

Annual & Sustainable Development Report

— 2009



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Corporate Profile

In a world of constantly evolving lifestyles and consumer habits, Casino leverages its multi-format strategy and product portfolio to create competitive differentiation and satisfy customers whose wide-ranging expectations are both unique and numerous.

A leading food retailer in France and the fast-growing markets of South America and Southeast Asia, Casino has maintained a strong local presence and close ties with customers since its founding in 1898.

In France, the Group benefits from a favourable format mix that is heavily weighted towards the convenience and discount segments and deploys a precision retailing strategy designed

to provide a tailored response to customer needs.

In international markets, development is focused on countries that have strong growth potential and generate high margins and in which the Group's subsidiaries have established leadership positions and a solid local presence.

In all its markets, Casino deploys a dual business model that closely combines retailing and property management. To more effectively federate its businesses and teams, the Group has embraced a corporate mission that guides all of its actions: "Nourishing a world of diversity."

26,757 million euros
in consolidated net
revenue

34% of consolidated
revenue outside France

66% of revenue
in France

Operations in **9 countries**
outside France

543 million euros
in attributable profit

200,000 employees
around the world

No. 1 private label retailer in France,
based on percentage of own-brand products in the sales mix

Nearly **11,000** stores,
of which **9,364** in France

7.3 million sq.m
of retail surface area

2 priority regions
outside France: South America
and Southeast Asia

Interview with Jean-Charles Naouri

— Chairman and Chief Executive Officer



How has Groupe Casino weathered the crisis?

I said last year that Casino was not immune to the crisis and that we would inevitably be affected. And that's what happened in 2009, which makes our performance even more remarkable. Our revenue was nearly as high as in 2008 and our operating margin was the same at constant exchange rates and scope of consolidation. Consequently, we're in a position to recommend a slight increase in the dividend. These are solid results given today's very challenging economic environment.

“Despite the severity of the crisis, our margin was virtually unchanged, further demonstrating the resilience of our business model.”

“In Brazil, the Group has doubled in size in less than two years, while generating revenue of more than €15 billion.”

Your trading profit declined in 2009 however, which is unusual. Is this a cause for concern?

Not at all. Given the severity of the crisis, the contraction in trading profit was a limited 2.5% at constant scope of consolidation and exchange rates. Moreover, as a percentage of revenue it was virtually unchanged, further demonstrating the resilience of our business model. In retrospect, we can see that Casino outperforms the market in a favourable economic environment and holds up better in periods of crisis. This shows the validity of the choices we've made over the past ten years. In France, we've deployed a multi-format strategy, building solid positions in convenience outlets, with Monoprix, Franprix, Casino, Petit Casino, Spar and Vival, and in the discount segment with Leader Price. Outside France, we've developed a significant presence concentrated in highly promising markets in which we've established leadership positions: Brazil, Colombia, Thailand and Vietnam. These countries, which account for one-third of our business, held up especially well to the crisis in 2009 and enjoy strong growth potential for the years ahead. We should bear in mind that these markets represent a total of 400 million people with ever-greater access to consumer goods.

Your operations in Brazil have expanded very quickly in recent years. What does this country represent for Groupe Casino?

Because of its size and fast-developing economy, Brazil is naturally an important component of our growth strategy. Grupo Pão de Açúcar (GPA) is Brazil's leading retailer with revenue of more than 40 billion reais if we include full-year contributions from recent acquisitions Ponto Frio and Casas Bahia. This means that in less than two years we've doubled in size while generating revenue of more than €15 billion. The country's largest private employer, GPA operates a portfolio of more than 1,800 stores and enjoys considerable growth prospects for the years ahead.

Aren't you disappointed in the underperformance not only of Leader Price but also of your hypermarkets, despite your efforts to improve the format?

We firmly believe that the transformation we've undertaken in our hypermarkets will produce results. Already, we're pleased to see that our cost-reduction efforts have partially offset the decline in sales. We're attentively managing retail sales space in our hypermarkets, taking into account the shift in food revenue towards convenience stores, where we hold an edge, and in non-food revenue towards e-commerce, a segment in which we're the French market leader with Cdiscount. French hypermarkets now represent just 10% of our trading profit. As for Leader Price, like all discount chains, it was adversely affected in 2009 by the decline in spending among its customers most directly impacted by the crisis. However, the banner defended its market share and we believe more than ever that this retail segment will continue to develop.

What's more, we intend to introduce new price investments in 2010 to make both Leader Price and Géant Casino more competitive.

In addition to the current economic uncertainties, retailing is confronted with major sociological upheavals. How are you gearing up to meet these challenges in France?

We've been adjusting actively and far upstream to new consumer trends. Our portfolio of concept and brands, which focuses on convenience formats and innovative private labels, positions us to take full advantage of these developments. In France, we're the market leader in private labels. With Casino, Monoprix and Leader Price, we have three very powerful private labels that account for the bulk of our product assortments. We also have unrivalled expertise in the fast-growing natural food segment, through our own brands and through our all-organic Naturalia banner, which is expanding rapidly. Lastly, with Cdiscount, we're able to capture a significant share of the revenue generated by

“In 2010, we intend to introduce new price investments to make both Leader Price and Géant Casino more competitive.”

online non-foods sales, another high-growth market segment.

You're taking a very aggressive stance for 2010, but are you sure you have the resources needed to attain your goals?

Yes, we have them. We've considerably enhanced our financial flexibility, on the one hand by generating significantly higher free cash flow in 2009 and on the other by completing two-thirds of our plan to dispose of €1 billion in assets by year-end 2010. We achieved our objective of reducing net debt-to-EBITDA to 2.2x one year ahead of schedule. This shows that Casino has fully integrated the strategic acquisitions made over the past decade. In addition to our solid financial position, our objectives are supported by very active expansion programmes. Our goal is to develop in the promising convenience and discount formats in France and in all formats in international markets, from hypermarkets to convenience stores, which appeal to an ever-larger number of customers.

Looking to 2010 and beyond, we're well positioned to take advantage of new, targeted growth opportunities.

In 2009, the French government presented Casino with its Diversity Label. What does this award mean to you?

We're the first – and so far the only – retailer to have received this award, and everyone at Casino is rightfully proud. It reflects the breadth and the depth of our long-term commitment to combating discrimination and ensuring equal opportunity in our hiring and promotion practices. With more than 200,000 employees around the world – of which 76,000 in France – Casino brings together a rich diversity of skills, styles and cultures. This represents a key success factor for our Group, which nurtures diversity not only in its portfolio of products and services but in its personnel management practices as well.

Executive Committee

Led by the Chairman and Chief Executive Officer, the Executive Committee is responsible for managing the Group's operations as it implements the strategic vision defined by the Board of Directors. It helps to shape strategy, coordinates and shares initiatives, and tracks cross-functional projects to ensure the alignment of action plans deployed by the subsidiaries and operating divisions, and, in this capacity, sets priorities when necessary. It also monitors the Group's financial results and ratios and determines the action plans to be undertaken. The Committee meets fortnightly.

—

01

Jean-Charles NAOURI
Chairman and Chief
Executive Officer

—

02

Hervé DAUDIN
Merchandise and Supply
Chain Director
Chairman of Cdiscount
Chairman of EMCD

—

03

Yves DESJACQUES
Human Resources Director

—

04

Jean-Michel DUHAMEL
Chairman of Asinco
(Franprix-Leader Price)
Chairman of IRTS

—

05

Jacques EHRMANN
Real Estate and
Expansion Director
Chairman and Chief
Executive Officer
of Mercialis

—

06

Antoine GISCARD d'ESTAING
Finance Director

—

07

Thierry LEVANTAL

Legal Affairs Director

—

08

André LUCAS
Managing Director –
Casino Hypermarkets &
Supermarkets

—

09

Arnaud STRASSER
Director, Corporate
Development and Holdings

—

Committee Secretary:

Omri BENAYOUN,
Director, Strategic Planning



01



02



03



04



05



06



07



08



09

The Board of Directors

Members of the Board of Directors

As of 3 March 2010, the Board of Directors had fifteen members:

Jean-Charles NAOURI,

Chairman and Chief Executive Officer

Didier CARLIER,

Deputy Managing Director of Rallye, representing Groupe Euris

Jean-Dominique COMOLLI,

Chairman of the Board of Directors of Altadis and Seita

Abilio DOS SANTOS DINIZ,

Chairman of Grupo Pão de Açúcar

Henri GISCARD d'ESTAING,

Chairman and Chief Executive Officer of Club Méditerranée

Jean-Marie GRISARD,

representative of Matignon-Diderot

Philippe HOUZÉ,

Chairman of the Executive Board of Société Anonyme des Galeries Lafayette

Marc LADREIT de LACHARRIÈRE,

Chairman and Chief Executive Officer of Fimalac

Didier LÉVÊQUE,

permanent representative of Omnium de Commerce et de Participations, Secretary General of Euris

Gilles PINONCELY,

Company Director

Gérald de ROQUEMAUREL,

Partner and member of the Executive Committee of Arjil

David de ROTHSCHILD,

General Partner of Rothschild & Cie Banque

Frédéric SAINT-GEOURS,

member of the Peugeot SA Managing Board, Vice President Finance and Strategic Development of PSA Peugeot Citroën

Catherine SOUBIE,

Deputy Managing Director of Rallye and representative of Finatis

Rose-Marie VAN LERBERGHE,

Chairman of the Management Board of Korian

—
Pierre GIACOMETTI,

Non-Voting Director; Chairman of Giacometti Péron & Associés

Antoine GUICHARD,

Honorary Chairman (not a director)

Jacques DUMAS,

Secretary of the Board

Operations of the Board of Directors

The rules and procedures governing the functioning of the Board of Directors are defined by law, the Company's articles of association and the Board Charter. They are presented in detail in the Chairman's Report and in the Board Charter, which is included in the registration document filed with Autorité des Marchés Financiers. Each Director must hold at least 100 registered shares. Directors are elected for a term of three years.

In 2009, two new independent directors were elected: Rose-Marie VAN LERBERGHE and Jean-Dominique COMOLLI. Pierre GIACOMETTI, who was formerly a Director, was appointed a non-voting Director by the Board at its meeting on 3 March 2010. His appointment will be submitted for shareholder ratification at the next General Meeting on 29 April 2010.

