INTERIM FINANCIAL STATEMENTS

30 June 2014

Financial Highlights 2
Significant events of the period 3
Outlook and Conclusion 12
Condensed consolidated financial statements 14
Statement by the Person Responsible for the Interim Report 41
Statutory Auditors' Review Report on the 2014 Half-yearly Financial Information 42

Financial Highlights

Casino group financial highlights for the first six months of 2014 were as follows:

Continuing operations (€ millions)	H1 2013 - adjusted[1]	H1 2014	Change (%)	Organic change[2]
Total business volume excl. VAT[3]	**25,698**	**24,916**	-3.0%	
Consolidated net sales excl. VAT	**23,125**	**23,248**	+0.5%	+6.1%
Gross profit	**5,900**	**5,724**	-3.0%	
EBITDA[4]	**1,406**	**1,353**	-3.8%	+9.1%
Depreciation and amortisation expense	**(473)**	**(473)**	0%	
Trading profit	**933**	**880**	-5.7%	+13.5%
Other operating income and expense	**533**	**(174)**		
Net financial expense, of which:	**(341)**	**(279)**	+18.0%	
Finance costs, net	**(310)**	**(311)**		
Other financial income and expense	**(31)**	**32**		
Profit before tax	**1,126**	**427**		
Income tax expense	**(273)**	**(149)**		
Share of profits of associates	**19**	**30**		
Profit from continuing operations	**872**	**307**	-64.7%	
attributable to owners of the parent	**595**	**76**	-87.3%	
attributable to non-controlling interests	**277**	**232**	-16.3%	
Total consolidated net profit	**872**	**307**	-64.7%	
attributable to owners of the parent	**595**	**75**	-87.3%	
attributable to non-controlling interests	**277**	**232**	-16.3%	
Net underlying profit attributable to owners of the parent[5]	**193**	**176**	-9.0%	

(1) The comments on the Interim Financial Statements are expressed in comparison with H1 2013 adjusted. The published interim financial statements have been adjusted pursuant to retroactive application of IFRS 11 and to changes relating mainly to measurement of the fair value of assets and liabilities acquired from Monoprix.
(2) Based on comparable scope of consolidation and constant exchange rates, and excluding the impact of real estate disposals.
(3) Includes all revenue from consolidated companies and associates on a 100% basis. It also includes the revenue generated under the banner by franchises and that generated on the e-commerce marketplace.
(4) EBITDA (Earnings before interest, taxes, depreciation and amortisation) = Trading profit + depreciation and amortisation expense.
(5) Underlying net profit corresponds to profit from continuing operations adjusted for the impact of other operating income and expense, non-recurring financial items and non-recurring income tax expense/benefits (see appendix).

Significant events of the period

- On **15 January 2014,** the Group announced the launch of three new websites under the Cdiscount brand in Thailand, Vietnam and Colombia. These activities will supplement the international subsidiaries' existing websites and enable the Group to build a strong position as an e-commerce player in markets where e-commerce is just starting to take off.

- On **10 February 2014,** Exito, a Casino subsidiary, announced the signing of an agreement to acquire and operate 50 stores of the Colombian company Super Inter. Exito will acquire 19 stores in 2014 and enter into a leasing/management contract to operate the remaining 31 stores, on which it has a call option exercisable in 2015.Super Inter is an independent retailer located in the Cali and Coffee regions. This operation will consolidate Exito's leadership in the Colombian retail market. It will also accelerate Exito's expansion in the fast-developing discount market by adding a banner that complements its existing discount format Surtimax.
  The transaction will be financed out of Exito's existing cash resources and will have a positive impact on net earnings as from the first year. Completion of the deal remains subject to approval from the Colombian antitrust authority.

- On **28 February 2014**, Casino successfully completed the tender offer launched on 21 February 2014, enabling it to buyback respectively €214 million and €336 million of bonds maturing in April 2016 and February 2017.
  This tender offer, together with the new 10-year bond issue of €900 million launched on Friday 21 February, extended the average maturity of Casino's bond debt from 4.8 years at end December 2013 to 5.4 years as at the date of the operation.

- Also on **28 February 2014**, Casino announced the signing of a 5-year confirmed credit facility for an amount of EUR 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 as at end of December 2013 to 4.3 years at the date of the deal.

- On **4 April 2014**, Casino acquired 8,907,123 preferred shares of GPA after exercising a call option purchased in July 2012. This deal increased Casino's share of interest in GPA's equity from 38% to 41.4%, without any change in the total economic exposure of 46.5% (which takes into account the other derivative instruments).

- On **6 May 2014**, the Group announced a project to create an e-commerce platform combining the businesses of Cdiscount in France, Colombia and Asia, and those of Nova in Brazil (company jointly held by GPA and ViaVarejo). This would create a major global e-commerce pure-player whose aggregate business volumes in 2013 would have amounted to $4.1 billion.

- On **4 June 2014**, the Casino and Bolloré groups announced a strategic partnership with the objective of developing an e-commerce platform in Africa. Cdiscount Afrique and Bolloré Africa Logistics will create a joint company that will benefit from their respective strengths: the expertise of the e-commerce leader in France and the skills of the logistics leader in Africa.
  A first Cdiscount website is due to be launched in Ivory Coast as from this summer.

- On **4 June 2014**, the Boards of Directors of Casino, CBD, Via Varejo and Exito approved the principal terms for the creation of a major global e-commerce player and the incorporation of a new company Cnova. A registration statement has been filed with a view to a possible initial public offering in the U.S. market.

- On **30 June 2014**, Casino announced the signing with Coopérateurs de Normandie-Picardie and Mutant Distribution of a commitment to purchase 63 stores operated under the Mutant Express, Point Coop, C. Express and Le Mutant banners, in exchange for an exclusivity agreement.

Business Review

Comments on the interim financial statements are made on the basis of a comparison with H1 2013 as adjusted. The financial statements previously published have been adjusted following the retrospective application of IFRS 11 and the changes applying mainly to the determination of the fair value of the Monoprix assets and liabilities acquired.

Compared with the previous half year, the currencies of the countries where the Group operates depreciated significantly against the euro, falling by on average -15.3% for the Brazilian real, -10.7% for the Colombian peso and -12.1% for the Thai baht. At constant exchange rates, the changes in the main income statement items would have been as follows:

Continuing operations (€m)	**1st half 2013 adjusted**	**1st half 2013 as published(1)**	**1st half 2014**	**1st half 2014 at CER(2)**
Net sales	**23,125**	**23,703**	**23,248**	**25,529**
EBITDA	**1,406**	**1,381**	**1,353**	**1,519**
Trading profit	**933**	**894**	**880**	**1,008**
Underlying net profit attributable to equity holders of the parent	**193**	**193**	**176**	**204**

(1) Sales, EBITDA and Trading Profit excluding Mercialys, which has been accounted for using the equity method since H2 2013
(2) At constant exchange rates

- The first half of 2014 was characterized by the excellent operating performance of the overseas subsidiaries, and in France, by the banners' operating resilience in a context of major pricing investments.
  - In France, the half-year was marked by the good operating performance of the Casino, Monoprix and Franprix banners, the recovery of the hypermarkets and the investments in price of Leader Price, which enabled this banner to reposition itself among the cheapest in the market.
  - In Brazil, the Group taking managerial control in Brazil resulted in good operating performances, in terms of both business growth and profitability.
  - The e-commerce division performed very well for the half-year. The Group has announced plans to float this business (Cnova) on the stock exchange.

- Consolidated sales were up by +0.5% thanks to a sequential improvement in France in the second quarter and excellent performances at all its international subsidiaries. Changes in the scope of consolidation had a positive contribution of +4.3%. Exchange rate movements had a negative effect of -9.9%, mainly due to the depreciation of the Brazilian real.

- Organic sales growth, excluding petrol and calendar effect, came to +6.7%:
  - In France, sales were down by -1.2% on an organic basis excluding petrol and calendar effect, due to price cuts at Géant and Leader Price. The period also featured a return to growth at Géant with a recovery in non-food volumes. Traffic at Leader Price improved towards the end of the first half. The e-commerce activity posted very good performances.
  - Internationally, sales continued to post robust organic growth excluding petrol and calendar effect (+11.5%), driven by Latin America with very strong organic growth of +12.2% excluding petrol and of +12.5% excluding calendar effect, thanks to strong same-store sales performances and GPA's expansion in Brazil.

- Trading profit increased by +13.5% on an organic basis (down by -5.7% in total) under the effect of the investments in price and exchange rate movements. International activities now represent 83% of trading profit (vs. 76% in the first half of 2013).

- Trading Profit of the France Retail[1] segment remained steady relative to H1 2013 (excluding Mercialys)
- Trading Profit of the Latam Retail[2] segment grew by +18.3% on an organic basis (down by -0.7% in total), driven by the good performances of the GPA banners
- Trading Profit of the Latam Electronics[3] segment was up by +34.3% on an organic basis (up by +13.3% in total)
- Trading profit of the Asia[4] segment was up by +6.0% on an organic basis (down -6.2% in total) in a difficult political and macroeconomic context in Thailand
- Trading profit of the e-commerce[5] segment grew by +13.0% (down by -0.5% on an organic basis).

- The trading margin is slightly (25 bps) down, at +3.8%, but up by 25 bps on an organic basis
  - The trading margin of the France Retail segment is down by 18 bps at +1.8%.
  - The trading margin of the Latam Retail segment is up by 21 bps at +4.7%.
  - The trading margin of the Electronics segment is up by 160 bps at +7.9%.
  - The trading margin of the Asia segment is up by 8 bps at +6.3%.
  - The trading margin of E-Commerce is up by 10 bps at a negative -0.6%.

[1] France Retail consists of the Casino, Monoprix, Franprix-Leader Price and Vindémia banners.
[2] Latam Retail consists of the GPA (food), Éxito and Libertad banners.
[3] Latam Electronics comprises the banners of the Viavarejo Group: Casas Bahia and Ponto Frio.
[4] Asia comprises the banners of the Big C Thailand and Big C Vietnam groups.
[5] E-commerce comprises Cdiscount, its sites vertical and international sites launched during the first half-year, and Nova Pontocom in Brazil.

FRANCE
(43% of consolidated net sales)

€ millions	1st half 2013	1st half 2014	Change (%)
Net sales excl. VAT, France	**9,077**	**9,927**	**+9.4%**
Casino	**5,887**	**5,773**	-1.9%
Monoprix	**1,013**	**2,020**	+99.3%
Franprix-Leader Price	**2,176**	**2,133**	-2.0%
Net sales excl. VAT, France Retail	**8,398**	**9,248**	+10.1%
Trading profit, France Retail	**165**	**165**	0%

Sales generated by the French operations totalled €9,927 million in the first half of 2014 compared with €9,077 million in H1 2013, up +9.4% due in particular to the full consolidation of Monoprix as from the second quarter of 2013. On an organic basis excluding petrol and calendar effect, sales were down by -1.3%.

Trading profit for the Retail activity came to €165 million, stable relative to H1 2013 despite pricing investments at Leader Price. The trading margin dropped slightly, to 1.8%, in the first half.

Highlights by format were as follows

- **Franprix-Leader Price** posted a -2.0% decline in sales during the first-half 2014 to €2,133 million, compared with €2,176 million in H1 2013).
  - Sales at **Leader Price** were down by -1.8%, reflecting the price cuts implemented since the end of 2013. Volumes recorded a sequential improvement during the quarter and customer traffic turned positive in June.
  - **Franprix** completed the roll out of its loyalty card at all its stores and continued its expansion, which is expected to produce effects in the second half.

- **Monoprix** posted reported growth of +99.3% (reflecting in particular exclusive control with effect from Q2 2013) and sales declined by only -0.3% on an organic basis excluding petrol and calendar effect despite changes in evening opening hours at some stores. The trend in food volumes remained satisfactory and textiles performed well. Expansion continued at a vigorous pace for the various formats (Naturalia, Monop).

