales. The marketplace's share increased by +926 bp to 21.2%.

Cnova provided a detailed report on its Q3 sales on 11 October 2016 and indicated that Cnova Brazil was classified as a discontinued activity as of January 1, 2015.

2016 OBJECTIVES

In France, the Group confirms the following objectives:

- Trading profit of more than €500m
- Free Cash Flow⁽³⁾ of more than €550m (*before 2015 dividends, coupons awarded to holders of hybrid instruments in 2015 and payment of an interim dividend in respect of 2016*).
- Net capital expenditure of c.€350m

Definitions of the main non-GAAP indicators are available on the corporate website (www.groupe-casino.fr).

⁽¹⁾ Growth in Cdiscount France website's sales (Excluding international sites and vertical sites closed at the end of September)

⁽²⁾ Active customers at 30 September who made at least one purchase on our websites in the last 12 months

⁽³⁾ Cash flow from operating activities in France after income tax - net capital expenditure of French activities and net interest expense paid. Includes dividends received from international subsidiaries and equity associates.

APPENDICES

Details and sales trends in Q3 2016

Organic growth corresponds to growth at constant scope of consolidation and exchange rates, excluding fuel and calendar effects, unless otherwise mentioned.

France Retail: calendar effect in Q3 2016

Calendar effect in Q3 2016	
Hypermarkets	+0.7%
<i>o/w Géant</i>	+0.6%
Leader Price	+0.8%
Monoprix	+0.0%
Supermarchés Casino	+0.1%
Franprix	+0.2%
Convenience & Other	+0.2%
<i>o/w Convenience</i>	+0.3%
France RETAIL	+0.3%

France Retail: breakdown and change in gross sales under banners in Q3 2016

ESTIMATED GROSS SALES UNDER BANNERS (in €m)	2015	2016	Change
Hypermarkets	1,037	1,049	+1.1%
Leader Price	659	657	-0.3%
Monoprix	984	995	+1.1%
Supermarchés Casino	789	827	+4.9%
Franprix	427	400	-6.4%
Convenience & Other	799	799	+0.0%
<i>o/w Convenience</i>	503	508	+1.0%
FRANCE RETAIL	4,695	4,727	+0.7%

Main changes in the scope of consolidation

- Restatement of activity in Asia

Exchange rates

AVERAGE EXCHANGE RATES	Q3 2015	Q3 2016	Currency effect
Argentina (EUR/ARS)	10.2799	16.6901	-38.4%
Uruguay (EUR/UYP)	31.4770	32.5450	-3.3%
Colombia (EUR/COP) (x 1000)	3.2730	3.2884	-0.5%
Brazil (EUR/BRL)	3.9340	3.6223	+8.6%

Store network at 30 September

FRANCE	31 March 2016	30 June 2016	30 Sept. 2016
Géant Casino Hypermarkets	129	130	129
<i>o/w French affiliates</i>	7	7	7
<i>International Affiliates</i>	12	13	12
Supermarchés Casino	445	444	445
<i>o/w French Franchised Affiliates</i>	64	64	69
<i>International Franchised Affiliates</i>	33	32	32
Monoprix	709	732	738
<i>o/w Franchises/Affiliates</i>	200	195	196
<i>Naturalia</i>	133	136	137
<i>Naturalia franchises</i>	4	5	5
Franprix	851	853	853
<i>o/w Franchises</i>	366	370	375
Leader Price	790	788	796
<i>o/w Franchises</i>	339	402	393
Total Supermarkets and Discount	2,795	2,817	2,832
Convenience	6,899	6,864	6,745
Other businesses (Cafeterias, Drive, etc.)	646	653	643
Indian Ocean	149	161	172
TOTAL France	10,618	10,625	10,521

INTERNATIONAL	31 March 2016	30 June 2016	30 Sept. 2016
ARGENTINA	27	27	27
Libertad Hypermarkets	15	15	15
Mini Libertad mini-supermarkets	12	12	12
URUGUAY	66	69	75
Géant Hypermarkets	2	2	2
Disco Supermarkets	29	29	29
Devoto Supermarkets	24	24	24
Devoto Express mini-supermarkets	11	14	20
BRAZIL	2,126	2,113	2,089
Extra Hypermarkets	137	135	134
Pão de Açúcar Supermarkets	185	184	184
Extra Supermarkets	194	194	194
Assai (discount)	96	97	100
Mini Mercado Extra mini-supermarkets	301	297	276
Casas Bahia	745	750	750
Ponto Frio	233	225	220
Drugstores	157	155	155
+ Service stations	78	76	76
COLOMBIA	1,632	1,695	1,805
Exitto Hypermarkets	85	86	85
Exitto and Carulla Supermarkets	163	163	167
Super Inter Supermarkets	58	58	67
Surtimax (discount)	1,214	1,283	1,383
<i>o/w "Aliados"</i>	1,062	1,132	1,246
Exitto Express and Carulla Express mini-	111	104	102
Other supermarkets	1	1	1
TOTAL International	3,851	3,904	3,996

ANALYST AND INVESTOR CONTACTS

Régine Gaggioli – Tel: +33 (0)1 53 65 64 17

rgaggioli@groupe-casino.fr

or

+33 (0)1 53 65 24 17

IR_casino@groupe-casino.fr

PRESS CONTACTS

CASINO

Tel.: +33 (0)1 53 65 24 78

directiondelacommunication@groupe-casino.fr

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Grégoire Lucas

Tel.: +33 (0)1 53 70 74 84

Mob.: +33 (0)6 71 60 02 02

glucas@image7.fr

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