The Company remains committed to applying the principles of sound corporate governance as defined by the AFEP/MEDEF reports on this subject. As part of its delegated responsibilities, the Appointments and Compensation Committee conducted its annual review of the composition of the Board of Directors and in particular assessed the situation of Directors in relation to the independence rules set out in the aforementioned reports. Directors are selected for their acknowledged competence, diversity of experience, complementary areas of expertise and commitment to contributing to the Group's future development. Five of the Directors are independent, as defined by the criteria in the AFEP/MEDEF reports: Rose-Marie VAN LERBERGHE, Jean-Dominique COMOLLI, Henri GISCARD d'ESTAING,

Gérald de ROQUEMAUREL and Frédéric SAINT-GEOURS. The Board also includes five members who are either people from outside the Company chosen for their experience or expertise, or shareholder representatives: Abilio DOS SANTOS DINIZ, Philippe HOUZÉ, Marc LADREIT de LACHARRIÈRE, Gilles PINONCELY and David de ROTHSCHILD. The Company's controlling shareholder is represented by five Directors, following the resignation of Foncière Euris, and therefore does not hold a majority of the Board's votes.

In compliance with the corporate governance reports, a new assessment of the Board's operations was carried out in 2009 by the Appointments and Compensation Committee, which is responsible for preparing and distributing a questionnaire addressed to each Director. Based on their comments and observations on the Board's procedures and organization, the Directors are satisfied that the Board fully complies with the principles of business ethics and sound corporate governance and feels that progress has been made since the last assessment.

Board Committees

Audit Committee

The Audit Committee is comprised of four members: Frédéric SAINT-GEOURS, Jean-Dominique COMOLLI and Gérald de ROQUEMAUREL (as of 3 March 2010), independent members, and Gilles PINONCELY. Frédéric SAINT-GEOURS is the Committee Chairman.

The Audit Committee is responsible for assisting the Board of Directors in reviewing the annual and interim financial statements, and in dealing with events likely to have a material impact on the position of the Company or its subsidiaries in terms of commitments and/or risks, compliance with laws and regulations and any material pending litigation. It is also in charge of monitoring the effectiveness of internal control and risk management systems.

A Charter sets out the Committee's powers and duties, particularly those concerning risk management and the identification and prevention of management errors.

In 2009, the Committee met five times, with all members in attendance.

Appointments and Compensation Committee

The Appointments and Compensation Committee is comprised of five members: Rose-Marie VAN LERBERGHE, Henri GISCARD d'ESTAING and Gérald de ROQUEMAUREL, independent members, and David de ROTHSCHILD and Catherine SOUBIE. Rose-Marie VAN LERBERGHE is the Committee Chairman.

The Committee's primary role is to assist the Board of Directors a) in reviewing candidates for appointment to senior management positions and for election to the Board of Directors, b) in setting and overseeing the Group's executive compensation, stock option and stock grant policies and c) implementing employee share ownership plans.

A Charter sets out its powers and duties, particularly those concerning the periodic assessment of the Board of Directors' practices and performance and the review of its compliance with good corporate governance principles and professional standards, especially as prescribed in the Board Charter.

The Committee met four times in 2009 with an attendance rate of 95%.

2009

The year in review

Stepped-up growth in international markets

International expansion represents an important growth driver for Casino, which in recent years has focused its development strategy on high-potential emerging markets in South America and Southeast Asia.

This vision has led to a remodelling of the international assets portfolio, notably with the sale of the Super de Boer store chain in the Netherlands on 18 October 2009.

Brazil's leading retailer, the Group strengthened its positions in this fast-growing market during the year. In July, GPA acquired Ponto Frio and in December, a joint venture agreement was signed between Ponto Frio and Casas Bahia's retailing business. As a result, GPA

is now Brazil's leading retailer of electronic and household appliances and ranks second in the e-commerce segment.

To pursue its growth in the Colombian market, Grupo Exitó, Casino's local subsidiary, successfully carried out a share issue and acquired interests in Carulla Vivero previously held by minority shareholders. These two transactions strengthened Exitó's balance sheet and stock market profile.

In Asia, sales maintained their sustained growth momentum, rising by 6.5%, and the Group continued to expand its local network, which operates under the Big C banner.

France: superettes held up well

Despite a challenging economic environment, Casino's superette banners – Petit Casino, Spar and Vival – held up well, consolidating the Group's positions in convenience stores.

Leveraging its capacity for innovation in this promising segment, Casino in January 2009 launched Chez Jean, a unique "French-style" convenience outlet concept that functions as both a café and a grocery store and features long opening hours (seven days a week, from 7:00 a.m. to 10:00 p.m.). Offering groceries, delicatessen foods, light meals and other services (newspapers and magazines, tobacco products, games, flowers and cash dispensers), this original concept has proven popular with consumers. During the year,

four stores were opened in Paris and one in Marseille.

To strengthen its presence in other convenience segments, the Group signed a distribution agreement in December 2009 with Sherpa, which operates around 100 superettes in ski resorts. By sourcing its merchandise from EMC Distribution, the Group's central purchasing agency, Sherpa gains two advantages: competitive prices thanks to pooled purchases, as well as the quality, diversity and image of Casino-brand products.

In December, Casino was awarded a contract from Shell to supply staples and fresh foods to its 52 service stations on French motorways.

The partnership will enable station operators to offer their customers a wide range of national brands as well as products sold under the Casino, Casino Bio and Casino Délices labels. Following agreements signed with the AGIP and AVIA service station networks, the new contract further enhances Casino's visibility on motorways.

Géant Casino and Supermarchés Casino: win-win synergies

■ In a sluggish consumer environment, the Group revamped its organisation in November 2009, introducing a combined management team for its hypermarket and supermarket divisions. While preserving the respective identity and positioning of each banner – Géant Casino and Supermarchés Casino – the change has enabled the deployment of effective new synergies in such areas as product promotions, loyalty programmes, assortments and advertising.

■ In response to growing consumer demand for local service and one-stop shopping, the two banners introduced Casino Drive, a service that allows customers to shop online, then pick up their order in the car park of the store of their choice, with the groceries placed directly in the trunk of their car. The service was introduced on the supermarket website in early 2009 and the hypermarket website in September.

■ Also in September, the Géant Casino Odysseum in Montpellier opened. Larger than the banner's standard size hypermarket with a surface area of 12,000 sq.m, this new concept puts quality of life at the centre of the customer experience. The focus is on fresh food, private-label products, the fast-growing apparel, home and leisure segments, and an original wellness line-up. Also featured are new services that make life easier for shoppers, such as tramway lines directly to the heart of the shopping centre, cold storage lockers, WiFi access, computer terminals and a SNCF French railway ticket dispenser.

■ Thanks to its highly differentiated positioning based on choice, quality and service, Casino's supermarkets demonstrated solid resilience in an economic environment that saw a decline in average spend per customer. Designed to enhance product visibility, notably through dedicated spaces, and to make stores more accessible, the new Casino supermarket concept was introduced in 36 units during the year.

Monoprix: success and expansion

■ Reflecting the validity of their positioning and products, the various Monoprix banners posted solid results in 2009, surpassing forecasts for private label sales, especially in natural and fresh products.

■ In 2009, Monoprix actively pursued its strategy of developing all its formats, opening 21 additional stores during the year, of which four Monoprix Citymarché, ten Monop', five Daily Monop' and two Naturalia outlets.

■ At the same time, the banner launched a major store overhaul programme. The first stage involved the Monoprix store on Avenue des Ternes in Paris, where renovation work was completed in late 2009.

Franprix/Leader Price: even more innovative and closer to customers

■ With Casino's acquisition of the remaining shares in Franprix and Leader Price on 12 November 2009, both banners are now wholly owned by the Group.

■ Pursuing an active strategy of developing the banners, which are positioned respectively in the convenience and discount segments, Casino opened 80 Franprix and 49 Leader Price stores during the year. In addition, around 100 openings in each format are scheduled for 2010.

■ To make Franprix more attractive, the Group developed a new concept in early 2009 that is

gradually being deployed for all store opening and renovation projects. The concept includes a lively, contemporary visual identity, interactive electronic display windows, a revamped product portfolio, well-planned shopping paths with customer-friendly signage, choice placement for fresh food, health & beauty items and other popular product families, optimised checkout locations and delivery services tailored to customer needs.

■ Attesting to the new concept's effectiveness, the 250 stores in which it has been deployed recorded double-digit growth in sales.

■ Franprix has also been highly innovative, launching services designed to make life easier for customers. During the Wine Fair, an interactive system was tested that enabled customers to obtain production information via their cell phone, either by photographing the product barcode or by entering the barcode number on the phone's dial pad.

■ Despite the trend toward lower average spend per customer in the discount segment, Leader Price maintained its market share in 2009 by pursuing its expansion programme. The banner also forged a highly regarded advertising partnership with food critic Jean-Pierre Coffe that focused on high quality at an affordable price.

Private labels: No. 1 in market share and innovation

■ The undisputed leader among private labels, the Casino brand continued to make advances in 2009.

■ Its success is underpinned by original, high-quality products as well as the solid, differentiated positioning of its various private labels. A pioneer in the natural foods segment, the Casino Bio brand for example has enjoyed steady growth for over ten years. The portfolio is today comprised of more than 200 products, compared with 23 in 1999. In the gourmet segment, Casino Délices saw a 57% year-on-year increase in sales of its 220 products.

■ The Group's powerful capacity for private label innovation was clearly apparent in the June 2009 launch of the Casino Famili brand. Focusing on health, affordability, shared enjoyment and discovery, this umbrella brand brings together a range of 230 food and non-food products designed for today's families.

■ Casino's sustainable development commitment is also driving innovation. Two years ago, the first labelling system that measures the environmental impact of products over their entire life cycle was introduced. Called the Casino Carbon Index, the system covered more than 400 products in 2009 and enabled

the Group to play a leading role at France's environmental summit conference.

Cdiscount: double-digit growth

■ The leader in a market estimated at €25 billion and 24 million online customers, Cdiscount once again recorded double-digit growth over the past year and crossed the symbolic threshold of €1 billion in revenue (including VAT). In France, one Web user out of three is a Cdiscount customer.

■ This strong performance confirms the banner's ability to deliver on its pledge to offer the lowest prices. For the Group, Cdiscount also serves as an important growth driver in non-foods – led by household and electronic appliances – at a time when Géant Casino is repositioning its store assortment in this segment.

■ In addition to the product families that have fuelled its success, the banner has effectively expanded into new areas, including apparel, footwear, wine, games and toys, and travel.

■ To create new synergies between Cdiscount and the Group's stores, a delivery service has been introduced that enables customers to pick up orders weighing more than 30 kg at Géant Casino hypermarkets. The service has proven very popular and already accounts for more than 50% of deliveries.