- **Casino**
  - **Géant**'s sales grew by +0.5% on an organic basis excluding petrol and calendar effect in H1 2014 thanks to the banner's now highly competitive price positioning. Traffic and volumes improved, confirming the Group's price cutting strategy. Numerous commercial initiatives (sales by quantity, bargain textiles prices, etc.) also helped boost the banner's sales dynamics.

  - The **Casino Supermarkets** posted a -2.7% drop in sales under the impact of pricing investments. Expansion continued, with six stores opened during the first half, including two integrated stores.

  - The **Convenience format** recorded a -5.1% decline in sales but posted a sequential improvement in the second quarter. The banner is successfully pursuing its expansion with the opening of franchise stores while at the same time improving the competitiveness of the Vival and Spar franchise networks through pricing investments. With regard to the integrated stores, conversion of stores to the new formats and renovation of other stores continued with very good commercial results.

INTERNATIONAL
(57% of consolidated net sales)

(€ million)	**First half 2013**	**First half 2014**	Reported change (%)
Consolidated net sales	**14,048**	**13,321**	-5.2%

International sales were down by -5.2%.
Foreign exchange trends had a negative impact, linked mainly to the Brazilian real's depreciation against the euro.
Excluding currency effects and changes in consolidation scope, **organic growth** excluding petrol and calendar effect was very strong at +11.5%.

International activities accounted for 57% of total consolidated sales in the first half of 2014.

Latam Retail
Brazil
Colombia
Argentina
Uruguay

(€ million)	**First half 2013**	**First half 2014**	Reported change (%)
Net sales	**7,703**	**7,305**	**-5.2%**
Trading profit	**344**	**342**	**-0.7%**
Trading margin	***4.5%***	***4.7%***	

Trading profit at **Latam Retail** was up +18.3% on an organic basis (-0.7% on a reported basis) thanks to the strong performances of the Pao de Acucar, Minimercado and Extra SM. banners in Brazil. The banner continued to expand at a robust pace in the highly promising convenience format, opening 22 convenience stores during the first half. Profitability remained stable at Assai despite ongoing expansion (3 stores opened during the first half).
Exito's margin in Colombia remained stable thanks to strong sales momentum and good management of the commercial margin. In Uruguay, the high level of profitability continued.

This segment's contribution to operating profit was adversely affected by the negative currency effect.

Latam Electronics
Viavarejo

(€ million)	**First half 2013**	**First half 2014**	Reported change (%)
Net sales	**3,843**	**3,477**	**-9.5%**
Trading profit	**244**	**276**	**13.3%**
Trading margin	***6.3%***	***7.9%***	

Latam Electronics posted strong growth in trading profit, thus offsetting the negative currency effect. Viavarejo benefited from strong sales and tighter control of overheads. Expansion continued at a steady pace throughout the first half, with the opening of 14 Casas Bahia stores.

Asia
Thailand
Vietnam

(€ million)	**First half 2013**	**First half 2014**	Reported change (%)
Net sales	**1,828**	**1,692**	**-7.4%**
Trading profit	**114**	**107**	**-6.2%**
Trading margin	***6.2%***	***6.3%***	

Operating performances remained very satisfactory despite a difficult environment that had a negative impact on same-store sales in Thailand. In Thailand, the trading margin remained stable during the first half 2014 thanks to the efforts made in terms of commercial margin, cost control and the still robust contribution from the commercial galleries adjacent to the hypermarkets, which continue to expand. Expansion is also continuing at a dynamic pace in the small formats.

The trading margin also grew in Vietnam during H1 2014 thanks to improvements in the commercial margin and very efficient control of operating expenses.

The trading margin in Asia remained high at 6.3%. Asia's contribution to operating profit was adversely affected by a negative currency effect.

E-COMMERCE (Cdiscount and Nova Pontocom)

(€ million)	**First half 2013**	**First half 2014**	Reported change (%)
Net sales	**1,290**	**1,526**	**+18.3%**
Trading profit	**-9**	**-9**	**-0.5%**
Trading margin	***-0.7%***	***-0.6%***	

The performance of this segment, which includes Cdiscount's activities, those of its international subsidiaries launched in the first half and that of Nova Pontocom, was characterised in the first half by:

- Strong growth in Cdiscount's activity, linked in particular to the marketplace’s rapid development.
- Very good performances of all Nova Pontocom's sites.

Comments on the consolidated financial statements

The interim consolidated financial statements, presented in condensed form, have been prepared in accordance with IAS 34 – Interim Financial Reporting.

Main changes in the scope of consolidation and their related impacts

- Exercise of the call option on GPA's preferred shares;
- Franprix – Leader Price sub-group: control of Mutant Distribution and acquisition of an additional 49% stake in Volta 10;
- Acquisition of all Monshowroom's non-controlling interests.

Net sales

Consolidated net sales came to €23,248 million in the first half of 2014 compared with €23,125 million in the first half of 2013, corresponding to an increase of +0.5%.
The impact of changes in scope on sales was +4.3%, reflecting in particular the full consolidation of Monoprix with effect from the second quarter of 2013.
The currency effect was a negative -9.9%.

A detailed review of sales growth was presented above in the comments on French and International operations.

Trading profit

Trading profit came to €880 million in first-half 2014, down by -5.7% compared with first-half 2013.
Changes in the scope of consolidation had a -5.4% impact and the currency effect was -13.7%.
Adjusted for these effects, trading profit increased by +13.5%.

A detailed review of trading profit was presented above in the comments on French and International operations.

Trading profit

Other operating income and expense recorded a net expense of €174 million in first-half 2014, compared with a net income of €533 million in first-half 2013.

The net expense of €174 million in the first half of 2014 mainly included:

- €72 million in provisions and expense for restructuring, relating mainly to Casino France (€24 million), Brazil (€18 million) and Franprix-Leader Price (€16 million).
- €36 million in provisions and expense for litigation, contingencies and others, relating mainly to Brazil (€20 million).
- €52 million in net expenses linked to changes in scope, relating mainly to France (€31 million).

The net income of €533 million in the first half of 2013 mainly included:

- net income related to changes in scope totalling €624 million, driven in large part by the deconsolidation of Mercialys following the loss of Casino's control and by the revaluation of Casino's pre-existing stake in Monoprix following the taking over of exclusive control of Monoprix;
- €83 million in provisions and expense for litigation, contingencies and others (mainly at GPA);
- €41 million in provisions and expense for restructuring related primarily to Casino France and GPA.

After the impact of other operating income and expense, **operating profit** amounted to €706 million in first-half 2014 versus €1,466 million in first-half 2013.

Profit before taxes

Profit before taxes amounted to €427 million in first-half 2014 (versus €1,126 million in first-half 2013). It includes the net financial expense of €279 million for the period (versus a net financial expense of €341 million in first-half 2013), which can be broken down as follows:

- o the cost of the net financial debt of €311 million, stable relative to first-half 2013 (€310 million);
- o other net financial income of €32 million, compared with net financial expense of €31 million in first-half 2013.

Profit attributable to owners of the parent

Income tax expense amounted to €149 million, corresponding to 35.04% of income before taxes (versus €273 million in first-half 2013). Restated for non-recurring items, the effective tax rate came to 30.7% versus 28.6% in 2013.

The **Group's share in the profit of associates** amounted to €30 million, compared with €19 million in first-half 2013.

Non-controlling interests totalled €232 million in first-half 2014 (versus €277 million in first-half 2013). In the first half of 2014, restated for non-recurring items, underlying profit attributable to non-controlling interests amounted to €259 million compared with €268 million in first-half 2013.

In light of these factors, **net profit from continuing operations attributable to equity holders of the parent** stood at €76 million in first-half 2014 versus €595 million in first-half 2013, due mainly to changes in other operating income and expense.

Total net profit attributable to equity holders of the parent was €75 million, compared with €595 million in first-half 2013.

Underlying net profit attributable to equity holders of the parent from continuing operations came to €176 million for the half-year ended 30 June 2014 compared with €193 million in the half-year to end of June 2013, i.e. down by -9%. (see notes)

Cash flows

Cash flow increased by +2.5% to €865 million from €844 million in first-half 2013.

The **change in working capital requirement** was a negative -€1,639 million versus -€1,099 million in first-half 2013.

In first-half 2014, **capital expenditure** totalled €693 million compared with €748 million in first-half 2013 and was spread between France and International.

The effect on cash of changes in the scope of consolidation was a negative impact of €61 million compared with a negative impact of €1,469 million in first-half 2013 (linked mainly to taking control of Monoprix).

Financial position

At 30 June 2014, the Group's net **financial debt** came to €7,836 million versus €8,931 million at 30 June 2013. Net financial debt decreased in first-half 2014 compared with first-half 2013, taking into account the Group's major transactions in the second half of 2013. It should decrease over the second half of the year, under the effect of free cash flow seasonality, notably linked to the generation of significant working capital, resources.

Group equity came to €15,805 million at 30 June 2014 compared with €14,378 million at 30 June 2013 and €15,425 at 31 December 2013.
As a result of the changes described above, the net financial debt to equity ratio improved to 49.6% at 30 June 2014 versus 62.1% at 30 June 2013.

The Group's debt profile improved significantly thanks to the bond exchange carried out in the first half of 2014. With this transaction, the average maturity of the Group's bond debt was extended to 5.4 years at end-June 2014 (versus 4.8 years at end-December 2013).

Outlook and Conclusion

In the second half of 2014, the Group will pursue its strategy aimed at:

- Rolling out the discount banners
- Strengthening its positioning on premium formats
- Accelerating expansion in convenience formats
- Becoming a major player in non-food e-commerce.

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

Appendix: Reconciliation of reported net profit to underlying net profit*

* Underlying net profit corresponds to 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 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 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.
Underlying profit is a measure of the Group's recurring profitability.

(€ million)	H1 2013 adjusted	Adjustments	H1 2013 underlying	**H1 2014 reported**	**Adjustments**	**H1 2014 underlying**
Trading profit	933	0	933	880	0	880
Other operating income and expense, net	533	(533)	0	(174)	174	0
Trading profit	1,466	(533)	933	706	174	880
Finance costs, net	(310)	0	(310)	(311)	0	(311)
Other financial income and expense, net [(1)]	(31)	27	(4)	32	(17)	15
Income tax expense [(2)]	(273)	95	(177)	(149)	(30)	(179)
Share of profits of associates	19	0	19	30	0	30
Profit from continuing operations	872	(410)	462	307	128	435
Attributable to non-controlling interests [(3)]	277	(9)	268	232	27	259
Attributable to equity holders of the parent	595	(402)	193	**76**	100	176

[(1)] The following are deducted from Other financial income and expenses: the impact of monetary discounting of tax liabilities in Brazil (-€13m in 2014 and -€13m in 2013) as well as fair value changes of the Total Return Swaps on GPA and Big C shares, and GPA forwards and calls (+€29m in 2014 and -€15m in 2013).
[(2)] The following are deducted from tax charges: tax items corresponding to the items deducted above, as well as non-recurring income and charges.
[(3)] The following are deducted from non-controlling interests: the amounts related to the items deducted above.

Condensed consolidated financial statements

The figures in the following tables have been rounded individually to the nearest million euros. Consequently, the totals and sub-totals may not correspond exactly to the sum of the reported amounts.

