

2016 FULL YEAR RESULTS

- **Consolidated net sales** of **€36.0bn**, up **+5.7%** in organic terms.
 - **In France:** same-store sales up +0.3%, organic sales up +0.8% and gross sales under banners up 1.5%⁽¹⁾ over the full year. The Group confirms its market share gains.
 - **In Latin America:** excellent operating performance with organic growth of +10.8% at Éxito. At GPA Food, success of Assai and acceleration in organic sales.
 - **E-commerce:** strong growth in the marketplace and traffic, and success for “Cdiscount à volonté” (“Cdiscount at will”).
- **Consolidated trading profit** of **€1,034m** for the full year:
 - **In France**, marked recovery in earnings: trading profit of €508m (from €337m in 2015), of which €421m excluding property development.
 - **In Latin America**, continued high margins; lower profits in Brazil due to the sales revitalisation programmes at Extra and the economic environment.
 - **E-commerce:** improved profitability at Cdiscount, lifted by the rising marketplace.
- **Consolidated net profit, Group share of €2,679m** reflecting capital gains from the divestment of operations in Asia.
- **Underlying net profit, Group share of €341m.**
- Excluding the 2016 interim dividend payment, the Group generated **free cash flow of +€273m⁽²⁾** in France.
- **Sharp reduction in Casino consolidated financial net debt (€3,367m vs €6,073m).**
- **Dividend** of €3.12 in respect of 2016 submitted for approval at the Annual General Meeting. Taking into account the interim dividend paid in November 2016, the remaining dividend payment amounts to €1.56 per share.

The Board of Directors met on 6 March 2017 to approve the parent company and consolidated financial statements for 2016. The statutory auditors have completed their audit of the financial statements and are in the process of issuing their report.

Jean-Charles Naouri, Chairman and Chief Executive Officer of Casino stated:

"In 2016, Casino simplified its organisation and considerably reduced its debt. The Group achieved its objectives in France, with a confirmed recovery in profitability, strong cash flow generation and a reduction in net debt. It now aims to continue growing its sales and results in 2017. It will continue to adapt to new consumer trends by developing the most buoyant formats, premium, discount, proximity and e-commerce"

⁽¹⁾ Excluding fuel and calendar effects

⁽²⁾ After 2015 dividend and coupons paid to the TSSDI holders

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

In €m	2015	2016
Net Sales	35,312	36,030
EBITDA	1,689	1,697
<i>EBITDA margin</i>	4.8%	4.7%
Trading profit	997	1,034
<i>Trading margin</i>	2.8%	2.9%
Trading profit and income of equity associates	1,054	1,054
Reported net profit, Group share	(43)	2,679
Underlying net profit, Group share	357	341
Consolidated net debt	(6,073)	(3,367)
Casino consolidated net debt in France	(6,081)	(3,200)

2015 data have been restated from the divested operations in Asia. In addition, following the end-2016 decision to sell Via Varejo, and in accordance with IFRS 5, Via Varejo (including Cnova Brazil) has been reclassified as discontinued activity.

Consolidated net sales of €36.0bn supported by good progression of activity in France and improved sales in Brazil

In 2016, **consolidated net sales** rose +5.7% on an organic basis to €36.0bn.

In **France**, organic sales growth stood at +0.8%. The turnaround reflects strong commercial momentum over the year. The Group achieved and maintained a +0.1pt gain⁽¹⁾ in market share in 2016. Géant turned in an excellent performance in food sales (up +2.7% on a same-store basis) and continued to streamline its non-food offer by reducing non-food retail space, leading to a -1.6% decrease in total retail space. Leader Price stepped up its development through franchises. Franprix pursued the roll-out of its Mandarin concept and Supermarchés Casino successfully developed a more qualitative model. Monoprix performed well over the full year and continued its dynamic expansion.

Food retail activities' sales in Latin America surged by 11.4%⁽²⁾ on an organic basis during the year, lifted by the strong development of cash & carry, the success of hypermarkets revitalisation programmes in Brazil and continued solid performances in Colombia, Argentina and Uruguay.

Within the **E-commerce** segment, Cdiscount's Gross Merchandise Volume (GMV) showed satisfactory growth (+13.6% on an same-store basis⁽³⁾ in 2016) supported by the marketplace's good performance.

Consolidated trading profit up +3.8% (+8.4% at constant exchange rates), led by the upturn in profitability in France

Consolidated trading profit totalled €1,034m in 2016 versus €997m in 2015, reflecting the success of the sales revitalisation programmes in France. At constant exchange rates, consolidated trading profit came to €1,080m.