Real Estate: L'Esprit Voisin and “green” ideas

■ In line with its dual retailing-property strategy, Casino transferred a portfolio of property assets valued at €334 million to its subsidiary Mercialys. The portfolio comprises both existing assets and properties to be developed, including hypermarkets that Mercialys will transform into shopping centres.

■ Mercialys is pursuing its programme of upgrading and capturing the value of its shopping centres, in particular through the deployment of L'Esprit Voisin, a concept that ushers in a new generation of shopping malls that are warm, modern and shopper-friendly. Typifying the Esprit Voisin concept, the Besançon-Chateaufarine shopping centre was inaugurated in 2009. It comprises a mall with 70 boutiques built around a Géant Casino hypermarket.

■ With 4 million sq.m of roofs and 200,000 parking places, the Group has the potential to install a large number of solar panels to generate electricity. That's why Casino launched a project to create photovoltaic power plants in 2007 and set up a dedicated subsidiary for that purpose in 2009. Called GreenYellow, the subsidiary was created to make Casino a key player in the development of solar energy production in France.

Procurement: pooled purchases for greater competitiveness

■ EMC Distribution, the Group's central purchasing agency, has become one of the two largest in France for private labels, in particular by pooling purchases for Casino, Monoprix and Leader Price.

■ In 2009, Casino laid the foundations for a new partnership with suppliers, based on deeper cooperation and optimised performance drivers combining pooled purchases, planning, supply chain management and data sharing.

■ At the same time, EMC Distribution revamped its non-foods organisation to introduce a category management system. Divided into logical categories that are aligned with consumer perceptions, products are managed by a dedicated team throughout the entire marketing cycle, from selection, purchase and supply to merchandising and promotion. This method represents an effective solution, especially for implementing the non-foods redeployment strategy.

Transport: cost management and sustainable development

■ In October 2009, the Group opened a new 46,000-sq.m logistics platform in Saint-Bonnet-les-Oules in central France. Certified to France's HQE environmental standards, the new facility serves some 3,200 outlets in the convenience store network.

■ In the area of transport, Casino's sustainable development policy is reflected in practical initiatives to optimise the flow of goods and reduce carbon emissions.

■ Easydis, the Group's logistics subsidiary, has set up a reverse logistics process to limit the number of vehicles travelling empty. Trucks used for deliveries to supermarkets now collect flattened cardboard boxes and return them to a central processing site. As a result, each truck goes to only one collection point, rather than around 30, thereby reducing carbon emissions as well as collection costs. At year-end 2009, the system had been deployed in 147 of 350 Casino supermarkets.

■ In the Greater Paris region, where deliveries and collections represent some one million trips a day, Easydis is taking part in a "make the last mile pollution-free" initiative. The Group is also developing its own fleet of clean, quiet vehicles for city deliveries and is testing a

new generation of specially adapted low-noise trucks for night deliveries.

Human resources: socially responsible commitments

■ Casino has adhered to the United Nations Global Compact since October 2009. As a participant in the initiative, the Group pledges to respect and promote the Global Compact's ten fundamental principles in the areas of human rights, labour, environment and anti-corruption, both in France and elsewhere around the world.

■ Based on its belief that ongoing consultation and discussion with employees strengthens team unity – and thus organisational efficiency in today's business environment – Casino signed an innovative agreement on social dialogue. The agreement focuses on measures to define stakeholder roles and on operating procedures, with the goal of forging constructive relations with employees. It also calls for a special career development plan for employee representatives.

■ An integral part of Casino's human resources policies, this commitment to open, regularly scheduled discussions with employees led to the signing of around 20 agreements in France during the year. One agreement concerned a Group savings plan that enables employees to build a retirement nest egg over the long term.

■ Casino also held important negotiations on employee skills and human capital, which resulted in the signing of a Group-wide agreement on strategic workforce planning that was implemented during the year.

■ An agreement concerning older employees was also signed. It sets up a process for managing the second-half of employee careers that is supported by quantitative objectives. The Group is also committed to hiring 500 employees over 50 by year-end 2012.

■ With more than 200,000 employees around the world, Casino brings together a rich diversity of skills and cultures. One of the Group's core values, diversity is actively promoted and deployed through concrete initiatives. In recognition of this commitment, Casino was the first retailer to receive the French government's Diversity Label, which was awarded on 21 April 2009.

A significantly stronger balance sheet

Objectives for 2009 were all either met or surpassed:

■ Two-thirds of the €1 billion in assets to be divested by year-end 2010 have already been sold.

■ Debt was sharply reduced to €4,072 million at year-end 2009, helping to improve net debt-to-EBITDA to 2.2x one year ahead of the target date of 31 December 2010.

■ Costs were reduced by €180 million and inventory by 2.3 days, exceeding targets in both instances.

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stayed on course.”









Nguyen Trong Tuan,
Store manager, Thang Long BIG C,
an outlet in Hanoi, Vietnam. 8:37 a.m.



Outside, nearly all of the 2,500 parking spaces for motorbikes are taken. Inside, there are already a lot of customers. “We had more than four million customers in 2009, with a record 23,000 in one day,” says Tuan, standing in front of the line of 76 checkout counters, one of the longest in Asia.



“From

INTERNATIONAL OPERATIONS: A PROVEN GROWTH DYNAMIC

With operations in emerging market that have strong growth potential and generate high margins, the Group deploys a strategy based on a mix of complementary formats and well-known local banners. In these countries, where consumption of food and non-food products is increasing rapidly, Casino’s development strategy is producing results, thanks to its focus on broad choice, low prices and customer loyalty. The Group is enjoying substantial revenue growth and strengthening its ties with consumers while satisfying their individual wants and needs.

“Casino’s international
operations”

9 countries

34% of consolidated
revenue

São Paulo

THE 5 PILLARS OF GROWTH IN EMERGING MARKETS:

- Traditional **banners** that maintain strong ties with customers
- Sustained or strongly resurgent **economic growth**
- An increase in the average **standard of living**
- A large, young **population**
- Advances in **modern retailing**, as banners with multiple sales outlets replace a fragmented system based on traditional store formats

Leadership positions in countries with a combined population of **400** million and strong growth potential

Groupe Casino is **No. 1** in Brazil and Colombia and **No. 2** in Thailand

1,620 stores
(at end-2009)

to Paris,

“GROWTH IN LATIN AMERICA”

With its 198 million inhabitants, Brazil is Latin America's largest market and the world's eighth-largest economy. While the differences between rich and poor are still considerable, standards of living are clearly on the rise. Between 1991 and 2008, poverty was reduced by half, declining from 35% to 15.5%.

Purchasing power, product penetration and strong public policies

Following two years of record growth in 2007 and 2008, Brazil was one of the first developing countries to emerge from the global economic crisis in 2009 and revert to growth. Today, all Brazilian economic indicators – both internal and external – are trending positively. This sound economic health has swelled the ranks of the country's middle class by 22.5 million in

two years. One million jobs were created in 2009 and the forecast is for an additional two million in 2010. Rising standards of living for all Brazilians have had a profound impact on consumer spending. A 46% increase in the minimum wage since the early 2000s has benefited consumers, who can now acquire the durable goods that were beyond their means a few years ago.

from **Bogo**

Accounting for 32% of sales outside France, Brazil is a fast-developing market and one of Casino's most important growth drivers.

The increase in consumer spending is supported by strong government policies, especially in the area of electrical and electronic appliances. Brazilian authorities have launched an unprecedented programme to build 20 million low-income housing units and are offering financial assistance to encourage people to replace their energy-consuming household appliances. This market is expected to double between 2008 and 2013. Brazil is thus one of the Group's major growth drivers.



Grupo Pão de Açúcar: Brazil's leading food and non-food retailer

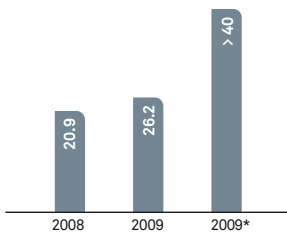
A pioneer in Brazil's food retailing sector and a major force in the country's economy, Grupo Pão de Açúcar (GPA), which the Group jointly controls with the founding family, operates a wide array of banners covering all formats and targeting a varied range of consumer needs. Banners include Extra hypermarkets, Pão de Açúcar, Sendas, CompreBem and Extra Perto supermarkets, Extra Facil convenience stores, and Assai cash & carry outlets.

In 2009, in a highly promising environment for consumer goods, Grupo Pão de Açúcar crossed a strategic threshold with the acquisition of Ponto Frio and the signing of a joint venture agreement with Casas Bahia. As a result of these two transactions, the Group is now Brazil's leading retailer of electronic products and appliances, with a market share of more than 25%.

In 2010, GPA will thus enjoy a stronger position in non-foods to speed its growth, in particular by expanding its e-commerce operations and financial services. Its goal is to become the market leader in this area thanks to a private payment card developed in partnership with Itaú-Unibancoj, Brazil's largest bank. The card is already used by eight million people throughout the country.

ta

Revenue
(incl. VAT, in BRL billions)



* Pro forma 2010
(i.e. including Ponto Frio and Casas Bahia)

Grupo Pão de Açúcar:

Brazil's No. 1 food and non-food retailer

2009 revenue (including VAT) of more than **40 billion reais*** (15 billion euros)

More than **1,588** stores*

The country's **No. 1** private employer with over **137,000** employees*



The fast-growing e-commerce segment: GPA gears up

Given Brazil's size, the Internet is a distribution channel that enjoys robust growth potential. The country has some 32 million Web users and holds the world record for the longest connection time.

outlets. New products were also added to the Taeq health and wellness line-up. With its long-standing upmarket positioning, the Casino brand is also sold in Extra hypermarkets and Pão de Açúcar supermarkets in its original packaging, to which mandatory local labels have been added.

to Bangkok

By integrating Ponto Frio and Casas Bahia's online operations in 2010, GPA will become the country's second-largest e-commerce retailer. During the coming year, the Group will align its three websites – extra.com.br, pontofrio.com.br and casabahia.com.br – with the goal of generating revenue of over BRL 2 billion (nearly €1 billion).

Successful private labels

Typifying the Group's strategy, the private label line-up has proven very popular in Brazil. Some 500 new products were introduced in 2009, including groceries, bread, cheese, fruit juices, health & beauty items and household cleaning products.