CONSOLIDATED INCOME STATEMENT

For the six-month periods ended 30 June 2014 and 2013

€ millions	Notes	30 June 2014	30 June 2013 (*)
CONTINUING OPERATIONS			
Net sales	5.1	23,248	23,125
Cost of goods sold		(17,524)	(17,225)
Gross profit		**5,724**	**5,900**
Other income		187	105
Cost of sales	6.2	(4,254)	(4,192)
General and administrative expenses	6.2	(777)	(880)
Trading profit	**5.1**	**880**	**933**
as a % of sales		*3.8*	*4.0*
Other operating income	7	98	805
Other operating expense	7	(273)	(272)
Operating profit		**706**	**1,466**
as a % of sales		*3.0*	*6.3*
Income from cash and cash equivalents		92	87
Finance costs		(403)	(397)
Finance costs, net	8.1	**(311)**	**(310)**
Other financial income	8.2	93	83
Other financial expense	8.2	(62)	(114)
Profit before tax		**427**	**1,126**
as a % of sales		*1.8*	*4.9*
Income tax expense	9	(149)	(273)
Share of profits of associates	11	30	19
Net profit from continuing operations		**307**	**872**
as a % of sales		*1.3*	*3.8*
attributable to owners of the parent		76	595
attributable to non-controlling interests		232	277
DISCONTINUED OPERATIONS			
Net profit/(loss) from discontinued operations		**(0)**	**(0)**
attributable to owners of the parent		(0)	(0)
attributable to non-controlling interests		0	0
CONTINUING AND DISCONTINUED OPERATIONS			
Total consolidated net profit		**307**	**872**
attributable to owners of the parent		75	595
attributable to non-controlling interests		232	277

Earnings per share

In €	30 June 2014	30 June 2013 (*)
From continuing operations attributable to owners of the parent		
Basic	0.52	5.20
Diluted (**)	0.32	5.19
From continuing and discontinued operations attributable to owners of the parent		
Basic	0.52	5.19
Diluted (**)	0.32	5.18

(*) The financial statements published previously have been restated following the retrospective application of IFRS 11 (note 1.4.3) and the changes relating mainly to the determination of the fair value of the Monoprix assets and liabilities acquired (note 3.4)

(**) In accordance with IAS 33, the calculation of diluted EPS takes account of the maximum dilutive effect of the Monoprix mandatorily convertible bonds issued on 27 December 2013. The Group holds a call option on these mandatorily convertible bonds. The maximum dilution, equivalent to €0.20 per share, would be reduced to zero if this option were to be exercised.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six-month periods ended 30 June 2014 and 2013

€ millions	From 1 January to 30 June 2014	From 1 January to 30 June 2013 (*)
Net profit for the period	307	872
Items that may be subsequently reclassified to profit or loss	**812**	**(815)**
Cash flow hedges	*7*	*4*
Hedges of a net investment in a foreign business	*-*	*-*
Foreign currency translation differences (**)	*806*	*(806)*
Available-for-sale financial assets	*(1)*	*2*
Associates' share of items that may be subsequently reclassified to profit or loss	*2*	*(13)*
Tax effects	*(2)*	*(2)*
Items that will not be reclassified to profit or loss	**(2)**	**(3)**
Actuarial gains and losses	*(3)*	*(5)*
Tax effects	*1*	*2*
Total comprehensive income for the period, net of tax	**1,117**	**53**
Attributable to owners of the parent	310	256
Attributable to non-controlling interests	808	(203)

(*) The financial statements published previously have been restated following the retrospective application of IFRS 11 (note 1.4.3) and the changes relating mainly to the determination of the fair value of the Monoprix assets and liabilities acquired (note 3.4)

(**) The €806 million gain in the first half of 2014 arose mainly from the appreciation of the Brazilian and Colombian currencies (€731 million and €85 million respectively)

The €806 million loss in the first half of 2013 arose mainly from the depreciation of the Brazilian and Colombian currencies (€579 million and €207 million respectively)

CONSOLIDATED BALANCE SHEET

As at 30 June 2014 compared with the situation as at 1 January and 31 December 2013

ASSETS € millions	Notes	30 June 2014	31 December 2013 (*)	1 January 2013 (*)
Goodwill	10	11,177	10,728	9,918
Intangible assets	10	4,430	4,208	3,815
Property, plant and equipment	10	9,708	9,295	8,031
Investment property	10	607	555	535
Investments in associates	11	908	941	1,464
Other non-current assets		1,912	1,588	1,982
Deferred tax assets		589	420	856
Non-current assets		**29,331**	**27,737**	**26,601**
Inventories		5,001	4,640	4,506
Trade receivables		1,490	1,493	1,687
Other current assets		1,699	1,646	1,639
Current tax assets		108	75	43
Cash and cash equivalents	12	3,972	5,300	6,135
Assets held for sale	13	42	92	1,461
Current assets		**12,312**	**13,246**	**15,471**
TOTAL ASSETS		**41,643**	**40,983**	**42,072**

EQUITY AND LIABILITIES € millions	Notes	30 June 2014	31 December 2013 (*)	1 January 2013 (*)
Share capital	14.1	173	173	172
Additional paid-in capital, treasury shares and other reserves		7,415	7,502	7,335
Equity attributable to owners of the parent		**7,588**	**7,675**	**7,507**
Non-controlling interests	14.2	**8,215**	**7,750**	**7,693**
Total equity		**15,803**	**15,425**	**15,200**
Non-current provisions	16	1,098	963	938
Non-current financial liabilities	17	8,051	8,515	9,393
Other non-current liabilities		681	603	896
Deferred tax liabilities		1,446	1,402	1,289
Total non-current liabilities		**11,276**	**11,483**	**12,515**
Current provisions	16	194	214	272
Trade payables		6,230	6,982	6,343
Current financial liabilities	17	4,076	2,577	2,476
Current tax liabilities		94	146	113
Other current liabilities		3,972	4,155	4,057
Liabilities associated with assets held for sale		-	-	1,095
Current liabilities		**14,565**	**14,074**	**14,356**
TOTAL EQUITY AND LIABILITIES		**41,643**	**40,983**	**42,072**

(*) The financial statements published previously have been restated following the retrospective application of IFRS 11 (note 1.4.3). The financial statements for the year ended 31 December 2013 have also been restated following the changes applying mainly to the determination of the fair value of the Monoprix assets and liabilities acquired (note 3.4).

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six-month periods ended 30 June 2014 and 2013

€ millions	30 June 2014	30 June 2013 (*)
Net profit attributable to owners of the parent	75	595
Non-controlling interests	232	277
Consolidated profit for the period	**307**	**872**
Depreciation, amortisation and provision expense	513	547
Unrealised losses / (gains) arising from changes in fair value	(29)	101
Expense / (income) on share-based payment plans	10	12
Other non-cash items	49	16
(Gains)/losses on disposal of assets	7	(52)
(Gains)/losses due to changes in percentage equity interest in subsidiaries associated with gain or loss of control, or in non-controlling interests	-	(689)
Share of (profits) / losses of associates	(30)	(19)
Dividends received from associates	38	57
Cash flow	**865**	**844**
Finance costs, net (excluding changes in fair value)	306	313
Current and deferred tax expenses	149	273
Income tax paid	(232)	(193)
Change in operating working capital (note 4.1)	(1,639)	(1,099)
Net cash from/(used in) operating activities	**(550)**	**138**
Outflows on acquisitions:		
▪ of property, plant and equipment, intangible assets and investment property	(693)	(747)
▪ of non-current financial assets	(8)	(68)
Inflows from disposals:		
▪ of property, plant and equipment, intangible assets and investment property	19	156
▪ of non-current financial assets	-	23
Effect of changes in scope of consolidation resulting in the gain or loss of control (note 4.2)	(58)	(2,003)
Effect on cash of changes in scope of consolidation linked to associates	-	-
Change in loans and advances granted	22	1
Net cash used in investing activities	**(719)**	**(2,637)**
Dividends paid (note 15) :		
▪ to shareholders of the parent	(353)	(338)
▪ to non-controlling interests	(80)	(75)
▪ to holders of deeply-subordinated perpetual bonds (TSSDI)	(19)	(9)
Increase/(decrease) in the parent's share capital	4	9
Transactions between the Group and holders of non-controlling interests (note 4.3)	(344)	(68)
(Purchases)/sales of treasury shares	(4)	(36)
Issue of equity instruments	-	-
Increase in financial debt	1,872	1,903
Decrease in financial debt	(1,023)	(1,678)
Interest paid, net	(387)	(360)
Net cash from/(used in) financing activities	**(335)**	**(651)**
Effect of foreign currency movements on cash held	**216**	**(188)**
Change in cash and cash equivalents	**(1,388)**	**(3,338)**
Cash and cash equivalents at beginning of period	5,110	6,102
▪ Cash and cash equivalents related to operations held for sale	-	(204)
Cash and cash equivalents at beginning of period as per balance sheet (note 12)	**5,110**	**5,898**
Cash and cash equivalents at end of period	3,721	2,764
▪ Cash and cash equivalents from operations held for sale	-	-
Cash and cash equivalents at end of period as per balance sheet (note 12)	**3,721**	**2,764**

(*) The financial statements published previously have been restated following the retrospective application of IFRS 11 (note 1.4.3) and the changes relating mainly to the determination of the fair value of the Monoprix assets and liabilities acquired (note 3.4)

Consolidated statement of changes in equity

€ millions	Share capital	Additional paid-in capital (1)	Treasury shares	Retained earnings and profit for the period	Deeply subordinated perpetual bonds (TSSDI)	Cash flow hedges	Net investment hedge	Foreign currency translation differences	Actuarial gains and losses	Available-for-sale financial assets	Equity attributable to owners of the parent (2)	Non-controlling interests	Total equity
As at 1 January 2013 (*)	**172**	**4,075**	**(4)**	**2,647**	**600**	**(2)**	**(31)**	**71**	**(39)**	**17**	**7,507**	**7,693**	**15,200**
Other comprehensive income for the period	-	-	-	-	-	2	-	(339)	(3)	1	**(339)**	(480)	**(819)**
Net profit for the period	-	-	-	595	-	-	-	-	-	-	**595**	277	**872**
Consolidated comprehensive income for the period	**-**	**-**	**-**	**595**		**2**		**(339)**	(3)	**1**	**256**	(203)	**53**
Issue of share capital	1	9	-	-	-	-	-	-	-	-	**9**	-	**9**
Purchases and sales of treasury shares (3)	-	-	(32)	(3)	-	-	-	-	-	-	**(35)**	-	**(35)**
Dividends paid (4)	-	-	-	(338)	-	-	-	-	-	-	**(338)**	**(68)**	**(406)**
Dividends payable to holders of deeply subordinated perpetual bonds (TSSDI) and non-controlling interests of GPA (5)	-	-	-	(10)	-	-	-	-	-	-	**(10)**	**-**	**(10)**
Share-based payments	-	-	-	3	-	-	-	-	-	-	**3**	-	**3**
Changes in percentage interest not resulting in the gain or loss of control of subsidiaries (6)	-	-	-	(90)	-	-	-	-	-	-	**(90)**	**2**	**(88)**
Changes in percentage interest resulting in the gain or loss of control of subsidiaries (7)	-	-	-	-	-	-	-	-	-	-	-	**(358)**	**(358)**
Other movements	-	-	-	-	-	-	-	-	-	-	**-**	**8**	**8**
As at 30 June 2013 (*)	**173**	**4,084**	**(36)**	**2,805**	**600**	**1**	**(31)**	**(268)**	**(42)**	**19**	**7,303**	**7,074**	**14,378**