Trading profit in **France** improved significantly to €508m from €337m in 2015. Retail operations, (i.e., excluding property development) trading profit in France totalled €421m. This sharp increase reflects solid operating performances at Monoprix, Franprix and Supermarchés Casino. In 2016, Leader Price resumed to profitability and the Géant banner strongly reduced its losses.

Property development trading profit stood at €87m versus €167m in 2015.

The trading profit of **food retail operations in Latin America** declined by -23.0% over the year to €538m (-16.5% at constant exchange rates).

⁽¹⁾ P13, moving annual total, Kantar

⁽²⁾ Excluding fuel and calendar effects

⁽³⁾ Information reported by the subsidiary

In Brazil, profitability was impacted by the new sales strategy at Extra and the macroeconomic environment. The segment achieved a trading margin of +3.5%.

E-commerce posted a trading loss of -€11m at end-2016. Cdiscount's profitability improved sharply from the previous year, driven by the development of the marketplace.

Underlying financial income and underlying net profit, Group share⁽¹⁾

Net underlying financial income stood at -€411m for the full year versus -€237m in 2015. In France, financial income improved as a result of debt buybacks and of the unwinding of the related interest rate swaps. This improvement was partially offset by a step-up in the interest rate paid on the Group's bonds following the change in Standard and Poor's rating.

Latam Retail's financial income was impacted by Éxito's increased debt and by higher rates in Brazil and Colombia.

Underlying net profit from continuing operations, Group share came to +€341m, down slightly from +€357m in 2015.

Diluted underlying earnings per share⁽²⁾ stood at €2.561 in 2016.

Consolidated net profit, Group share

Consolidated net profit, Group share, after taking into account a substantial gain on asset disposals recognised under discontinued operations, came to €2,679m.

Diluted consolidated earnings per share amounted to €23.593, reflecting the period's disposals.

Financial situation at 31 December 2016

Consolidated net financial debt totalled €3,367m at 31 December 2016 versus €6,073m as at end 2015, due primarily to free cash flow generation and asset disposals in 2016.

Net debt of Casino in France excluding Cdiscount⁽³⁾ at 31 December 2016 totalled €3,200m, also down sharply from €6,081m at 31 December 2015. Including Cdiscount's net cash position, it stood at €3,032m.

The net debt to EBITDA ratio of continuing operations improved sharply to 2.0x from 2.6x⁽⁴⁾ in 2015.

At 31 December 2016, Casino in France⁽³⁾ had €7.4bn in **liquidity**, composed of a significant gross **cash position** of €3.6bn and confirmed **undrawn lines of credit** of €3.8bn.

Casino has been rated BB+ (stable outlook) by Standard & Poor's since 21 March 2016 and BBB- (negative outlook) by Fitch Ratings since 14 December 2016.

Dividend

The Board of Directors decided to propose a dividend of €3.12 per share in respect of 2016 to the Annual General Meeting that will meet on 5 May 2017.

Taking into account the interim dividend paid in November 2016, the remaining payment comes to €1.56 per share. The ex-dividend date will be 9 May 2017, and the dividend will be payable in cash on 11 May 2017.

⁽¹⁾ Definition on page 7

⁽²⁾ Diluted underlying net EPS: After dilution relating to the Monoprix mandatory convertible bonds and to the TSSDI

⁽³⁾ Casino in France: the scope includes Casino Guichard Perrachon, the parent company, the French business activities, and the wholly-owned holding companies

⁽⁴⁾ Net debt to EBITDA ratio as reported in 2015

2017 Perspectives

In 2017, the Group will pursue its priorities:

- Adapting the formats in real time to new consumer trends and developing the most buoyant formats
- Continuing improvement of operational excellence

The Group's key objectives for 2017 are the following:

- An improvement in net financial debt/EBITDA ratio
- In France, Casino Group aims at reaching c.15% growth in trading profit of food retail activity and forecasts a contribution from its property development activities of c.€60m
- The Group also expects a growth of at least 10% in its consolidated trading profit, under current forex conditions

The presentation of the 2016 annual results will be available on the Casino Group corporate website (www.groupe-casino.fr).

The definitions of the main non-GAPP indicators will also be available on the website.