GPA continued to expand its product offering with the Qualitã umbrella brand, which is sold in Pão de Açúcar, Extra and CompreBem

In 2009, private label products accounted for 5% of total sales, led by the Taeq and Qualitã brand, which recorded year-on-year sales growth of 55% and 50% respectively.





.....

Casino franchised stores in international markets:

70 stores in 15 countries, including France's overseas territories

Revenue of
1 billion euros

A centralised, dedicated export platform for franchisees

Franchising outside France: penetrating new markets

In its international operations as well as in France, franchising is one of the development models the Group is leveraging to expand its network and establish a foothold in new regions. This business model has enabled Casino to introduce its store concepts and private label products in regions like Africa and the Middle East, as well as in France's overseas territories.

Since May 2009, the Group has stepped up its deployment with franchised openings of a Géant Casino in Kuwait City in July and two Géant Casino hypermarkets in Réunion, where 23 stores have also switched to the Leader Price banner. In addition, Monoprix operates 65 stores in Tunisia and is pursuing a number of projects in the Middle East.

The Group is pursuing its development in 2010, with a large number of store openings scheduled outside France. These include a Casino hypermarket in Geneva, Switzerland; two Casino supermarkets in Senegal; a hypermarket and a convenience store in Abu Dhabi; a supermarket in Kuwait; and a hypermarket that is switching to the Géant Casino banner in French Guiana.

Casino is also forging close-knit relations with its franchisees. The Group supports them in all phases of their development, helping them to conduct market studies, lay out stores, design interiors, choose IT systems and product assortments, and manage the supply chain, thanks to a dedicated export platform. Store managers also receive personalised assistance in managing store operations and human resources and in preparing financial statements.

URBAN CONSUMERS IN COLOMBIA

Following a year of sluggish growth in 2009, the Colombian market is expected to rebound, with an upswing in business of around 2.3%* a year for the period 2010-2012. To meet that forecast, the country can rely on two solid consumer-spending drivers: political stability and the purchasing power of the middle and upper classes in large urban areas.

Casino

A young, urban market

With 45 million inhabitants, Colombia is South America's second-largest country and Casino's second-largest market outside France. Nearly 75% of the population lives in cities and practically one Colombian out of two (49%) is under 25**. Historically driven by sophisticated, upmarket products, from apparel to food, consumer spending is today shifting towards the post-crisis period, with a recent upturn in purchases of durable electrical and electronic goods.

A broad array of banners to reach all consumer categories

Colombia's leading retailer with a 38.4% market share***, Grupo Exitó, in which Casino holds a 54.8% stake, can leverage many strengths to support the expected return to growth. Because consumer spending evolves in line with urban living and the needs of city dwellers, Exitó has built a broad retailing network in its more than one hundred years of operations.

Colombia, where Exitó holds a 38.4% market share, accounts for 25% of the Group's international sales.

* Consensus of analyst forecasts

** Source: CEPAL 2005

*** Source: Nielsen 2008

**** Source: Superfinanciera (Colombian financial regulator), June 2009



Exitó:

Colombia's
No. 1 retailer

Consolidated revenue of
2,281 million euros
*(more than twice as much as its
closest competitor****)*

260 stores

Operations in
51 cities

A multi-format
strategy

Strategically
related business
(travel, insurance,
credit cards, etc.)

Its strategy focuses on urban locations, in provincial capitals and mid-size cities, with 260 stores in 51 cities. The Group is pursuing its programme to rationalise the banner portfolio and make its formats easier to understand. The programme includes a plan to cut costs and create synergies, intended to consolidate its leadership positions in all formats: Pomona, Carulla and Ley supermarkets, which target more affluent consumers, Exitó hypermarkets, which address the needs of a broad socio-economic category, and Bodega and Surtimax discount stores for the least affluent segments of the population. Exitó thus can satisfy the needs of a well-to-do urban clientele looking for premium products and special services as well as people with lower purchasing power in search of a full range of staple goods.

In line with the Group's dual retailing/property strategy, Exitó will pursue its property development projects in 2010. At present, seven hypermarkets have already been integrated into shopping centres. In 2010, as part of an assertive expansion programme, three or four new stores are expected to open and several outlets are scheduled to switch to more profitable formats depending on their geographic location and customer target segment.

Solutions tailored to consumer demand

Private labels are one of Exitó's major development paths, led by a broader non-food assortment with an attractive apparel line-up. Over the years, Exitó has acquired extensive expertise in apparel and offers a wide range of clothing for women (marketed under the Arkitect, Bluss and Pop Rose brands), men (Custer), children (CMX) and teenagers (Bronzini), as well as home furnishings (Finlandek) and leisure products (WKD).

An ambitious customer loyalty programme has also been introduced, as well as an array of financial services and innovative payment solutions that will enable the Group to derive full benefit from the recovery in the local economy. The Exitó card currently ranks third in the market*** behind Visa and MasterCard with a 13% market share and 1.3 million users.

Lastly, the offering has been expanded to include new services, such as travel agencies in partnership with Colombia's leading airline, life insurance in an alliance with the country's largest insurer, and service stations located next to hypermarkets and managed directly by Exitó.

A DISTINCTLY FRENCH TOUCH IN VIETNAM

Vietnam is an expanding market in the midst of change. Rising standards of living and the development of mass consumption are driving growth in modern retail outlets, which currently account for just 19% of sales in large cities.

With 87 million inhabitants, of whom 60% under 30, and 2009 economic growth of 4.8%, Vietnam is among the most promising countries in Southeast Asia, and one on which Casino is focusing its efforts.

cultivates

The unique BIG C concept

A Groupe Casino subsidiary, BIG C is Vietnam's No. 1 hypermarket format and one of the leaders in a highly fragmented retail segment. Two new units opened recently, one in Hué in the country's central region in 2009 and the other in Hanoi in January 2010. In Hué, some 32,000 customers – more than 10% of the city's population – flocked to the store on opening day. These figures are indicative of the level of consumer frenzy in Vietnam.

The Group has introduced an assertive development strategy aligned with its dual retailing/property model, which is being deployed in the country's major cities. The forecast is for continued strong, profitable growth with five new stores a year scheduled to open between 2010 and 2012.

The French baguette to create competitive differentiation

For the second year in a row, BIG C was named Vietnam's best-liked banner in the shopping category by Saigon Liberation, a prestigious daily newspaper with a press run of 200,000. BIG C's success has been built on a high-quality portfolio with 19,000 products, of which two-thirds food, as well as its low-price positioning.

One of the banner's particularities is providing consumers with products they cannot find elsewhere, like the French baguette, which has been a best seller for many years. Several thousand are sold a day in each store, with Haiphong holding the one-day record of more than 14,500.

BIG C sets the record for the world's longest baguette

To celebrate the Group's 111th anniversary and BIG C's 11th anniversary in Vietnam, the banner rose to the occasion, producing the longest baguette ever baked. The distinction, which was certified by the Guinness Book of Records, belongs to the BIG C in An Lac, in southern Vietnam. Made by 111 employees, the deliciously crusty, 111-metre baguette was made using 111 kg of flour and baked in an authentic brick oven.

Quality, choice and low prices: private labels have a bright future

To create differentiation, BIG C continued to develop private labels by launching the "Bakery by BIG C" line-up and expanding its WoW portfolio, which comprises 160 food and non-food products that already generate high sales volumes.

BIG C has also sold Casino brand products since 2004 and today offers a range of 156 unique premium items that have no competitors in the local market. In 2009, BIG C launched a promotional campaign on specific products, a first-of-its-kind marketing technique in Vietnam. This innovative approach, which in particular featured beauty products, was a big success.

BIG C:

The No. 1 "modern" retailer in Vietnam

The largest shopping centre in northern and central Vietnam opened in July 2009: the Hué BIG C, a 4,800 sq.m store in a four-level mall with 50 shops.

9 hypermarkets at year-end 2009 with an estimated

5 hypermarket openings a year between 2010 and 2012



An effective training system

To help team members develop their job skills, BIG C introduced a nationwide training centre. Programmes are offered for all employee categories, ranging from regularly scheduled orientation sessions for new hires to job-specific classes for butchers, bakers, buyers and sales managers. The number of training hours tripled in 2009 and 70 new modules will be deployed in 2010. BIG C also supports the local economy, since each new store opening creates 300 jobs on average.

BIG C:

15,000
employees

67
BIG C hypermarkets
(of which 27 in
Greater Bangkok)

11 Mini BIG C stores

19 Pure health
& beauty outlets

“Much more than low prices”

In a country of 66 million inhabitants, of which 21% under 15, and GDP per capita of \$4,116, Thai consumers expect more than just low prices. They're also looking for services, choice, and a wellness offering. A 63.2%-owned Group subsidiary and Thailand's second largest food retailer*, BIG C responds to this demand with a wide range of low-price products as well as friendly shopping areas and exceptionally high-quality services that are key success factors for the banner, which seeks to make shopping an enjoyable experience.

“Fun Shopping”

The “fun shopping” concept was developed by BIG C to provide customers with an entertaining, enjoyable experience with in-store contests, promotions and other events held throughout the year and especially during holiday periods.

* In the hypermarket segment

FUN SHOPPING IN THAILAND



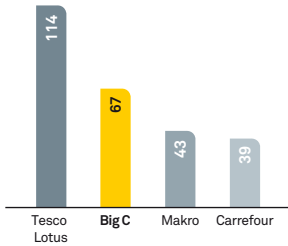
In stores, BIG C's Biggy Bear mascot welcomes families, who are delighted to shop in a friendly, relaxing environment.

**Hypermarkets and shopping centres:
a local version of the dual strategy**

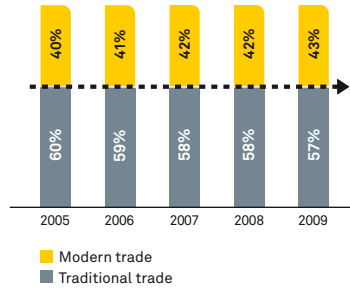
In line with Casino's strategy, BIG C deploys the dual retailing/property strategy. The subsidiary operates as many shopping centres as hypermarkets, with the goal of making the experience more enticing for customers and to create value for the Group.

In 2010, BIG C will accelerate the strategy's deployment with the opening of five new hypermarkets, all integrated into shopping centres, and a programme to expand existing shopping malls.

Number of hypermarkets
(at end-September 2009)



Food retailing sector
in Thailand (\$17bn)



diversity

Promotions and loyalty programmes: an array of solutions for consumers

BIG C's strategy focuses on affordable prices, targeted promotions and the BIG Card loyalty programme.