€ millions	Share capital	Additional paid-in capital (1)	Treasury shares	Retained earnings and profit for the period	Deeply subordinated perpetual bonds (TSSDI)	Cash flow hedges	Net investment hedge	Foreign currency translation differences	Actuarial gains and losses	Available-for-sale financial assets	Equity attributable to owners of the parent (2)	Non-controlling interests	Total equity
As at 1 January 2014 (*)	**173**	**4,088**	**(1)**	**2,886**	**1,350**	**(6)**	**(31)**	**(773)**	**(30)**	**19**	**7,675**	**7,750**	**15,425**
Other comprehensive income for the period	-	-	-	-	-	5	-	233	(2)	(1)	**234**	576	**810**
Net profit for the period	-	-	-	75	-	-	-	-	-	-	**75**	232	**307**
Consolidated comprehensive income for the period	**-**	**-**	**-**	**75**	**-**	**5**	**-**	**233**	(2)	(1)	**310**	808	**1,117**
Issue of share capital	-	3	-	-	-	-	-	-	-	-	**4**	-	**4**
Purchases and sales of treasury shares (3)	-	-	-	(3)	-	-	-	-	-	-	**(2)**	-	**(2)**
Dividends paid (4)	-	-	-	(353)	-	-	-	-	-	-	**(353)**	(71)	**(424)**
Dividends payable to holders of deeply subordinated perpetual bonds (TSSDI) (5)	-	-	-	(26)	-	-	-	-	-	-	**(26)**	**-**	**(26)**
Share-based payments	-	-	-	2	-	-	-	-	-	-	**2**	8	**10**
Changes in percentage interest not resulting in the gain or loss of control of subsidiaries (8)	-	-	-	(21)	-	-	-	-	-	-	**(21)**	**(280)**	**(301)**
Changes in percentage interest resulting in the gain or loss of control of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Other movements	-	-	-	-	-	-	-	-	-	-	**-**	**-**	**-**
As at 30 June 2014	**173**	**4,091**	**-**	**2,561**	**1,350**	**(1)**	**(31)**	**(541)**	**(33)**	**19**	**7,588**	**8,215**	**15,803**

(*) The financial statements published previously have been restated following the retrospective application of IFRS 11 (note 1.4.3). The financial statements for the year ended 31 December 2013 have also been restated following the changes applying mainly to the determination of the fair value of the Monoprix assets and liabilities acquired (note 3.4).

(1) Additional paid-in capital: premiums on shares issued for cash or in connection with mergers or acquisitions, and statutory reserves.
(2) Attributable to the shareholders of Casino, Guichard-Perrachon.
(3) Corresponds to movements in treasury shares during the period held under the shareholder-approved buyback programme and in connection with the liquidity contract.
(4) Dividends paid by Casino, Guichard Perrachon for 2012 and 2013, amounting to €338 million and €353 million respectively (see note 15). Dividends paid to holders of non-controlling interests in the first half of 2014 concerned Éxito and Big C Thailand, amounting respectively to €41 million and €20 million (H1 2013 €43 and €19 million respectively).
(5) See note 15 for dividends paid to holders of deeply subordinated perpetual bonds (TSSDI).
(6) Corresponds mainly to the changes in the put option and in the share attributable to holders of non-controlling interests in GPA for a negative total of €51 million, and to the buy-backs of non-controlling interests related to Franprix-Leader Price master franchises for €43 million.
(7) Corresponds primarily to the exit of holders of non-controlling interests (€351 million) following Casino's loss of control of Mercialys.
(8) The negative impact of €301 million is due mainly to the exercise of the GPA call and of the stock options for a total of €309 million (of which €22 million attributable to owners of the parent) (note 3.1).

CASINO GROUP
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Six months ended 30 June 2014

Reporting entity

Casino, Guichard-Perrachon is a French *société anonyme* listed on compartment A of NYSE Euronext Paris. The Company and its subsidiaries are hereinafter referred to as “the Group” or “the Casino group”. The Company's registered office is at 1, Esplanade de France, 42008 Saint-Etienne.

The interim consolidated financial statements for the six months ended 30 June 2014 reflect the accounting situation of the Company and its subsidiaries as well as the Group's interests in joint ventures and associates.

The condensed consolidated financial statements of Casino, Guichard-Perrachon for the six months ended 30 June 2014 were approved for publication by the Company’s Board of Directors on 28 July 2014.

Note 1 Basis of preparation of the financial statements and summary of significant accounting policies

1.1 Statement of compliance

Pursuant to European regulation 1606/2002 of 19 July 2002, the condensed consolidated financial statements of the Casino Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the European Union at 30 June 2014.

These standards are available on the European Commission's website (http://ec.europa.eu/internal_market/accounting/ias/index_en.htm).

1.2 Basis of preparation

The condensed interim consolidated financial statements have been prepared in accordance with IAS 34 'Interim financial reporting'.

They do not contain all the information and notes included in the annual financial statements. They should therefore be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2013.

The consolidated financial statements are presented in euros, the functional currency of the Group's parent company. The figures presented in the tables have been individually rounded to the nearest million euros. Consequently, the totals and sub-totals may not correspond exactly to the sum of the reported amounts.

The Group's consolidated financial statements for the year ended 31 December 2013 are available on request from the Company's head office, or can be downloaded from the Group’s website www.groupe-casino.fr.

1.3 Summary of significant accounting policies

1.3.1 Standards, amendments and interpretations in force in the European Union for financial years starting from 1 January 2014

The Group has adopted the following standards, amendments and interpretations with effect from not later than 1 January 2014:

- IFRS 10 'Consolidated financial statements' and revised IAS 27 'Separate financial statements':
  IFRS 10 replaces previous standards IAS 27 'Consolidated and separate financial statements' and SIC 12 interpretation 'Consolidation - special purpose entities'. It introduces a new definition of control, based on power, the investor's exposure (and rights) to variable returns and the ability to exercise this power in order to influence returns;

- IFRS 11, 'Joint arrangements' and revised IAS 28, 'Investments in associates and joint ventures':
  IFRS 11 and revised IAS 28 replace IAS 31, 'Interests in joint ventures' and IAS 28, 'Investments in associates', as well as interpretation SIC 13, 'Jointly controlled entities – non-monetary contributions by venturers'. The definition of joint control is based on the existence of a contractual agreement and the unanimous consent of the parties sharing the control. These texts basically envisage two distinct accounting treatments, since IFRS 11 removes the option to account for jointly controlled entities using the proportionate consolidation method:
  - ⇨ *the joint arrangements classified as joint operations because they confer rights to assets and obligations on liabilities, shall be recognised in the portion of assets, liabilities, revenues and expenses in accordance with the degree of control as per the contractual agreement. A joint operation may be carried out through a simple contract or through a jointly controlled legal entity;*
  - ⇨ *the joint arrangements classified as joint ventures, because they confer rights only to the net assets, shall be consolidated under the equity method;*

- IFRS 12, 'Disclosure of interests in other entities':
  IFRS 12 brings together all the disclosure requirements when an entity has shareholdings in subsidiaries, joint arrangements, associates and non-consolidated structured entities, irrespective of the level of control or influence exercised over the entity;

- Amendments to IFRS 10, 11 and 12 - transition guidance:
  These amendments clarify the transition guidance of IFRS 10 and lighten comparative disclosure requirements by limiting restatements to the preceding period. Also, as regards disclosure requirements on non-consolidated structured entities, the amendments remove the requirement to provide comparative information for the periods preceding that in which IFRS 12 was initially adopted;

- Amendment to IAS 32, 'Offsetting of financial assets and financial liabilities':
  This amendment clarifies the offsetting rules;

- Amendment to IAS 36, 'Recoverable amount disclosures for non-financial assets':
  This amendment concerns the disclosures on the recoverable amount of impaired assets when the amount is based on fair value less selling costs;

- Amendment to IAS 39, 'Novation of derivatives and continuation of hedge accounting':
  This amendment deals with the possibility of continuing with hedge accounting in a situation where a derivative intended as a hedging instrument is the object of novation resulting in a counterparty being substituted by a central counterparty as a result of new laws or regulations, providing certain conditions are met. (In this context, novation of a derivative means the replacement of the original counterparty to the contract by a new counterparty).

With the exception of IFRS 11, the effects of which are explained in note 1.4.3, these amendments have had no significant impact on the Group's results or financial situation.

1.3.2 Standards and interpretations not yet in force in the European Union

Interpretation adopted by the European Union

- IFRC 21, 'Levies':
  This interpretation stipulates that the obligating event for the recognition of a levy liability not covered by IAS 12 depends on the terms of the relevant legislation, irrespective of the period in respect of which the levy is calculated.

The European Union has set a date for mandatory application of this text for financial years starting not later than 17 June 2014 (which means that it applies to the Group from 1 January 2015) as opposed to 1 January 2014 according to the IASB.

Standards and interpretations not yet adopted by the European Union

Subject to their final adoption by the European Union, the following standards, amendments and interpretations are applicable according to the IASB with effect from the following dates:

- IFRS 9, 'Financial instruments: classification and measurement' and subsequent amendments to IFRS 9 and IFRS 7: effective date not known at this stage:
  This is the first of three parts of IFRS 9 'Financial instruments' which is intended to replace IAS 39 'Financial instruments - recognition and measurement'. This first part deals with the classification and measurement of financial instruments. The effects of the application of this standard cannot be assessed independently of the two other parts not yet published, which shall address respectively the subjects of impairment of financial assets and hedge accounting;

- IFRS 15, 'Revenue from contracts with customers': applicable to annual periods beginning on or after 1 January 2017:
  IFRS 15 replaces IAS 11 'Construction contracts' and IAS 18 'Revenue' and the corresponding interpretations: IFRIC 13 'Customer loyalty programmes', IFRIC 15 'Agreements for the construction of real estate', IFRIC 18 'Transfers of assets from customers' and SIC 31 'Revenue - barter transactions involving advertising services'.
  This standard establishes the principles for revenue recognition from contracts with customers (except for those covered by specific standards: leases, insurance contracts and financial instruments). The core principle is to recognise revenue so as to describe the transfer of goods or services to a customer for an amount that reflects the payment that the entity expects to receive in consideration of these goods or services. This core principle is delivered in a five-step model framework:
  - ⇨ *Identify the contract(s) with a customer*
  - ⇨ *Identify the performance obligations in the contract*
  - ⇨ *Determine the transaction price*
  - ⇨ *Allocate the transaction price to the performance obligations in the contract*
  - ⇨ *Recognise revenue when (or as) the entity satisfies a performance obligation.*

  The new standard will also involve improved disclosure requirements, and will provide guidance on dealing with transactions that were not fully dealt with before (for example service revenue and contract amendments) and will improve the guidance applying to arrangements with multiple elements;

- Amendments to IFRS 11, 'Acquisition of interests in a joint operation': applicable from 1 January 2016:
  The published amendment defines how to recognise acquisitions of interests in joint operations in which the activity constitutes a business as defined in IFRS 3, 'Business combinations'.
  For these acquisitions, an entity must apply the accounting principles relating to business combinations as per IFRS 3 and such other IFRS as are not in conflict with the guidance of IFRS 11. It must also provide, in a note to the financial statements, the information required for business combinations. This applies both upon initial acquisition of an interest and upon any subsequent acquisitions. In such case it will be necessary to:
  - ⇨ *measure the identifiable assets and liabilities at their fair value,*
  - ⇨ *recognise acquisition expenses in profit and loss in the period during which they were incurred and the services were received,*
  - ⇨ *recognise any deferred tax generated by the initial recognition of the assets and liabilities as required by IFRS 3 and IAS 12 (Income taxes) for business combinations (with the exception of deferred tax arising on the initial recognition of goodwill),*
  - ⇨ *to recognise as goodwill any excess of the transferred counterparty over the net balance of the amounts, as at acquisition date, of the identifiable assets acquired and liabilities assumed,*
  - ⇨ *to carry out at least once a year an impairment test on the cash generating unit to which the goodwill has been allocated;*

