

## **New organization for the Group's operations in Latin America in order to enhance future growth**

- ▶ **Strengthened organization, focused on growth drivers,**
- ▶ **Implementation of significant synergies leveraging the respective strengths of the different entities,**
- ▶ **Acquisition by Éxito of 50% of GPA voting shares owned by Casino group and 100% of Libertad in Argentina for a total amount of € 1.7 billion,**
- ▶ **Rebalancing of the Group's debt structure**

Casino Group is changing its organization by regrouping all its operations in Latin America. This new organization will be set up around its Colombian subsidiary Éxito and will enhance the Group's future growth prospects in Latin America.

Casino Group has entered into a share purchase agreement with Éxito for the disposal to the latter of the following:

- a 50% stake in the French company holding the ordinary voting shares of its Brazilian subsidiary GPA, representing around 18.8% of the total capital,
- a 100% stake in Libertad (subsidiary of the Group in Argentina).

Following this transaction, Éxito will fully consolidate all the Latin American activities of the Casino Group (Brazil, Colombia, Argentina and Uruguay). This entity will cover markets representing 280 million inhabitants and will be a leading retail Group in the region positioned to follow the evolution of the customers' needs and seize regional consolidation opportunities. This new organization will be composed of a unique combination of countries and formats:

- leadership positions of the companies in their main markets: #1 in Brazil, #1 in Colombia and #1 in Uruguay,
- combined 2014 sales of c. € 26.5 billion and EBITDA of € 2.0 billion,
- comprehensive coverage of all customer segments, with specific banners and an expertise in a mix of formats (hypermarkets, supermarkets, convenience, cash & carry, discount and specialised distribution...),
- best-in-class multi-channel network which would enhance e-commerce development thanks to a network of over 2,500 stores.

Casino Group, which owns 54.8% of Éxito, will remain its controlling shareholder and will keep fully consolidating its subsidiaries Éxito and GPA. Depending on market conditions, the Casino Group reserves the possibility to acquire shares of its Latin American subsidiaries in the market over the next months.

Casino and Éxito agreed on shareholders' agreements in order to organize the control of GPA. The composition of the Board of Directors of GPA will reflect the new ownership structure with the appointment of directors by Éxito. There will be no change in the management structure of GPA as a result of this transaction.

This new organization will create value for all the subsidiaries thanks to the implementation of synergies and best practices with a run-rate impact of €145 million, representing around 0.5% of the combined sales.

55% of the synergies will directly benefit Brazilian operations while 45% will directly benefit Colombian, Argentinean and Uruguayan operations, and these synergies will be implemented by a dedicated committee composed of key executives of Éxito, GPA and Casino Group.

The total transaction value amounts to € 1.7bn, based on a price per GPA share of R\$100, implying a premium of 20.6% over the last 3-month average of GPA share price of its preferred shares, and a multiple of 2014 sales of 0.55x for Libertad.

Éxito will finance the transaction by using part of its existing available cash and new credit facilities.

This transaction will lead to rebalancing Casino Group's debt structure, in a consistent way with the strong cash-flow generation of the Latin American subsidiaries:

- sustainable and optimized balance sheet for Éxito (consolidated net debt close to nil post transaction),
- significant deleveraging at Casino group parent company level (€1.7bn).

The impact on Casino Group's net income is expected to be neutral when factoring run-rate synergies. The related accretion on Éxito's net income is expected to be over 5% before synergies and around 30% when factoring run-rate synergies.

The transaction is supported by the Boards of Directors of Casino Group, Éxito and GPA.

The transaction is expected to be completed by end of August 2015. The transaction is subject to the approval of Éxito's shareholders at a general shareholders meeting which is convened for August 18, 2015.

- **Éxito will comment the transaction during the presentation of its half year results at 4pm (CEST / Paris)**  
**Dial-in details: + 70 66 34 65 60 – pin code 83373602**
- **Casino Group will comment the transaction at 5pm (CEST / Paris)**  
**Dial-in details: +33 1 72 00 09 86 – no pin code**

#### **ANALYST AND INVESTOR CONTACTS**

Régine GAGGIOLI – Tél: +33 (0)1 53 65 64 17

[rgaggioli@groupe-casino.fr](mailto:rgaggioli@groupe-casino.fr)

or

+33 (0)1 53 65 64 18

[IR\\_Casino@groupe-casino.fr](mailto:IR_Casino@groupe-casino.fr)

#### **GROUP EXTERNAL COMMUNICATIONS DEPARTMENT**

**Aziza BOUSTER**

Tél: +33 (0)1 53 65 24 78

Mob: +33 (0)6 08 54 28 75

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[abouster@groupe-casino.fr](mailto:abouster@groupe-casino.fr)

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