In addition, new formats like convenience stores and wellness outlets are being introduced, the loyalty programme is being strengthened and the private label portfolio is being expanded and segmented. The private label line-up includes a broad array of apparel, with the C-Zone, The Cove, FFWD and Emily brands, as well as home furnishings and the Happy Baht range of popularly priced products.

A very active expansion strategy

With 67 hypermarkets and 66 shopping centres, BIG C is Thailand's second-largest hypermarket operator. While only one store was opened in 2009 because of the difficult economic environment, 12 new hypermarkets opened in 2008 and an average of four or five stores have opened each year since 2002. The Group is pursuing its expansion strategy in Thailand and plans to open five hypermarkets with shopping centres a year for the period 2010-2012. The goal is to operate a network of more than 80 shopping centres by year-end 2012.









**Georg Kell, Executive Director of the
United Nations Global Compact.**

Paris



“The Global Compact will be ten years old next year. We believe that if the world continues to follow a path of deeper integration – pursuing harmonious and peaceful cooperation and providing opportunities for economic

growth – those companies that implement proactive policies with regard to human rights, labour, the environment and corruption will be the most successful. I think the history of Casino is a good example. Created in France, it has acquired international scope, mainly through its operations in Asia and Latin America. By adhering to universally recognised principles, the Group has strengthened its commitment to acting responsibly, and in particular to respecting diversity. Casino’s resolve to share these values, which it sees as a source of progress and strength and, particularly, the fact that diversity is a core component of its corporate mission, are all seamlessly aligned with the Global Compact.”

These words were spoken by Georg Kell, Executive Director of the United Nations Global Compact, at Casino’s signing of the agreement on October 19, 2009. Adherence to the Global Compact marks an important phase in Casino’s overall corporate social responsibility programme, providing new impetus to an initiative that was launched in 2002.

The Group has pledged to publish an annual Communication on Progress report outlining the various actions taken to support the Global Compact’s principles.



Worldwide,

SUSTAINABLY MOTIVATING TEAMS

Every day, Casino's men and women demonstrate their dedication to serving customers. Their strength resides in the shared values of entrepreneurial spirit, loyalty, demanding standards and mutual support. This strength is founded on an ambitious human resources management policy, because the Group's success is driven above all by the commitment of its people.

A key component of the Group's development strategy, human resources management provides many opportunities to build a winning team. These include developing employee skills, supporting their career development, attracting and retaining the best people, and capturing the value of diversity across the organisation. The priority is to create the conditions that will motivate and involve all employees over the long run. In short, to enable them to grow together.

category or division and thereby to climb the social ladder. An assertive internal mobility policy was also introduced to enhance on-the-job capabilities and promote cross-functionality among different skills clusters. The objective is to provide each employee with the widest possible range of career advancement opportunities. And because career paths today no longer follow a straight line, everyone is free to choose to learn a new job, taking advantage

people are

Growing means moving forward and looking to the future. Despite the difficult economic environment, the Group is pursuing its hiring policy with the goal of creating a pool of talented young team members. As part of this process, some 1,500 young people have been taken on through apprenticeship, vocational training and work/study programmes, most of whom will remain with the Group once they have completed their training.

Rich, varied career paths

Today's apprentices are tomorrow's managers. This observation reflects the wealth of opportunities available within the organisation. Casino has always fostered internal promotion, enabling employees to move up in their job

of the gateways built between the Group's different businesses. This powerful commitment to career advancement is underpinned by dedicated resources including a mobility committee and an online job vacancies listing. In 2009, 60% of vacancies were filled through internal promotion, of which 30% through cross-functional transfers. Mobility also comprises an international component that includes the possibility of transferring from one subsidiary to another. Transfers between France and other countries are increasingly bi-directional with a growing number of foreign employees now integrated into the Group's French operations. In 2009, Casino also stepped up its programme for recent graduates by enabling them to take on international assignments.

Warming up before starting: Neuromuscular exercises at the start of the working day are a concrete example of risk prevention at Easydis.



Innovative methods

The vitality of the Group's hiring policies is also reflected in the use of new inter-relational methods. Since 2008, Casino has used simulation techniques when hiring people for many positions within the organisation. Applicants are thus selected on their performance in real-life situations rather than on their curriculum vitae, a method that gives people a chance to prove themselves. In 2009, the process was extended to include applicants for supervisory positions. Pursuing the same rationale in 2010, the Group is planning to test the use of anonymous CVs in several subsidiaries.

Another innovative training method, introduced in 2008 and strengthened in 2009, is a programme designed to develop manager attitudes and actions. The purpose is to determine not only if objectives are being met but also how they are met. A reference base of attitudes and actions was prepared and is being applied to all managers.

Health at work

A major concern and an effective programme

The occupational risk prevention approach introduced by Casino is innovative in more than one respect, first by the method used. Based on employee feedback, it involves everyone in the process of identifying risk factors and areas for improvement so that appropriate action plans can be deployed. It also involves powerful commitments, formalised by the signature of a number of charters in partnership with France's National Health Insurance Fund (CNAM). Launched by the Casino supermarkets division, the process has since been extended to Easydis warehouses and Géant hypermarkets. These initiatives have obtained impressive results, resulting in a 20% reduction in workplace accident frequency in four years*.

In addition to physical risks, Casino launched a psychosocial risk prevention programme in late 2009. Conducted jointly with employee representatives and supported by outside experts, the programme is intended to assess the major psychosocial risk factors and develop appropriate action plans.

* Data for 2008 and 2009 are based on accidents with lost time.

588

Casino recipes optimised in late 2009, leading to an overall reduction of more than:

— **1,200**
tonnes of sugar

— **90**
tonnes of salt

— **650**
tonnes of fat

HEALTH ON THE SHELF

Today, it's common knowledge that eating a balanced diet is a prerequisite for staying healthy. Since everyone is entitled to eat well, Casino offers a varied range of nutritious, high-quality products at affordable prices. And to make shopping easier, the Group also provides simple hints and guidelines for eating right every day. With Casino, staying healthy is easy.

unique,



Casino was the first retailer to sign a voluntary code of commitment to nutritional progress validated by the French Government as part of its National Nutritional Health Programme (PNNS). Signing the code commits the Group to improving its performance in three areas.

Optimising the nutritional quality of products sold

To improve the nutritional quality of its food products, Casino is reducing their salt, sugar and fat content. More than 580 recipes have already been optimised. In 2009, the focus was on the new Casino Famili line-up for children. Overall, 50% of the range was reformulated, resulting in average reductions of 28% in fat, 27% in salt

and 18% in sugar. New specifications impose stricter nutritional standards for all products in the development phase. Adapted to children's needs, the recipes teach them the importance of a healthy, varied diet. This is even more important since it has been proven that good eating habits acquired during childhood are more likely to last into a person's adult years. These nutritional standards were also adapted to the Casino Famili range for very young children, in cooperation with an independent committee of infant nutrition experts.

Dieticians were also involved in revamping Leader Price's Fine Ligne product range. The focus was on reducing sugar, salt and fat content, introducing balanced recipes and adding more fresh products.

In 2010, the Group pledged to eliminate palm oil from its private label products. A vegetable fat, palm oil may pose a health risk when consumed in large quantities. To honour that pledge, more than 200 products guaranteed palm oil-free will be introduced by year-end 2010.

Encouraging people to eat more fruit and vegetables

To encourage customers to eat more fruit and vegetables, Casino is focusing on choice, with more varieties of fresh produce, as well as regional products, natural foods and even once-common vegetables that today are rarely consumed. Most hypermarkets and supermarkets feature new, more attractive fruit and vegetable stands with a spray system to maintain freshness.

What's more, the fresh produce line-up includes something for every budget. Every week, special signage draws shoppers' attention to ten seasonal products offered at low prices.

Informing consumers

To help consumers maintain a balanced diet, Casino has developed a nutritional labelling system that provides clear, easy-to-use information. At year-end 2009, the labels were already displayed on more than 1,100 Casino products.

Through its balanced nutrition guide and the new nutrition section on the produits-casino.fr website, Casino offers straightforward advice for healthy eating habits and a varied diet. For several years, the Group has organised in-store campaigns to raise customer awareness of the importance of eating right every day.

In addition to providing information, the Group has also developed new services to change the way customers eat. These include free diet coaching adapted to individual needs, a quiz to test the consumer's knowledge of nutritional matters and a call centre where customers – for the cost of a local phone call – can put their questions directly to dieticians.



.....
In 2009, some 28,000 children benefited from Exitó Foundation programmes in Colombia.



find their

AROUND THE WORLD, A SHARED SPIRIT OF MUTUAL SUPPORT

Mutual support is one of the Group's core values. Casino's commitment to responsible retailing is backed by a long tradition of humanitarian and patronage programmes conducted at local, national and international level. In all countries, initiatives are pursued with the full involvement of frontline teams and a commitment to responding to local needs and challenges.

Long-standing support for needy children

For more than ten years, Casino's social and humanitarian patronage initiatives have focused on helping disadvantaged children.

In Colombia, the Exitó Foundation is deeply involved in the fight against infantile malnutrition. Based on the simple observation that a child cannot perform well in school unless he

or she is properly fed, the Foundation conducts nutritional and tutoring programmes for disadvantaged youngsters. In 2009, it supported 214 projects that provided assistance to more than 28,000 children.

In Thailand, the Big C Foundation focuses mainly on initiatives to promote reading. These include building and renovating school libraries, donating books to 500 schools and organising a "reading marathon."

bearings



In Brazil, Grupo Pão de Açúcar is very active in sports initiatives that help young people stay in school or find work. The SuperBola programme is intended to give young people with football skills the opportunity to take part in vocational or citizenship education classes. Today, 270 boys are enrolled in one of three GPA training centres. They receive medical care and classroom instruction, and learn the basics of health, nutrition and citizenship.



FONDATION D'ENTREPRISE
Groupe Casino
engagés pour l'enfance

This commitment to helping children in need, both in France and around the world, has led to the creation of a corporate foundation. Focusing its efforts on the Group's host countries, the Foundation has pledged to provide children from disadvantaged backgrounds with the intellectual resources they need to acquire knowledge, social skills, awareness of self and others, and the ability to understand the world and their future in it. The first step involved polling 50,000 employees in France to help choose a flagship initiative to support. Among the seven suggested projects, employees opted for Docteur Souris, an association that seeks to overcome

This commitment to supporting food relief efforts is reflected in employee initiatives in the Group's various stores and banners. Dedicated to helping create and strengthen social bonds in urban centres, the Monoprix Foundation will

and choose

the isolation of illness by bringing information and communication technologies to hospitalised children, thereby enabling them to stay in touch with loved ones and classmates.