- Amendments to IAS 16 and IAS 38: clarification of acceptable methods of depreciation and amortisation: applicable from 1 January 2016 :
  IAS 16 and IAS 38 both establish the following principle: depreciation or amortisation is based on the consumption of the expected economic benefits embodied in the asset. The IASB has said that the use of a depreciation or amortisation method based on revenues is not appropriate, since the revenues generated by an activity that includes the use of an asset reflect factors other than the consumption of the economic benefits associated with this asset.
  The IASB also says that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits associated with an intangible asset. This presumption may however be refuted in certain limited circumstances;

- Amendments to IAS 19, 'Employee contributions': applicable from 1 July 2014 :
  This amendment applies to employee and third-party contributions to defined benefit plans. The purpose of the amendment is to simplify the accounting for contributions that are independent of the employee's number of years of service, for example employee contributions calculated as a fixed percentage of salary. These contributions may be recognised as a reduction in the service cost in the period during which the service is rendered, instead of being attributed to periods of service using the projected unit credit method;

- Annual improvements to IFRS – Cycles 2010-2012 and 2011-2013: applicable from 1 July 2014:
  In December 2013 the IASB published the entitled IFRS Improvements, cycles 2010-2012 and 2011-2013, as part of its annual process of review and improvements of the standards. The main amendments are as follows:
  - ⇨ *IFRS 2 'Share-based payment': clarification of the notion of 'vesting condition';*
  - ⇨ *IFRS 3 'Business combinations': accounting for contingent consideration in a business combination;*
  - ⇨ *IFRS 8 'Operating segments': information to be provided on aggregation criteria applied to operating segments and the reconciliation of the total of the reportable segments' assets with the entity's assets;*
  - ⇨ *IFRS 13 ' Fair value measurement': clarification of the notion of fair value as it applies to short-term receivables and payables;*
  - ⇨ *IAS 16 'Property, plant and equipment' and IAS 38 'Intangible assets': rules for applying the revaluation method;*
  - ⇨ *IAS 24 'Related party disclosures': clarification of the notion of key management personnel services;*
  - ⇨ *IFRS 3 'Business combinations': joint ventures excluded from the scope of IFRS 3;*
  - ⇨ *IFRS 13 'Fair value measurement': possibility of offsetting for a portfolio of financial assets and liabilities;*

- ⇨ *IAS 40 'Investment property': clarification of the interrelationship between IFRS 3 and IAS 40 for deciding whether the acquisition of a property can be classified as a business combination in the meaning of IFRS 3.*

The Group has not early adopted any of these new standards or amendments and is currently analysing the potential impacts of their first-time adoption, with the exception of IFRS 9, the complete and definitive issue of which the Group is awaiting.

1.4 Restated financial statements for 2013

1.4.1 Application of IFRS 11, 'Joint arrangements'

The various jointly controlled entities have been considered as joint ventures within the meaning of IFRS 11, which result in consolidation using the equity method for all the companies previously accounted under the proportionate consolidation method. The main companies concerned are Monoprix (affects only Q1 2013 given the taking of control from 5 April 2013), Geimex, Grupo Disco Uruguay and Distridyn.

The effects on the consolidated financial statements as at 1 January 2013, 30 June 2013 and 31 December 2013 are set out in note 1.4.3.

1.4.2 Changes in fair value of assets and liabilities acquired in 2013

During the first half of 2014 the Group finished measuring the fair value of the identifiable assets and liabilities of the various acquisitions carried out in 2013, the main one of which was Monoprix (note 3.4), which led to a restatement of the financial statements as at 30 June 2013 and 31 December 2013 (note 1.4.3).

1.4.3 Impact on the consolidated financial statements

The following tables summarise the effects on the consolidated income statement, the consolidated balance sheet and the consolidated statement of cash flows arising from:

- the change in method resulting from initial application of IFRS 11;
- the changes in the allocation of the acquisition prices paid in 2013, and
- the following other restatements:
  - The availability of certain additional operating data at Cdiscount and Nova Pontocom led us to restate the sales figures for the periods ended 30 June 2013 and 31 December 2013, adjusting them downwards by €13 million and €18 million respectively (the impact on the margin is not material).
  - Rental income from the GPA shopping arcades have been reclassified from 'cost of sales' to 'sales' for the periods ended 30 June 2013 and 31 December 2013 for €21 million and €43 million respectively.

1.4.3.1 Impact on the main headings of the consolidated income statement

€ millions	30 June 2013 reported	Initial application o IFRS 11	Other	30 June 2013 restated
Net sales	23,767	(650)	8	**23,125**
Trading profit	969	(36)	1	**933**
Operating profit	1,499	(32)	-	**1,466**
Profit before tax	1,158	(33)	-	**1,126**
Share of profits of associates	(2)	21	-	**19**
Total consolidated net profit	**871**	**-**	**1**	**872**
Attributable to owners of the parent	*594*	-	*1*	***595***
Attributable to non-controlling interests	*277*	-	-	***277***

€ millions	31 December 2013 reported	Initial application of IFRS 11	Other	31 December 2013 restated
Net sales	48,645	(800)	25	**47,870**
Trading profit	2,363	(46)	-	**2,317**
Operating profit	2,625	(42)	-	**2,582**
Profit before tax	1,905	(43)	-	**1,863**
Share of profits of associates	21	27	-	**47**
Total consolidated net profit	**1,523**	**-**	**-**	**1,523**
Attributable to owners of the parent	*851*	-	-	***851***
Attributable to non-controlling interests	*672*	-	-	***672***

1.4.3.2 Impact on the main headings of the consolidated balance sheet

€ millions	31 December 2013 reported	Initial application of IFRS 11	Adjustments linked to PPA (*)	Other	31 December 2013 restated
Non-current assets	27,704	35	(2)	-	**27,737**
Current assets	13,464	(226)	(3)	11	**13,246**
Total assets	41,168	(191)	(5)	11	**40,983**
Equity	15,426	(1)	-	-	**15,425**
Non-current liabilities	11,492	(3)	(5)	-	**11,483**
Current liabilities	14,250	(187)	-	11	**14,074**
Total liabilities	41,168	(191)	(5)	11	**40,983**

(*) The main adjustments associated with PPA are shown in note 3.

€ millions	1 January 2013 as reported	Initial application of IFRS 11	1 January 2013 restated
Non-current assets	27,081	(480)	**26,601**
Current assets	15,990	(519)	**15,471**
Total assets	43,071	(999)	**42,072**
Equity	15,201	(1)	**15,200**
Non-current liabilities	12,634	(118)	**12,515**
Current liabilities	15,237	(880)	**14,356**
Total liabilities	43,071	(999)	**42,072**

1.4.3.3 Impact on the main items of the consolidated statement of cash flows

€ millions	30 June 2013 reported	Initial application of IFRS 11	30 June 2013 restated
Net cash from operating activities	132	6	**138**
Net cash used in investing activities	(2,412)	(225)	**(2,637)**
Net cash from/(used) in financing activities	(650)	(0)	**(651)**
Effect of foreign currency movements on cash held	(190)	2	**(188)**
Cash and cash equivalents at beginning of period	5,799	98	**5,898**
Cash and cash equivalents at end of period	2,883	(119)	**2,764**

€ millions	31 December 2013 reported	Initial application of IFRS 11	31 December 2013 restated
Net cash from operating activities	3,144	(13)	**3,132**
Net cash used in investing activities	(3,248)	(207)	**(3,454)**
Net cash used in financing activities	16	(6)	**10**
Effect of foreign currency movements on cash held	(682)	4	**(679)**
Cash and cash equivalents at beginning of period	5,799	98	**5,898**
Cash and cash equivalents at end of period	5,233	(124)	**5,110**

1.5 Use of estimates and judgements

The preparation of consolidated financial statements requires Management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses as well as the disclosures made in certain notes to the consolidated financial statements. Due to the inherent uncertainty of assumptions, actual results may differ from the estimates. Estimates and assessments are reviewed at regular intervals and adjusted where necessary to take into account past experience and any relevant economic factors.

In preparing these consolidated interim financial statements, the main judgements made by management and the key assumptions used were the same as those applied for the consolidated financial statements for the year ended 31 December 2013.

The main judgements and estimates for the period concern:
- the bond exchange deal (note 2.2).
- the fair value measurement of the identifiable assets and liabilities associated with the acquisition in 2013 of Monoprix (note 3.4) ;
- impairment of non-current assets and goodwill (note 10);
- deferred tax assets.

Note 2 Significant events of the period

2.1 Changes in the scope of consolidation

The main changes in the scope of consolidation during the first half of 2014 were:
- **The exercise of the call option on the preferred shares of GPA (note 3.1) ;**
- **Franprix-Leader Price sub-group: gain of control of Mutant Distribution (note 3.2.1) and acquisition of an additional 49% interest in the Volta 10 group (note 3.2.2);**
- **The acquisition of all non-controlling interests in Monshowroom (note 3.3).**

2.2 Other significant events

- **Agreement with the Super Inter group**
  On 8 February 2014, Exito signed a contract to purchase and manage the 50 stores of the Colombian chain Super Inter. Éxito will acquire 19 stores during the second half of 2014 for an amount of US$107 million (€78 million) and will enter into a management lease contract covering the remaining 31 stores, on which Exito holds a purchase option exercisable from 2015 for a fixed amount of US$134 million (€98 million) (subject to a price adjustment based on the sales of these stores for a maximum of US$48 million or €35 million). The transaction will be financed from Exito's cash flow.
  Founded in 1992, Super Inter is an independent chain, based in the Cali and the Coffee Region, with sales of US$425 million in 2013.
  The closing of the transaction remains subject to the approval of the Colombian competition authorities, which we expect to obtain during the third quarter of 2014, so it will have no effect on the consolidated financial statements for 2014.

- **Bond exchange deal**
  On 21 February 2014 the Group issued €900 million of bonds with a ten-year maturity and a coupon of 3.248%.
  At the same time, bonds maturing in April 2016 (coupon of 4.47%) and February 2017 (coupon of 4.38%) for €214 and €336 million respectively were exchanged, bringing their nominal value to €386 million and €552 million respectively.
  This transaction has been treated as an extension of financial liabilities, given the non-material nature of the changes in the contractual terms. The impact of the bond exchange deal (€601 million) thus constitutes an adjustment to the carrying amount of the 2024 bond issue, and will be amortised on an actuarial basis over the remaining life of the liability thus changed. This accounting treatment also applies to the premiums and non-amortised issue costs associated with the bonds exchanged, and all costs borne in relation to the exchange (commissions, expenses and exchange premium), which will be amortised over the period to 2024, for €73 million. Similarly, the effect of the unwinding of the hedges associated with the initial debts (€7 million) will be amortised over the life of the new debt.

- **Signing of a credit facility**
  On 28 February 2014 the Group announced the signing of a 5-year syndicated credit facility for an amount of €1.2 billion with a group of 18 banks, replacing an existing facility of the same amount. Casino also has two one-year extension options which remain subject to the banks' agreement.

- **Creation of an e-commerce division and establishment of the new entity Cnova**
  The Group announced the launch, in early 2014, of three new sites under the Cdiscount brand in Thailand, Vietnam and Colombia, and a partnership with the Bolloré group to develop an e-commerce platform in Africa.
  On 4 June 2014 the Boards of Directors of Casino, GPA, Via Varejo and Exito approved the principal terms for the creation of a major global e-commerce pure-player consisting mainly of Cdiscount (France, Thailand, Vietnam, Colombia and Côte d'Ivoire) and Novapontocom (Brazil), to be brought together under the new Dutch company Cnova. The legal reorganisation will be finalised during the summer of 2014.
  A registration statement has been filed with a view to a possible initial public offering in the U.S. market.

  The impact on the interim financial statements consists of the costs associated with this transaction, recognised directly in equity for a total amount of €7 million net of tax for the period to 30 June 2014 and in expense for €19 million. The Group has also revised the information by segment so as to reflect these changes in the Group (note 5).