Consolidated net sales by segment

Net Sales <i>In €m</i>	2015	2016
France Retail	18,890	18,939
Latam Retail	14,714	15,247
E-commerce	1,708	1,843
Total Group	35,312	36,030

Consolidated EBITDA by segment

EBITDA <i>In €m</i>	2015	2016 at CER⁽¹⁾	2016
France Retail	726	872	872
Latam Retail	980	880	816
E-commerce	(17)	9	10
Total Group	1,689	1,762	1,697

Consolidated trading profit by segment

Trading profit <i>In €m</i>	2015	2016 at CER⁽¹⁾	2016
France Retail	337	508	508
Latam Retail	698	583	538
E-commerce	(39)	(12)	(11)
Total Group	997	1,080	1,034

⁽¹⁾ CER: Constant Exchange Rate

2016 Results ⁽¹⁾

<i>In €m</i>	2015	2016
Net Sales	35,312	36,030
EBITDA	1,689	1,697
Trading profit	997	1,034
Trading profit and income of equity associates	1,054	1,054
Other operating income and expense	(349)	(625)
Operating profit	648	409
Net financial costs	(240)	(324)
Other financial income and expense	(340)	(35)
Tax expense	(13)	(34)
Share in the profits of equity associates	57	20
Net profit from continuing operations, Group share	(65)	33
Net profit from discontinued operations, Group share	21	2,645
Net profit (loss), Group share	(43)	2,679
Underlying net profit, Group share	357	341

⁽¹⁾ IFRS 5 has been applied to the 2015 and 2016 financial statements to take into account the disposal of operations in Asia and the plan to sell Via Varejo.

Accordingly:

- Profits from operations in Asia in 2015 and up to their disposal in 2016, as well as the consolidated gain made on the disposals, are included in the income statement under "profit from discontinued operations".
- Via Varejo's operations (including those of Cnova Brazil) were reclassified as discontinued operations in 2015 and 2016. The assets and liabilities of Via Varejo's operations at 31 December 2016 are presented on a separate line in the statement of financial position.

Underlying net profit

<i>In €m</i>	2015	Restated items	2015 underlying	2016	Restated items	2016 underlying
Trading profit	997		997	1,034		1,034
<i>Other operating income and expense</i>	(349)	349		(625)	625	
Operating profit	648	349	997	409	625	1,034
<i>Net financing costs</i>	(240)		(240)	(324)		(324)
<i>Other financial income and expense⁽¹⁾</i>	(340)	344	3	(35)	(51)	(87)
<i>Tax expense⁽²⁾</i>	(13)	(206)	(219)	(34)	(155)	(189)
<i>Share in the profits of equity associates</i>	57		57	20		20
Net profit from continuing operations	111	486	597	36	419	455
<i>Attributable to minority interests⁽³⁾</i>	175	65	240	2	111	114
Of which Group share	(65)	422	357	33	307	341

Underlying net profit corresponds to net 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 annual consolidated financial statements, and to non-recurring financial items and non-recurring tax credits and expenses.

Non-recurring financial items include fair value adjustments to equity derivative instruments (such as total return swap and forward contracts on GPA shares) and effects of monetary updating of tax liabilities in Brazil.

Non-recurring income tax credits and expenses correspond to tax effects that are directly related to the above adjustments and to direct non-recurring tax effects. Accordingly, the tax expense applied to underlying pre-tax profit corresponds to the standardised average tax expense for the Group.

⁽¹⁾ Financial income and expense has been restated, primarily for the impact of the cash discounting of tax liabilities in Brazil, as well as the changes in the fair value of the Total Return Swap on the GPA and Big C shares, and of the GPA forward.

⁽²⁾ The tax change has been restated for the tax impact of the restated items listed above, as well as for non-recurring tax credits and charges

⁽³⁾ Minority interests have been restated for the amounts relating to the restated items listed above.

Simplified Consolidated Balance Sheet

<i>In €m</i>	2015	2016
Non-current assets	26,490	23,538
Current assets	13,343	18,503
Total assets	39,833	42,042
Total equity	12,419	14,440
Non-current financial liabilities	9,594	7,733
Other non-current liabilities	2,906	2,681
Current liabilities	14,914	17,189
Total equity and liabilities	38,933	42,042

Breakdown of net financial debt by entity

<i>In €m</i>	2015	2016
France Retail	(6,081)	(3,200)
Latam Retail	(993)	(1,032)
<i>o/w GPA Food</i>	(227)	(221)
<i>o/w Éxito (excluding GPA Food)</i>	(766)	(810)
Latam Electronics	1,119	697
Asia	(146)	0
E-commerce	29	168
Total	(6,073)	(3,367)

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