New momentum for food relief

In recent years, Casino stores have been donating products to food banks. To strengthen this outpouring of mutual support, a nationwide partnership was signed in May 2009 with the French Federation of Food Banks. Thanks to the partnership, more than 1,600 tonnes of products were donated to the 79 Federation-operated food banks in 2009.

be considerably developed in 2010. Its main activity is donating products to food banks and other non-profit organisations.

To deepen its commitment, Casino signed an agreement with employee representatives in September 2009 enabling volunteer employees to take time-off to work in food banks. Employees can also choose to donate time-off to which they are entitled to a special fund. Other employees can then draw on time in this fund to participate in the food bank project. This initiative represents a new way for team members to demonstrate their support for Casino's spirit of solidarity.

CLOSE-UP ON CASINO'S COMMITMENT TO DIVERSITY

With more than 200,000 employees around the world, of which 76,000 in France, Casino brings together a rich diversity of skills, styles and cultures. This outreach to diversity is a core value that the Group puts into practice every day and which is reflected both in the variety of its retail formats and in its corporate baseline “Nourishing a world of diversity.”



For more than 16 years, Casino has been committed to combating all forms of exclusion and discrimination. This commitment was reaffirmed in 2009 with the signing of the United Nations Global Compact.

Casino's diversity policies are designed to encourage the hiring of applicants from a wide range of backgrounds and to foster equal opportunity at every level and across all businesses. The policy's implementation is overseen by the Group Diversity Committee, which is made up of seven employee representatives and seven senior executives. In 2009, the organisation was strengthened with the deployment of a network of 50 specially trained correspondents whose assignment is to advise, inform and facilitate the sharing of best practices intended to promote diversity on the frontline.

397 disabled persons have been hired since 2006



their comm

Diversity in hiring

The Group's anti-discrimination commitment is fully integrated into its human resources management procedures. To ensure equal opportunity when hiring, Casino contracted with ISM Corum, a specialised firm, which audited the Group's hiring practices and published its findings in July 2008. Role-playing techniques are also more widely used in the hiring process. These techniques evaluate applicants on their skills and motivation in workplace situations rather than on their curriculum vitae.

Casino is also an active participant in government-led anti-discrimination campaigns, such as the European Union's EQUAL Initiative. In France, Casino has signed a number of agreements with public authorities and committed to other projects that promote the hiring of young people from disadvantaged neighbourhoods. In 2009, the Group hired 678 people under the age of 26 and hosted 600 interns and 123 apprentices from these neighbourhoods. The Handipacte programme to hire the disabled is another important component of Casino's diversity policy.



itments.

With the disabled accounting for 9.8% of its workforce, Casino is one of the few French companies to exceed the 6% legally required minimum. In 2009, the Group signed a partnership agreement with L'Oréal to promote hiring the handicapped initiatives by offering them training and career opportunities in retailing, especially in the beauty section of its stores.

Recognition

On 21 April 2009, Casino was presented with the French government's Diversity Label. Awarded following an AFNOR Certification audit, the


label recognises companies with exemplary anti-discrimination and diversity practices. Casino is the first retailer to receive the award. Further reflecting the Group's commitment to pursuing a long-term approach to human resources management, a gender parity agreement was also signed.

In September 2009, Casino and employee representatives finalised a Group-wide agreement concerning older employees, which in particular calls for the hiring of 500 people over 50 between 2010 and 2012.



un geste qui compte



 MONOPRIX







Petit Casino in Besançon. 11:30 a.m.
Cyril & Amanda, managers.



Customers call them by their first names. Amanda used to work in a restaurant, while her husband Cyril was section manager in a supermarket. For the past year, they've managed a Petit Casino superette. The career move seems perfect, since both Amanda and Cyril feel that operating a store is all about closeness to customers, human contact and service.

Amanda and Cyril sell fresh bread. On request, they also deliver groceries to customers who live in the downtown area. Their store is open every day, except Thursday, from 8:00 a.m. to 8:00 p.m. and on Sunday until 12:30 p.m.

“The average shopping basket is small but constant, and our customers are regulars. We’re like a village in the city. Around lunchtime, we get students. In the morning, it’s older people. In the evening, it’s mothers who have to pick up a few extra items,” says Amanda.

Customers come two or three times a week on average. They do their shopping and often stay to talk with the managers. After one year on the job, Cyril and Amanda are delighted with their decision.

“Our Petit Casino brings in new customers and the Group gives us advice on how to best develop the store. There’s always someone available to answer our questions about store management or products. We feel independent and supported at the same time,” says Cyril. **“From the beginning, we felt we were part of a family-run organisation,”** adds Amanda. **“We took part in a two-week seminar to learn about the manager’s responsibilities, followed by more extensive training. We didn’t have to put up any capital.”**

Cyril and Amanda are confident, which gives them new ideas. Why not, for example, take over a larger Vival store under a franchise agreement?





A pioneer

CONVENIENCE STORES: A SOURCE OF DEVELOPMENT

At a time when French consumers are increasingly looking for convenience, Casino is leveraging its long-standing experience in this segment, backed by a strategic focus on differentiation and innovation that strengthen its positions in this fast-developing market.



in convenie

In 2009's challenging economic environment, Casino's convenience banners held their own, demonstrating that the format is aligned with emerging consumer expectations.

Indeed, the convenience segment is being transformed by underlying social trends, including an aging population, smaller households, and fewer trips to the store. More than just a last-minute shopping solution, the convenience store is increasingly an important part of daily life, not only for rational, targeted purchases but also to meet the consumer's need for enjoyable shopping, interpersonal contact and friendly neighbourhood relations.

Backed by its more than one hundred years of close-to-the-customer service, Casino is well

positioned to proactively support this trend. The business model developed in recent years is built on a network of strategically related, clearly differentiated banners – Petit Casino, Spar and Vival (urban and rural superettes), Monoprix and Franprix (centre-city stores), Leader Price (discount outlets) and Naturalia (organic and natural products) – and on a personalised product and service portfolio tailored to local expectations.

This strategy has produced results and the Group now wants to strengthen its impact by activating three growth drivers in its superettes. This involves expanding the offer, optimising prices and constantly innovating.

Franchising: a promising entrepreneurial model

Beginning in 1999, Casino opened its convenience network to franchisees, who today account for 55% of the store portfolio, with the remaining 45% operated by independent store managers. To support network expansion while controlling costs, the Group is promoting the development of the franchise model through a unique system designed to help people who want to become franchisees but don't always have the necessary capital to get started. Open to employees and outside applicants, the system includes an extensive training programme, which is conducted in-house and in partnership with the French Franchising Federation, and a contribution to the initial capital.

nice stores,

Expanding the assortment involves broadening the presence of certain product categories, such as organic and natural products, local products, and French regional specialties, as well as introducing line-ups that encourage “pleasure purchases,” in particular with the launch of the Casino Désirs brand. And because “greater convenience” should not necessarily mean “more expensive,” new synergies in the areas of purchasing and supplier partnerships will help keep prices competitive.

Innovative services are gradually being introduced. These include customer information campaigns sent via SMS and new delivery systems that take into account sustainable development criteria (such as clean vehicles) and enable managers to more effectively plan delivery schedules.

.....
**Casino
 convenience
 outlets:**

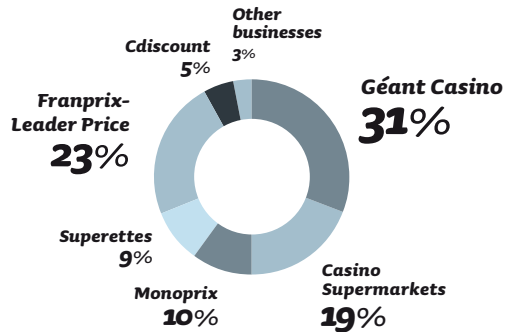
6,700
 stores

500
 openings a year
 on average

1,000,000
 sq.m of retail
 sales space



Revenue in France at 31 December 2009



Casino has

A different approach to convenience

For Casino, the notion of convenience doesn't simply mean "close to where you live" but also "close to you." This vision also applies to the supermarket and hypermarket formats. Various initiatives have been developed, such as the Drive service that enables Casino supermarket and Géant Casino hypermarket customers to place their orders on the two banners' respective websites and pick up their groceries in the parking area of one of 105 participating stores (in 2009-2010).

New electronic services are constantly being tested and the service portfolio enlarged. These include mobile phone-based solutions (virtual

loyalty cards and contactless payment cards that streamline transactions) as well as Franprix's interactive digital display windows.

To serve customers ever more closely, the Casino supermarket network is constantly expanding through acquisitions and new construction projects.

Géant Casino has stepped up its hypermarket transformation programme with the goal of creating new ties between the format and consumers. Private labels are being actively developed, with broader ranges of food and non-food products, and new offers, such as health, insurance and financial services. In addition, the food product portfolio is being revamped while non-foods are being allocated new retail space and



Mercialys: 168 locations,
including **99** shopping centres
*An asset portfolio
estimated at **2.4** billion euros*

the line-up is being repositioned with a focus on the fast-growing apparel, home and leisure segments.

L'Esprit Voisin: a new generation of shopping centres

Since 2008, Groupe Casino and Mercialis have been jointly pursuing an ambitious programme to capture the full value of their shopping centres, deploying an innovative marketing approach – called L'Esprit Voisin – that is based on close customer ties and local service.

A preliminary study conducted to anticipate emerging shopper expectations revealed that consumers want to shop in people-sized centres that are simpler, more convenient and more reassuring. This concept is reflected in the centre's architectural features, merchandise displays and services, all of which work together to create a local identity. With 14 centres revamped in line with the new approach so far, the goal is to extend the modernisation programme to half of the portfolio by year-end 2012.

Monoprix: growth and creativity

One of the original components of Casino's convenience line-up and a leader in city retailing, Monoprix satisfies the needs of urban customers attuned to the latest trends. Building on its success, the banner is developing new concepts and pursuing an assertive expansion strategy.