- **Exclusivity agreement signed with Coopérateurs de Normandie-Picardie and Mutant Distribution for the acquisition of 63 stores**
  On 30 June 2014 the Casino Group signed an agreement with Coopérateurs de Normandie-Picardie and Mutant Distribution whereby it commits to purchase 63 stores operated under the Mutant Express, Point Coop, C. Express and Le Mutant banners in exchange for an exclusivity agreement. This transaction would enable the Group to develop its proximity-format network in the Normandy-Picardy region. Combined sales of the 63 stores for 2013 were €37 million incl. VAT.

Note 3 Transactions affecting the scope of consolidation

3.1 Change in percentage interest in GPA

- **Exercise of call option**

On 4 April 2014 Casino acquired 8,907,123 preferred shares of GPA after exercising a call option purchased in July 2012.
The amount disbursed for this acquisition amounts to €330 million (note 4.3), with a negative impact of €16 million on equity attributable to owners of the parent.

- **Exercise of stocks options**

The exercise of stocks options on GPA in the half-year had a negative impact of €5 million on equity attributable to owners of the parent.

These two transactions bring Casino's interest in GPA to 41.34% as at 30 June 2014 (38.07% as at 31 December 2013).

3.2 Transactions of the Franprix-Leader Price sub-group

3.2.1 Le Mutant

On 28 October 2013 Leader Price signed an agreement with Mutant Distribution, a subsidiary of the Coopérateurs de Normandie-Picardie group, relating to the acquisition of 46 stores, mainly in the South-west of France, and the establishment of an affiliation partnership with the Leader Price banner by means of a brand licensing and supply agreement covering nearly 90 stores in Normandy-Picardy. These stores are operated under the Le Mutant discount banner.

After obtaining approval from the Competition Authority, the Franprix-Leader Price group took control of the 46 Le Mutant stores on 8 March 2014. The amount disbursed for this acquisition was €32 million, generating provisional goodwill of €20 million.
The acquisition expenses of this sub-group amounted to €2 million, and were recognised in 'other operating expense' (of which €1 million in 2013).

The contributions of the activities of the Le Mutant sub-group to Casino group sales and pre-tax profit for the period from 8 March 2014 to 30 June 2014 were respectively €24 and -€5 million. If this acquisition had been carried out on 1 January 2014, the additional contribution to sales would have been €13 million and that to pre-tax profit non-material.

3.2.2 Volta 10

On 1 October 2013 the Volta 10 group, a subsidiary of Franprix-Leader Price operating 17 stores, was placed in judicial administration. A judicial administrator was appointed to manage the subsidiary and make the necessary strategic decisions. In view of this situation, Volta 10 has been deconsolidated and accounted for using the equity method.
On 15 March 2014 Franprix-Leader Price acquired its partner's stake for an amount of €2 million, bringing its shareholding to 100%. Although the Group holds 100% of this entity, the Group has continued to account for it using the equity method, the judicial administrator's mandate still being in force as at 30 June 2014. The value of the shares accounted for using the equity method bearing in mind the events of the half-year has

been reduced by €3 million (recognised in other operating expense – note 7).
On 9 July 2014 the tribunal brought an end to the judicial administration, thus giving Franprix-Leader Price de facto control of Volta 10 at that same date.

3.2.3 Other acquisitions

During the first half of 2014, Franprix-Leader Price took control of various companies operating 13 stores under the Franprix and Leader Price banners. The amount disbursed for these acquisitions was €18 million, generating provisional goodwill of €16 million. If these acquisitions had been carried out on 1 January 2014, the contributions to sales and net profit would have been €10 million and -€1 million respectively.

3.3 Monshowroom

The main effect of the updating of the fair value of the identifiable assets and liabilities was to revalue the brand by €6 million and customer relations by €1 million. The definitive goodwill of Monshowroom is thus €22 million.
Additionally, Cdiscount Group (formerly Casino Entreprise) acquired all the non-controlling interests in Monshowroom in May 2014 for €6 million, with an impact of €4 million on equity. A price adjustment of up to €1 million will be paid at the end of 2014 subject to certain conditions being met.

3.4 Acquisition of Monoprix in 2013

At acquisition date, 5 April 2013, the fair value attributed to the identifiable assets and liabilities of Monoprix was determined by an independent expert, and can be summarised as follows:

€ millions	Fair value at 5 April 2013
Intangible assets	940
Property, plant and equipment	1,613
Other non-current assets	22
Deferred tax assets	8
Inventories	325
Trade receivables	34
Current tax receivables	7
Other assets	139
Cash and cash equivalents	106
Assets held for sale	12
Assets	3,207
Non-current provisions	86
Non-current financial liabilities	2
Other non-current liabilities	1
Deferred tax liabilities	614
Current provisions	7
Current financial liabilities	620
Trade payables	443
Other current liabilities	327
Liabilities	2,100
Net identifiable assets and liabilities at 100% (A)	**1,107**
Fair value of the previously-held 50% interest (B)	**1,175**
Acquisition cost of a 50% stake in Monoprix (C)	**1,176**
Goodwill (B+C-A)	**1,244**

The fair value measurement of the identifiable assets and liabilities led to the recognition of goodwill in the amount of €1,244 million, i.e. €16 million more than the provisional amount reported in the consolidated financial statements for the year ended 31 December 2013. This change is the result of the finalisation of the allocation of the acquisition price, relating mainly to real estate assets.

These changes therefore led us to restate the consolidated financial statements for the year ended 31 December 2013 (Note 1.4.3).

Note 4 Additional disclosures relating to the statement of cash flows

4.1 Change in operating working capital

€ millions	30 June 2014	30 June 2013 restated
Inventories of goods	(125)	(66)
Property development work in progress	(21)	(30)
Trade payables	(994)	(743)
Trade receivables	66	176
Finance receivables (credit activity)	4	(5)
Finance payables (credit activity)	(38)	(13)
Other assets / liabilities	(530)	(416)
Change in operating working capital	**(1,639)**	**(1,099)**

4.2 Effect on cash of changes in scope of consolidation resulting in the gain or loss of control

€ millions	30 June 2014	30 June 2013 restated
Amounts paid for acquisition of control	(69)	(1,288)
Cash/(bank overdrafts) related to acquisitions of control	2	(507)
Amounts received for loss of control	10	-
Cash/(bank overdrafts) related to loss of control	(1)	-
Effects of the process of loss of control of Mercialys	-	(207)
Effect of changes in scope of consolidation resulting in the gain or loss of control	**(58)**	**(2,003)**

The net impact of these transactions on the group's cash position as at 30 June 2014 is mainly the result of the Franprix-Leader Price sub-group's acquisition of 46 Le Mutant stores, in an amount of €32 million (note 3.2.1) and of various other companies in an amount of €18 million (note 3.2.3).

The net impact of these transactions on the group's cash position as at 30 June 2013 was mainly the result of the acquisition of Monoprix (a negative €1,688 million) and of the Franprix-Leader Price sub-group's acquisitions (overall negative €94 million).

4.3 Effect on cash of transactions with holders of non-controlling interests

€ millions	30 June 2014	30 June 2013
Exercise of the GPA call option (note 3.1)	(330)	-
Franprix – Leader Price sub-group (Distri Sud-Ouest, Cafige, Figeac and Cogefisd)	-	(83)
Monshowroom (note 3.3)	(6)	-
Other	(8)	15
Effect on cash of transactions with holders of non-controlling interests	**(344)**	**(68)**

Note 5 Segment information and information by geographical area

5.1 Key indicators by operating segment

In connection with the creation of an e-commerce division and the incorporation of the new entity Cnova, the Group has revised the segments to be presented as follows:

- France Retail: segment including all the retail activities in France (mainly the Casino, Monoprix, Franprix-Leader Price and Vindémia banners)
- Latam Retail: segment including all the food retail activities in Latin America (mainly the banners of the GPA (food), Éxito and Libertad groups),
- Latam Electronics: segment including the non-food retail activities in Brazil (Viavarejo group banners: Casas Bahia and Ponto Frio.
- Asia: sector including all retail activities in Asia (Big C Thailand and Big C Vietnam banners),
- E-commerce: segment including the activity of the new entity Cnova (Cdiscount, its vertical and international sites and Nova Pontocom in Brazil),
- Others.

€ millions	France Retail	Latam Retail	Latam Electronics	Asia	E-commerce	Other	30 June 2014
External sales	9,248	7,305	3,477	1,692	1,526	-	**23,248**
Trading profit (i)	165	342	276	107	(9)	(1)	**880**

€ millions	France Retail	Latam Retail	Latam Electronics	Asia	E-commerce	Other (ii)	30 June 2013 restated
External sales	8,398	7,703	3,843	1,828	1,290	64	**23,125**
Trading profit (i)	165	344	244	114	(9)	75	**933**

(i) In accordance with IFRS 8, 'Operating segments', information by operating segment is prepared based on internal reporting and includes in particular the allocation of holding company costs to all the Group's business units.
(ii) Essentially concerns Mercialys up until 21 June 2013

5.2 Key indicators by geographical area

€ millions	France	Latin America	Asia	Other segments	30 June 2014
External sales	9,927	11,627	1,694	-	**23,248**
Trading profit	153	624	105	(1)	**880**

€ millions	France	Latin America	Asia	Other segments	30 June 2013 restated
External sales	9,077	12,220	1,828	-	**23,125**
Trading profit	227	592	114	-	**933**

€ millions	France	Latin America	Asia	Other segments	Total
Non-current assets as at 30 June 2014 (i)	12,230	12,799	2,026	53	**27,107**
Non-current assets as at 31 December 2013, restated (i)	12,086	11,873	1,983	50	**25,992**

(i) Non-current assets include goodwill, intangible assets, property, plant & equipment, investment property, investments in associates and long-term deferred charges

Note 6 Trading profit

6.1 Seasonal fluctuations in business

Seasonal fluctuations in business are limited. Net sales for 2013 at constant exchange rates and constant scope of consolidation broke down into 49% for the first half and 51% for the second half of the year.

6.2 Expenses by category and function

€ millions	Logistics costs (*)	Selling expenses	General and administrative expenses	30 June 2014
Employee benefits expense	(304)	(1,888)	(444)	**(2,636)**
Other expenses	(533)	(2,015)	(242)	**(2,789)**
Depreciation and amortisation expense	(30)	(352)	(91)	**(473)**
Total	**(866)**	**(4,254)**	**(777)**	**(5,898)**

(*) Logistics costs are reported in the income statement under "Cost of goods sold"

€ millions	Logistics costs (*)	Selling expenses	General and administrative expenses	30 June 2013 restated
Employee benefits expense	(282)	(1,875)	(475)	**(2,631)**
Other expenses	(476)	(1,980)	(295)	**(2,751)**
Depreciation and amortisation expense	(26)	(337)	(110)	**(473)**
Total	**(784)**	**(4,192)**	**(880)**	**(5,855)**

(*) Logistics costs are reported in the income statement under "Cost of goods sold"

Note 7 Other operating income and expense

€ millions	30 June 2014	30 June 2013 restated
Total other operating income	**98**	**805**
Total other operating expense	**(273)**	**(272)**
	(174)	**533**
Breakdown by category:		
Gains and losses on disposal of non-current assets	**(1)**	**59**
Other operating income and expense	**(173)**	**475**
Restructuring provisions and expense (i)	(72)	(41)
Provisions for litigation and risks (ii)	(36)	(58)
Net income / (expense) associated with transactions affecting the scope of consolidation (iii)	(52)	624
Impairment losses (iv)	(11)	(25)
Other	(2)	(25)
Total other operating income and expense, net	**(174)**	**533**

(i) This restructuring charge in the first half of 2014 concerns the France Retail and GPA segments, for €42 million and €16 million respectively. In the first half of 2013 it concerned the France Retail and GPA segments in the amounts of €19 million and €15 million respectively.

(ii) The provisions and charges for litigation and risks concern Brazil for €20 million. In the first half of 2013 provisions and charges for litigation concerned GPA, in an amount of €36 million.

(iii) The charge of €52 million recognised in the first half of 2014 is essentially the result of the expenses associated with transactions affecting the scope of GPA (€14 million), expenses associated with the IPO of Cnova (€19 million) and with acquisition costs in the Franprix-Leader Price sub-group (€6 million). Income of €624 million recognised in the first half of 2013 arose mainly from the loss of control of Mercialys (€548 million) and the revaluation of the previously held stake in Monoprix (€142 million), partially offset by expenses for a total of €65 million relating primarily to GPA and Monoprix scope operations (€31 million and €18 million, respectively).

(iv) The impairment loss recognised as at 30 June 2014 mainly concerns the Viavarejo stores, in relation to the decision of the Brazilian competition authority (€5 million) and the holding in Volta 10 for €3 million (note 3.2). The impairment loss recorded at 30 June 2013 mainly concerned the property assets of the France Retail segment and the goodwill relating to the Franprix-Leader Price sub-group in the amount of €9 million each.

Note 8 Financial income and expense

8.1 Finance costs, net

€ millions	30 June 2014	30 June 2013 restated
Gains and losses on sales of cash equivalents	-	-
Revenue from cash and cash equivalents	92	87
Income from cash and cash equivalents	**92**	**87**
Interest expense on borrowings after hedging	(398)	(391)
Interest expense on finance lease liabilities	(5)	(6)
Finance costs	**(403)**	**(397)**
Total finance costs, net	**(311)**	**(310)**

8.2 Other financial income and expense

€ millions	30 June 2014	30 June 2013 restated
Investment income	-	-
Exchange gains (other than on borrowings)	14	23
Discounting and discounting reversal adjustments	1	1
Gains from remeasurement at fair value of derivative instruments not qualifying for hedge accounting (*)	30	15
Other financial income	48	45
Financial income	**93**	**83**
Exchange losses (other than on borrowings)	(9)	(27)
Discounting and discounting reversal adjustments	(9)	(8)
Negative change in fair value of derivatives other than hedging (*)	-	(27)
Losses from remeasurement at fair value of financial assets at fair value through profit or loss	-	(2)
Other financial expense	(44)	(50)
Financial expense	**(62)**	**(114)**
Total other financial income and expense, net	**32**	**(31)**

(*) In June 2014, net income of €30 million mainly reflected the change in value of total return swaps of BIG C Thailand (€10 million) and GPA (€9 million) and the GPA forward (€9 million). During the first half of the year, the maturities of the GPA and BIG C total return swaps were extended to July 2017 and July 2016 respectively. In June 2013, the net charge of €12 million stemmed mainly from the change in value of the BIG C Thailand and GPA total return swaps, the GPA forward and call options on preferred GPA shares. A change in the subscription prices for the BIG C Thailand and GPA total return swaps and the GPA forward during the first half of 2013 generated income of €93 million for the Group.

Note 9 Income tax expense

The effective tax rate for the first half of 2014 was 35%, compared with 24.2% for the first half of 2013. It can be analysed as follows:

As a tax amount and a % of profit before tax of consolidated companies	30 June 2014		30 June 2013 restated	
Profit before tax and share of profits of associates	**427**		**1,126**	
Income tax at the standard French tax rate	**147**	**34.43%**	**388**	**34.43%**
Impact of tax rate differences in foreign subsidiaries	(34)	*-8%*	(37)	*-3.3%*
France – impact of rates at 36.10% for 2013 and 38% for 2014	(5)	*-1.1%*	1	*0.1%*
Mercialys tax-exempt share of profit	-	-	(36)	*-3.2%*
Result of revaluations of previously held interests in connection with acquisitions or losses of controlling interests and disposals of shares	-	-	(237)	*-21.1%*
Recognition of tax income on tax deficits and other temporary deductible differences not previously recognised	12	2.7%	2	*0.1%*
Non-application of the CICE employment tax credit (*)	(16)	-3.7%	(11)	*-1.0%*
Non-deductibility of finance charges	12	2.9%	6	*0.6%*
3% additional contribution on dividends distributed	11	2.5%	10	*0.9%*
Temporary difference on the value of Mercialys shares held	-	-	151	*13.4%*
Tax effect of accounting for Mercialys (SIIC listed property investment company) using the equity method	6	1.3%	-	-
Reduced tax rate on disposal of Mercialys shares, 2012	-	-	20	*1.8%*
Tax credits	(1)	-0.3%	(2)	*-0.2%*
CVAE local business tax, net of tax	19	4.4%	16	*1.4%*
Tax on equity (Colombia)	5	1.2%	5	0.5%
Amortisation of goodwill for tax purposes	(8)	-2%	(10)	*-0.9%*
Tax effect of sale of real estate assets to Mercialys	17	4%	-	-
Interest on mandatorily convertible bonds	(5)	-1.1%	-	-
Deeply subordinated perpetual bond (TSSDI) coupons	(9)	-2.1%	-	-
Other	(1)	-0.2%	8	0.7%
Tax expense and effective tax rate	**149**	**35.0%**	**273**	**24.2%**

(*) The third 2012 Amending Finance Law in France established an employment tax credit (CICE) of 4%, repayable at the end of 3 years, based on remunerations less than or equal to 2.5 times the minimum wage paid on or after 1 January 2013 (the rate is 6% as from 1 January 2014). The Group recognises this CICE income as a reduction of its personnel expenses.

Note 10 Goodwill, intangible assets, property, plant and equipment and investment property

Acquisitions of intangible assets, property, plant and equipment and investment property totalled €654 million in the first six months of 2014, compared with €715 million for the same period in 2013.

The Group carried out a review of goodwill and other non-current assets as at 30 June 2014 to determine whether there was any evidence of impairment, as defined in the notes to the 2013 consolidated financial statements. Some cash-generating units (CGUs) revealed such evidence and full impairment tests were therefore performed. These tests did not lead to the recognition of any impairment losses as at 30 June 2014.

As regards goodwill, the tests carried out on CGUs with indications of loss of value concerned Franprix-Leader Price and Casino Restauration, and did not lead to any impairment losses being recognised as at 30 June 2014. Concerning Franprix-Leader Price, the significant price reductions made by Leader Price led the Group to update the impairment test. The test carried out did not reveal a need to recognise an impairment loss as at 30 June 2014. An increase of 100 bps in the discount rate (5.5% was used for the test) or a decrease of 100 bps in the expected long-term EBITDA rate would produce a value in use equal to the carrying amount.

Note 11 Investments in associates

€ millions	Star of period (1)	Impairment loss	Share of profit (loss) for the period	Distribution of dividends	Changes in scope of consolidation and translation	End of period (1)
Changes in financial year 2013						
Banque du Groupe Casino	82	-	1	-	-	83
GPA group associates	102	-	16	(5)	(19)	95
Associates of the Franprix-Leader Price group	57	(6)	(9)	-	(16)	27
Grupo Disco Uruguay	130	-	17	(7)	(18)	122
Geimex	44	-	4	-	(1)	47
Monshowroom.com	17	-	-	-	(17)	-
Monoprix	1,021	-	10	-	(1,031)	-
Mercialys (2)	1	-	12	(49)	597	561
Other	10	-	(4)	-	-	7
Total	**1,464**	**(6)**	**47**	**(61)**	**(504)**	**941**
Changes in the first half of 2014						
Banque du Groupe Casino	83	-	(1)	-	-	82
GPA group associates	95	-	16	-	9	120
Associates of the Franprix-Leader Price group	27	-	(10)	-	8	25
Grupo Disco Uruguay	122	-	7	(7)	(7)	115
Geimex	47	-	1	-	-	48
Mercialys (3)	561	-	16	(30)	(36)	511
Other	7	-	1	-	-	7
Total	**941**	**-**	**30**	**(38)**	**(26)**	**908**

(1) The financial statements published previously have been restated following the retrospective application of IFRS 11 (note 1.4.3).
(2) Since 21 June 2013 when control was lost, Mercialys has been accounted for using the equity method
(3) The negative change of €36 million is the result of the partial elimination of the capital gain realised on the exchange of real estate assets between Casino and Mercialys in proportion to the equity interest held in this entity (note 21)

Note 12 Net cash and cash equivalents

Net cash and cash equivalents breaks down as follows:

€ millions	30 June 2014	31 December 2013 restated
Cash equivalents	2,413	3,263
Cash	1,559	2,037
Cash and cash equivalents	**3,972**	**5,300**
Bank overdrafts	(251)	(190)
Net cash and cash equivalents	**3,721**	**5,110**

DERECOGNITION OF FINANCIAL ASSETS WITH CONTINUED INVOLVEMENT

The Group has set up receivables discounting programmes with its banks. These programmes generally meet the IAS 39 criteria for derecognition of financial assets, the principles of which are set out in note 1.4.13.8 to the 2013 consolidated financial statements. The Group considers that there is no risk of discounted receivables being cancelled by credit notes or being set off against liabilities. The receivables discounted under the programmes mainly concern services invoiced by the Group under contracts with suppliers that reflect the volume of business done with the suppliers concerned. The other risks and rewards associated with the receivables have been transferred to the banks. Consequently, as substantially all the risks and rewards have been transferred at the balance sheet date, the receivables are derecognised.

Some subsidiaries retain responsibility for collecting discounted receivables, for which they receive a fee. These fees were deemed not material at the year-end.

The Group sold €398 million of receivables with continued involvement in the first half of 2014. The associated net cost relating to these transactions amounted to €1 million.
As at 30 June 2014, the Group's cash and cash equivalents included €149 million of discounted trade receivables with continued involvement (€178 million at 31 December 2013).

DERECOGNITION OF FINANCIAL ASSETS WITHOUT CONTINUING INVOLVEMENT

In the first half of 2014 GPA carried out disposals of receivables totalling €4,785 million to financial institutions (bank card institutions or banks) without recourse or without associated obligations (see note 23.1 to the 2013 consolidated financial statements).

Note 13 Assets held for sale

Assets held for sale are composed of:

€ millions	30 June 2014	31 December 2013 restated
Assets of Franprix-Leader Price (*)	16	58
Assets of GPA	9	14
Assets of Monoprix (*)	9	12
Assets of DCF (*)	5	5
Real estate assets of the Actifs Magasins sub-group	3	3
Assets held for sale	**42**	**92**

(*) In connection with the takeover of Monoprix on 5 April 2013 and the opinion issued by the French Competition Authority, the Group has initiated a process aimed at selling 58 stores included in the France Retail segment. To this must be added three stores to be sold in the context of the acquisition of the 46 Le Mutant stores (note 3.2.1). As at 30 June 2014, 45 stores remain to be sold

Note 14 Equity

14.1 Share capital

As at 30 June 2014, share capital amounted to €173,149,511 compared with €173,051,921 at 31 December 2013. The share capital is composed of 113,169,615 ordinary shares issued and fully paid up as at 30 June 2014. The ordinary shares have a nominal value of €1.53 each.