After launching 21 new stores in 2009, Monoprix is maintaining its growth momentum with a major store renovation programme and a faster pace of openings in 2010 across all formats: Monoprix (with its city market concept), Monop' (convenience stores), Daily Monop' (self-service restaurants in city convenience outlets) and Naturalia (organic and natural products stores).

its roots

An innovation laboratory

Given the preponderance of convenience formats in France, the national market is an excellent laboratory for testing new concepts designed to satisfy the needs of an increasingly segmented consumer base. Following the introduction of banners like Daily Monop', Beauty Monop' and Via Italia, in 2009 the Group launched Chez Jean, a French-style convenience outlet concept that functions as both a café and a grocery store. Offering eat-in and take-out meals, fresh products, staple items, newspapers and magazines, and other services (flowers, lottery tickets, tobacco and Wi-Fi connections), Chez Jean targets an active, urban, neighbourhood clientele that appreciates the store's long opening hours (seven days a week, from 7:00 a.m. to 10:00 p.m.) and friendly atmosphere. To date, six stores have been opened in Paris, Marseille and Toulouse, and the network could be extended.

Benefiting from its positioning as a trend-setter, Monoprix

decided to overhaul its stores and set up differentiated sales areas for beauty products and apparel. In partnership with designers, exclusive collections of clothing, accessories, seasonal items and original creations have been developed and are being marketed under the Violette Janvier, Mimi Lou, Upla, Bensimon, Soledad and Creative Handicrafts labels. The line-up is renewed every two weeks.



Monoprix:

3,868 million euros in net business volume

392 stores

1,800 sq.m

(average retail space for the citymarket concept)

Monoprix is continuing to develop its food web-site (www.monoprix.fr), which was launched in 2008. The site has been a big success, thanks in particular to its prices (the same as in its outlets) and its store pick-up service for orders placed online.

Based on a balanced line-up of food and non-food products, Monoprix's portfolio includes solidly positioned private labels – especially in apparel – that boost the banner's business performance. The price adjustment strategy initiated in 2009 and pursued in 2010 is helping to make the portfolio more attractive especially in the fastest growing segments, namely fresh products, health and beauty items and apparel.

2010 will also see the start-up of Monoprix's operational cooperation with Dunnhumby which, as for the Casino banners, will enable the

offering to be tailored, store by store, as closely as possible to the expectations of each customer pool.

Sustained expansion of the Franprix and Leader Price convenience banners

The fast-developing Franprix and Leader Price concepts continued to grow during the year, led by new openings, the gradual renovation and modernisation of the store portfolio (visual identity, product offering, signage, interactive display windows, etc.) and the Leader Price brand, which is widely recognised for its excellent choice and value for money. With 80 Franprix and 49 Leader Price outlets brought on stream in 2009, each banner will open around 100 additional stores in 2010. To strengthen its convenience segment coverage, the Group also plans to open 250 Vival, 50 Petit Casino and 50 Spar stores.

Cdiscount:

More than 1 billion euros in revenue (incl. VAT) in 2009

Monthly peaks of over 10 million visitors

50% of visitors with more than 2 connections a month

1 million shipments processed in December

ONLINE DISCOUNT RETAILING: A WINNING MODEL

France's e-commerce leader, Cdiscount once again recorded double-digit growth in 2009, crossing the threshold of €1 billion in revenue (including VAT). Its ever broader, highly competitive product offering today benefits from new synergies created with Géant Casino.

in France,

A pioneer in online retailing, Cdiscount is also an avid defender of low prices. Enabling as many consumers as possible to access high-quality products is a commitment honoured every day, thanks to the site's marketing responsiveness and purchasing capabilities. Able to constantly identify and negotiate the best opportunities, in September 2009 Cdiscount was the first in its sector to market a dishwasher for less than €200, resulting in record sales of 10,000 units. With more than 100,000 listed products, of which 98% in stock, Cdiscount offers choice and availability in addition to affordable prices.

Originally focused on DVDs, electronics and computers, the site has successfully expanded to other product categories, including household appliances, fashion, home furnishings, games and toys, and wine.

Partnerships and equity investments in specialised websites like Mini Kid Factory, the online children's retailer children, have enabled Cdiscount to optimise targeted offers and generate cross-site traffic. Moreover, the site has decided to develop private-label products, initially in the home electronics and household appliance segments.



The ability to offer low prices is in Cdiscount's genetic code

and has been fully in evidence since the site's creation in 1998. This positioning is widely recognised by consumers, who rate the site as offering the lowest prices of any banner, online or offline (OC&C survey, October 2009).

Another key factor driving Cdiscount's success is quick service. A new delivery system was introduced in 2009 enabling customers to pick up

large orders in Géant Casino hypermarkets. This represents an average savings of €30 for consumers and shortens delivery time to five days.

where the

The e-commerce market

- **25 billion euros in revenue**
- **24 million online customers (up 43% in 3 years)**
- **7 Web users out of 10 made an online purchase in 2009**
- **60,000 e-commerce sites in 2009 (up 28% year-on-year)**

This solution is one component of the multi-channel strategy introduced by the Group to create new synergies between its stores and Cdiscount.

Beginning in 2010, Cdiscount corners equipped with computers will be installed in Géant Casino hypermarkets where customers can access home electronics and household appliance offerings unmatched by any store. At a time when Géant Casino is focusing its non-foods offering on product families that generate strong in-store sales, Cdiscount is pursuing a new marketing strategy that is also helping to consolidate the Group's positions in the segment.

THE CONTINUING SAGA OF PRIVATE LABELS

The Group has a unique portfolio of private labels whose force resides in their innovative features and ability to respond to a wide range of specific expectations. In addition to delivering value for money, these brands have original, distinctive personalities that make them attractive and create competitive differentiation for the store banners.

Group is



After accounting for more than 50% of total unit sales for the first time in 2008, Casino-brand products continued to make advances in 2009 and remain France's leading private label in terms of penetration. This growth reflects not only changes in purchasing behaviour brought about by the current economic environment but also a shift in customer attitudes toward more reasoned, meaningful spending. Indeed, criteria such as quality, price, health, environmental protection, and production conditions have helped to reduce the percentage of impulse buys in the overall shopping basket.

THE GROUP'S BRANDS IN FRANCE



Something for
every lifestyle



deploying

To support this deep-seated trend, Casino – the market leader in private labels – is expanding its offering by creating new brands, extending its current line-ups and pursuing innovative product and customer relations strategies.

Introduced in June 2009 with 230 listed products, the **Casino Famili** range is aligned with family values and lifestyles. Its food and non-food offering appeals to people of all ages while taking into account the special needs of each category.



A pioneer in the natural foods segment, the **Casino Bio** brand celebrated its 10th anniversary in 2009 with a 30% year-on-year increase in unit sales. The constantly renewed portfolio was extended to new product families, such as cosmetics, wine and items for children. To showcase and enhance visibility of the brand, dedicated sales areas were set up in supermarkets and hypermarkets.

The **Casino Délices** line-up of festive gourmet foods enjoyed 57% sales growth in 2009. The portfolio includes some 220 listed products displayed in dedicated in-store corners.

.....
11,568
listed products
in the Casino
portfolio in 2009
of which 1,549
new products
launched during
the year

its precisio

With the **Terre & Saveur** range, Casino is the first banner to develop a fresh product brand that supports responsible farming methods. The Group is leveraging this strategic, socially responsible brand that emphasizes quality to redeploy its fresh product offering.

In 2010, Casino will launch new product initiatives focused on health, well-being and enhanced nutritional content. It is also committed to eliminating palm oil from its private-label food offering by the end of the year, an endeavour that involves more than 200 products in all. The health and fitness offerings in the private-label catalogue will also be expanded, including the addition of a range of gluten-free products.



With **Banque Casino**, the Group is offering the first complete portfolio of private-label insurance policies and financial products sold directly in stores. A Banque Casino **universal payment card** will also be introduced in 2010.



To enhance the visibility of the Casino brand, the Group formed a partnership in 2009 with the TF1 television channel to produce a series of short programmes devoted to home cooking and recipe sharing. Entitled “La prochaine fois, c’est chez moi” (“Next Time at My Place”), the series is broadcast on Mondays and Thursdays at 7:50 p.m. and seen by some six million viewers on average.

In 2010, the entire Casino loyalty system will be aligned with the nationwide S’Miles programme. The Géant Casino, Casino Supermarchés, Casino Cafétéria and Monoprix banners are already programme members, as are the Mercialis shopping centres.

n retailing



Espresso capsules: innovation on the coffee shelf

The Group has responded to the challenge of developing the first range of capsules compatible with Nespresso-type machines. Introduced in spring 2010, the Espresso line-up is sold in Casino, Monoprix, Franprix and Leader Price stores and via the Cdiscount website. Priced an average of 20% less than competing products, the new range offers two distinct advantages: it is environmentally friendly, with a fully biodegradable product made solely from plant-based materials, and widely available, thanks to a network of 7,500 sales outlets in France. Introduced with a range of five products, the line-up will quickly be expanded to include new varieties, notably in the natural foods and fair trade segments.

Etam store in the Chateaufarine shopping centre,
Besançon (eastern France). An Esprit Voisin shopping
centre operated by Mercialys, a Groupe Casino subsidiary.
Christophe Berteau, Development Director, Etam. 5:42 p.m.



A semi-transparent show window with
emerald hues, perfect for a contemporary
lingerie collection. We're in front of the Etam
store in the Chateaufarine shopping centre,
which is operated by Mercialys.

“With Mercialys, we understand and trust each other. We share the same retail culture,” says Christophe Berteau, Etam Development Director. **“Friendly service is our main growth path. Today, we’ve noted a shift from selling goods to creating bonds, and we’re fully aligned with that change. We want to welcome our customers in a shopping environment in which they feel at home.”**

What Christophe Berteau especially likes about L’Esprit Voisin, Mercialys’ expansion strategy, is the “concept of a shopping centre as a welcoming environment that includes local decorative features, from the soft-toned walls to the planted parking area, as well as inter-reflecting mirrors and Wi-Fi connectivity. The programme to renovate the Mercialys galleries focuses on creating well-being and closeness. We share this approach. We’re upgrading our stores to showcase our products and make sales areas more comfortable,” adds Christophe Berteau, for whom the geographical location of Mercialys shopping centres represents an important advantage.

“We’ve seen that centres serving more than one community are more resilient during a recession, when customer traffic declines, and those that have embraced L’Esprit Voisin deliver the best performance of all. Our customers appreciate the new shopping environment and loyalty programme and show their appreciation by coming back often,” concludes Christophe Berteau.

BUYING BETTER AND SELLING BETTER: A NEW DEAL FROM CASINO

The Group is strategically committed to making its prices ever more competitive. This is especially true for Géant Casino and Leader Price, where prices play a decisive role in purchasing decisions.



stra

Serving six different banners and three private labels, the Group's central purchasing agency – EMC Distribution – is unique in France. Thanks to its large-volume purchases from suppliers, it generates savings that the Group passes on to customers in the form of lower prices.