Issued and fully-paid ordinary shares (number)

	2014	2013
At 1 January	**113,105,831**	**112,674,236**
Shares issued on exercise of stock options	63,685	132,775
New shares issued pursuant to share grants	-	235,630
New ordinary shares issued due to mergers/absorptions of companies	99	209
At 30 June	**113,169,615**	**113,042,850**

14.2 Non-controlling interests

€ millions	GPA	Éxito	Big C Thailand	Monoprix	Other	Total
1 January 2014 restated	**5,590**	**1,327**	**352**	**420**	**61**	**7,750**
% holdings of non-controlling interests (i)	*61.9%*	*45.2%*	*41.4%*	*(ii)*		
Net profit	163	32	30	-	7	232
Other comprehensive income for the period	531	46	8	-	(9)	576
Dividends paid / payable	(6)	(44)	(20)	-	(16)	(86)
Dividends received	-	3	-	-	12	15
Change in percentage interests not resulting in the gain or loss of control in subsidiaries (iii)	(288)	16	-	-	(8)	(280)
Changes in percentage interest resulting in the gain or loss of control of subsidiaries	-	-	-	-	-	-
Other movements	8	-	-	-	-	8
30 June 2014	**5,999**	**1,380**	**370**	**420**	**46**	**8,215**
% holdings of non-controlling interests (i)	*58.7%*	*45.2%*	*41.4%*	*(ii)*		

(i) The percentage holdings of non-controlling interests set out in this table do not include the Group's own non-controlling interests in sub-groups.

(ii) Since April 2013, Monoprix has been fully consolidated. The €420 million of non-controlling interests correspond to the amount, net of expenses and tax, of the issue of Monoprix bonds mandatorily convertible into preferred shares of 27 December 2013, to Crédit Agricole Corporate & Investment Bank (CACIB).

(iii) The €288 million decrease of GPA is mainly due to the transactions described in note 3.1

Note 15 Distribution of dividends

At the Annual General Meeting of 6 May 2014, the shareholders approved the payment of a €3.12 dividend per ordinary share for the 2013 financial year, payable in cash. The amount recognised in reduction of equity was €353 million.
Dividends paid to holders of deeply subordinated perpetual bonds (TSSDI) amounted to €19 million for the period (€9 million in H1 2013). The amount recognised in reduction of equity was €26 million.

Note 16 Provisions

BREAKDOWN AND CHANGES

€ millions	1 January 2014 restated	Additions in the first half of 2014	Reversals in the first half of 2014	Change in scope of consolidation	Translation adjustment	Other	30 June 2014
After-sales service	5	1	(5)	-	-	-	1
Pension	241	8	(6)	-	1	7	250
Long service awards	30	1	-	-	-	-	31
Bonus for services	12	1	-	-	-	-	13
Claims and litigation	55	8	(18)	1	-	-	46
Other liabilities and charges	816	127	(76)	1	57	8	933
Restructuring	18	5	(4)	-	-	(1)	19
Total provisions	**1,177**	**151**	**(109)**	**1**	**58**	**15**	**1,292**
of which current	*214*	*144*	(102)	*1*	-	*(64)*	*194*
of which non-current	*963*	*7*	(8)	-	*58*	*78*	*1,098*

Provisions for litigations, risks and charges break down into a multitude of sums related to legal disputes concerning employee-related matters (Labour Court), property (litigation on works, disputed rent, eviction of tenants, etc.), or tax or economic matters (counterfeiting, etc.).

More specifically, various risks and charges amount to €933 million and mainly include provisions relating to GPA (see table hereunder).

€ millions	PIS/Cofins/CPMF disputes (*)	Other tax-related disputes	Employee disputes	Civil and other litigation	Total
30 June 2014	159	369	148	75	751
31 December 2013 restated	147	332	102	59	640

(*) VAT and analogous taxes

Note 17 Borrowings, debts and financial liabilities

17.1 Net financial debt

€ millions	30 June 2014			31 December 2013 restated		
	Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
Bonds	6,484	1,376	7,860	7,085	881	7,967
Other financial liabilities	1,450	2,644	4,095	1,300	1,622	2,923
Finance leases	72	20	92	68	29	97
Put options granted to owners of non-controlling interests	33	30	63	42	33	75
Fair value hedges (liabilities)	11	5	17	20	11	31
Gross financial liabilities	**8,051**	**4,076**	**12,126**	**8,515**	**2,577**	**11,093**
Fair value hedges (assets)	(241)	(77)	(318)	(102)	(189)	(291)
Other financial assets	-	-	-	-	-	-
Cash and cash equivalents	-	(3,972)	(3,972)	-	(5,300)	(5,300)
Cash and cash equivalents and other financial assets	**(241)**	**(4,049)**	**(4,290)**	**(102)**	**(5,489)**	**(5,591)**
NET FINANCIAL DEBT	**7,810**	**27**	**7,836**	**8,414**	**(2,912)**	**5,502**

17.2 Change in financial debt

€ millions	30 June 2014	31 December 2013 restated
Financial liabilities at beginning of period	*11,093*	*11,868*
Fair value hedges (assets)	*(291)*	*(385)*
Financial liabilities at beginning of period (including hedging instruments)	**10,802**	**11,483**
New borrowings (i)	1,945	1,833
Repayments (principal and interest) (ii)	(1,113)	(2,462)
Change in fair value of hedged loans	6	-
Currency translation differences	177	(543)
Changes in scope of consolidation (iii)	2	929
Put options granted to owners of non-controlling interests	(11)	(439)
Other liabilities	-	-
Financial liabilities at end of period (including hedging instruments)	**11,808**	**10,802**
Financial liabilities at the end of the reporting period	*12,126*	*11,093*
Fair value hedges (assets)	*(318)*	*(291)*

(i) New borrowings mainly include the transactions described below: (a) the bond exchange deal described in note 2.2 leading to a net increase of €299 million, (b) the net change in short-term commercial paper (€567 million) and (c) drawdown of the syndicated credit facility described in note 2.2 in the amount of €550 million and of other lines in an total amount of €200 million

(ii) Loan repayments were mainly linked to Casino, Guichard-Perrachon and GPA, respectively totalling €574 million and €413 million

(iii) In 2013, the impact of the change in scope of consolidation primarily concerned Franprix-Leader Price and the acquisition of Monoprix, for respectively €301 million and €622 million.

Note 18 Fair value of financial instruments

The tables below compare the carrying amount and fair value of consolidated financial assets and liabilities, other than those for which the carrying amount corresponds to an approximation to fair value, such as trade receivables, trade payables, cash and cash equivalents and bank overdrafts.

30 June 2014 € millions	Carrying amount	Fair value	Fair value hierarchy Market price = level 1	Models with observable inputs = level 2	Models with non-observable inputs = level 3
Assets	***373***	***373***	***-***	***318***	***55***
Available-for-sale financial assets (i)	55	55	-	-	55
Current and non-current fair value hedges (assets) (ii)	318	318	-	318	-
Other derivative assets	-	-	-	-	-
Liabilities	***12,156***	***12,827***	***8,515***	***4,249***	***63***
Current and non-current fair value hedges (liabilities) (ii)	17	17	-	17	-
Other derivative liabilities (ii)	122	122	-	122	-
Put options on non-controlling interests (iii)	63	63	-	-	63
Bonds (iv)	7,860	8,515	8,515	-	-
Other financial liabilities (v)	4,095	4,110	-	4,110	-

31 December 2013 restated € millions	Carrying amount	Fair Value	Hierarchy of fair values Market price = level 1	Models with observable inputs = level 2	Models with non-observable inputs = level 3
Assets	***345***	***345***	***-***	***291***	***55***
Available-for-sale financial assets (i)	55	55	-	-	55
Current and non-current fair value hedges (assets) (ii)	291	291	-	291	-
Other derivative assets	-	-	-	-	-
Liabilities	***11,179***	***11,613***	***8,375***	***3,163***	***75***
Current and non-current fair value hedges (liabilities) (ii)	31	31	-	31	-
Other derivative liabilities (ii)	184	184	-	184	-
Put options on non-controlling interests (iii)	75	75	-	-	75
Bonds (iv)	7,967	8,375	8,375	-	-
Other financial liabilities (v)	2,923	2,947	-	2,947	-

(i) The fair value of available-for-sale financial assets is generally determined using standard valuation techniques. Available-for-sale financial assets for which it has not been possible reliably to determine a fair value are not shown in this note.
(ii) Derivative financial instruments are valued (internally or externally) on the basis of the widely used valuation techniques for this type of instrument. Valuation models are based on observable market inputs (mainly the yield curve) and counterparty quality.
(iii) The fair value of commitments to buy non-controlling interests is determined by applying calculation formulas set out in the contract, discounted to present value where applicable; these formulas are considered as representative of fair value, particularly as they use EBITDA multiples.
(iv) The market value of listed bonds issued is based on the last known quoted price on the closing date.
(v) The fair value of other loans has been measured on the basis of other valuation methods such as the discounted cash flow method and taking account of the Group's credit risk and interest rate conditions at the end of the reporting period.

Note 19 Off-balance sheet commitments associated with non-recurring transactions

Commitments given amounted to €440 million as at 30 June 2014, compared with €380 million at 31 December 2013. The increase is mainly due to the fees associated with the plans to float the new company Cnova on the stock exchange.

Note 20 Contingent liabilities

Contingent liabilities essentially relate to the GPA group; they break down as follows:

€ millions	30 June 2014	31 December 2013
INSS (employer's contributions to the employee protection plan)	97	87
IRPJ - IRRF and CSLL (corporate income taxes)	449	398
PIS, COFINS and CPMF (VAT and similar taxes)	362	302
ISS, IPTU and ITBI (service tax, urban property tax and tax on property transactions)	121	96
ICMS (VAT)	1,221	995
Employee disputes	196	164
Civil litigation	180	209
Total	**2,626**	**2,251**

Note 21 Related parties

Casino, Guichard-Perrachon is controlled by Rallye, which in turn is owned by Foncière Euris. As at 30 June 2014, the Rallye Group held 48.38% of the capital of Casino, Guichard-Perrachon and 59.54% of the voting rights.

The Casino group receives advice from its ultimate parent company, Euris, under a strategic advice and assistance agreement signed in 2003.

In June 2014 the Casino group carried out a certain number of capital transactions with Mercialys, notably involving the exchange of assets. As part of this exchange, the Group sold 5 real estate assets for an amount of €169 million. These transactions will have a net negative effect on the Group's cash position of €5 million (of which €12 million disbursed at the end of June 2014).

Relations with other related parties, including remuneration of managers, remained comparable to those of financial year 2013, and there have been no unusual transactions, in terms of either nature or amount, during the period.

The main transaction in the first half between Casino group consolidated companies and Rallye group was the payment of a dividend for 2013 in an amount of €171 million.

Note 22 Subsequent events

There have been no significant events between the end of the reporting period and 28 July 2014, the date in which the interim consolidated financial statements were drawn up and approved for release by the Board of Directors.

Statement by the Person Responsible for the Interim Report

I hereby declare that, to the best of my knowledge, the condensed interim consolidated financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of operations of the companies included in the consolidation, and the accompanying interim management report includes a fair review of significant events of the first six months of the year, their impact on the interim consolidated financial statements, the main related party transactions for the period, as well as a description of the main risks and uncertainties for the remaining six months of the year.

Paris, 28 July 2014

Jean-Charles Naouri
Chairman and Chief Executive Officer

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Statutory Auditors' Review Report on the 2014 Half-yearly Financial Information

Period from January 1, 2014 to June 30, 2014

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholders' meeting and in accordance with the requirements of article L. 451-1-2 of the French Monetary and Financial Code (*"Code monétaire et financier"*), we hereby report to you on :

- the review of the accompanying condensed half-yearly consolidated financial statements of CASINO, GUICHARD-PERRACHON, for the period from January 1, 2014 to June 30, 2014 ;
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our conclusion, we draw your attention to the matter set out in notes 1.4.1 and 1.4.3 to the condensed half-yearly consolidated financial statements regarding the first application of IFRS 11 "Joint Arrangements".

II. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Lyon and Neuilly-sur-Seine, July 28, 2014

The Statutory Auditors

French original signed by

ERNST & YOUNG ET AUTRES	**DELOITTE & ASSOCIES**	
Daniel MARY-DAUPHIN	Antoine de RIEDMATTEN	Gérard BADIN