Casino has now decided to systematically strengthen its pooled purchasing policy, with the goal of making its banners even more competitive. In 2009, a new phase was launched concerning private-label and value-line products sold in Casino, Franprix, Leader Price and Monoprix stores. Pooling purchases for some 1,000 everyday products, EMC Distribution is one of France's two largest central purchasing agencies for private labels. It offers two key

advantages: consistently high quality and lower prices that are immediately perceived by customers.

Pursuing this approach will enable the Group to lastingly reposition its pricing policy, not only for private labels but for national brands as well.

A new partnership with suppliers

In September, Casino brought together its suppliers to present them with a new vision of producer/distributor relations based on deeper cooperation. Discussions focused not only on pooled purchasing, but also on closer collaboration in planning, logistics management and information sharing.

In this area, the Group has access to highly effective systems, in particular through its partnership with customer data specialist Dunnhumby. Thanks to these systems, product assortments can be tailored to customer demand on a store-by-store basis. Combining customer data with information gathered by suppliers helps to optimise the offering, increase the effectiveness of product promotions and accentuate differentiation factors. Moreover, the process opens up interesting opportunities in terms of innovation and product launches (exclusive offers, new concepts, testing, advertising, etc.) With regard to logistics, the challenge is to

optimise the value chain, from product sourcing to the store shelf. Closer cooperation between the partners has enabled the development of innovative supply chain methods, such as a system whereby suppliers store and manage their own inventory in Casino warehouses. Introduced in 2007, this system currently involves 200 suppliers, 11 warehouses and four pooled purchase platforms. By reducing the number of handling and storage operations and speeding merchandise flows, it promotes sales responsiveness, lowers costs, and makes the offering more competitive.

tegy and



An effective, long-term supply chain

With its Easydis subsidiary, Casino has an integrated supply chain organisation. From its 26 facilities, representing one million square metres of warehouse space, Easydis supplies 5,000 sales outlets in France. This represents a total of two million packages a year delivered by 2,500 truck shipments a day. In addition to enhancing responsiveness, managing the supply chain enables the Group to apply its sustainable development commitments to transport flows, especially the reduction of carbon emissions. Electrical power units in refrigerator trucks are being replaced by an air/nitrogen heat exchange system, a reverse logistics system is being broadly deployed to rationalise delivery and collection rounds, and new transport methods are being developed, including inland waterways and rail networks, as well as clean, quiet vehicles for night deliveries in cities. These initiatives also have a favourable impact on the overall carbon footprint of Casino products.

THE GREENYELLOW ATTITUDE

The installation of solar energy plants on store roofs provides further proof of the Group's commitment to environmentally friendly growth and its ability to develop new value-creating businesses aligned with its core retailing operations.

This new adventure grew out of a simple observation: with four million square meters of roof

a success. A designer and developer of solar power generation plants, GreenYellow drew up a business plan based on first equipping the Group's sites and then marketing its acquired expertise to other buyers. To attain its goals, GreenYellow has forged solid partnerships with recognised industry experts to develop innovative solutions. One example was the decision to install shade structures equipped with photovoltaic panels in parking areas. Because they protect cars from sun and rain, these structures are much appreciated by customers and help to make shopping centres more attractive. At the same time they provide a showcase for Casino's environmental efforts while also creating value. Eight projects were launched in 2009 at shopping centres in Réunion, Mayotte and

“green”

space, some 200,000 parking spaces and an extensive presence in sunny regions, the Group had real potential to generate solar energy. That's why, three years ago, Casino embarked on an ambitious project to become a major player in the developing photovoltaic energy sector.

The first project was conducted on the French island of Réunion, where the warehouse roof now houses a 1.6 MWp* photovoltaic energy plant, one of the largest in France. In 2009, Casino picked up the pace of development, creating a wholly-owned, dedicated subsidiary called GreenYellow. The team is comprised of around 30 experts who are enthused by the challenge of bringing together the technical, legal and financial resources needed to make the project



mainland France, with ten additional projects in France's southernmost regions (Provence-Alpes-Côte d'Azur, Languedoc-Roussillon and Rhône-Alpes) scheduled for 2010.

*Megawatt peak: unit of maximum energy output for a photovoltaic energy system, obtained when the sun is strongest.

NEW GUIDELINES FOR GREEN PURCHASES

In response to consumers' environmental concerns, in 2008 Casino developed a simple, easy-to-read labelling system that enables shoppers to see the environmental impact of Casino-brand products throughout their entire life cycle, from the field to the customer's home.



initiatives.

This innovative labelling system enables shoppers to align their purchases with a key environmental indicator – greenhouse gas emissions. Valid throughout mainland France, Casino's carbon index is expressed in grams of CO₂ equivalent per 100 grams of product and is prominently displayed on packaging.

In addition, the carbon index is displayed on a graduated scale so that the product's environmental impact can be seen in a glance. When the packaging is too small for the scale, the customer is referred to the produits-casino.fr website, where a complete product assessment can be consulted.

In addition to the carbon index, Casino's environmental labelling includes information on product recyclability that enables customers to more fully appreciate the importance of waste sorting.

At year-end 2009, environmental labelling had been introduced for more than 400 Casino products. The next step is to deploy this new environmental indicator on the entire catalogue of several thousand Casino products and strengthen supplier relations in order to further reduce carbon index levels.

The labelling initiative is part of the new Casino Avenir programme, introduced in 2009 to guide consumers toward more responsible choices in terms of products and services.



Jean-Pierre Coffe,
ambassador of the Leader Price brand.
Leader Price store on Rue de la Montat in
Saint-Étienne (central France). 10:32 a.m.



Eating well at the best price is his eternal combat. Jean-Pierre Coffe is convinced that discount banners can sell foods that are tasty as well as affordable.

“Why aren’t store-bought jams very good in general? Because the fruit isn’t ripe and it’s cooked without first being thawed. And yet it’s easy to enhance the quality of these products by going to the factories where they’re made and improving the recipes and the way ingredients are chosen and prepared. You have to identify problems and provide solutions, while taking into account production constraints. Our efforts to improve Leader Price jams, for example, have yielded spectacular results,” says Jean-Pierre Coffe. A nutritional expert, he feels that low prices are necessary but not enough in themselves.

“Value-line products don’t sell if the quality isn’t there. Consumers appreciate Leader Price’s natural foods products because they deliver the best value for money in the market,” he adds. Jean-Pierre Coffe is fully committed to improving the quality of Leader Price products.

“I’m very stimulated by the challenge of selling better at lower prices. I visit two Leader Price plants and at least two Leader Price stores every week. That way I can judge the situation for myself. It’s a never-ending battle,” he adds with a smile. This long-term project has already helped to develop several Leader Price products, including a preservative-free ham, a range of frozen foods, dairy products that contain no preservatives or thickeners, and even foie gras, as well as a future line-up of baby foods.



Batata
SUPER

269
/ 1 KG.

Cebola
GRANEL

199
/ 1 KG.





Key financial indicators

“In a difficult economic environment, Casino recorded solid results in 2009 while significantly improving its financial flexibility.”

Jean-Charles Naouri, Chairman and Chief Executive Officer of Groupe Casino.

Sales virtually stable and moderate decline in trading profit on an organic basis Tangible growth in net profit

In € millions	2009	2008	% change	On an organic basis*
Net business volume**	36,842	36,144	+1.9%	
Net revenue	26,757	27,076	-1.2%	-1.0%
EBITDA***	1,849	1,909	-3.2%	-1.0%
Trading profit	1,209	1,266	-4.5%	-2.5%
Profit from continuing operations, attributable to equity holders of the parent	543	499	+8.6%	
Profit from discontinued operations, attributable to equity holders of the parent	48	-4		
Total net profit attributable to equity holders of the parent	591	495	+19.3%	
Underlying profit attributable to equity holders of the parent****	534	538	-0.8%	

* Based on constant scope of consolidation and exchange rates, and excluding the impact of asset disposals to OPCI property funds.

** Includes all revenue from consolidated companies, associates and franchisees, on a % basis.

*** Earnings before interest, taxes, depreciation and amortisation.

**** Continuing operations adjusted for the impact of other operating income and expense, non-recurring financial items and non-recurring income tax expense/benefits.

Tangible rise in reported and underlying earnings per share

	2009	2008*
Diluted earnings per share from continuing operations (in €)	4.75	4.32
Diluted earnings per share attributable to equity holders (in €)	5.18	4.29
Dividend per share (in €)	2.65**	2.53

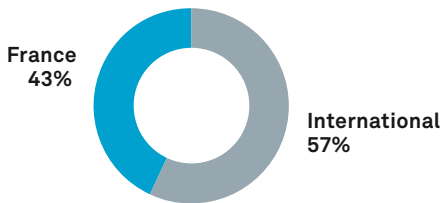
* For purposes of comparison, earnings per share for 2008 have been restated for the conversion of preferred shares into ordinary shares.

** Dividend submitted for approval by shareholders at the Annual General Meeting on 29 April 2010.

Note: 2008 figures have been adjusted for the impact of applying IFRS 8 and IFRIC 13, as from 1 January 2009. In addition, Super de Boer's assets were sold in late 2009. In accordance with IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations, The company's net income has been reclassified under "Discontinued operations" from 1 January 2008.

Employees* in 2009

Full-time equivalents



* Employees of associates are not included in these figures.
Employees of jointly controlled entities are prorated to the Group's interest in the entity.

	2009	2008
France	66,122	68,748
International	86,255	82,485
Total	152,376	151,233

In 2009

Disciplined management of capex, considerable improvement in free cash flow

In € millions	2009	2008
Cash flow	1,292	1,356
Total investment	1,830	1,757
- Capital expenditure	810	1,222
- Acquisitions	1,020	535
Free Cash Flow*	701	86

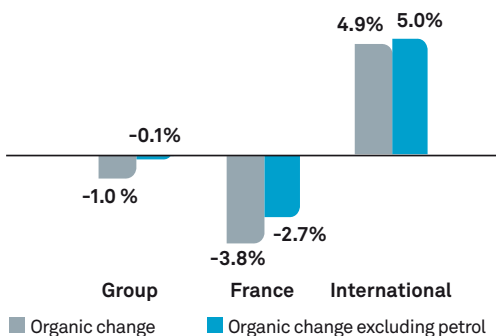
* Free Cash Flow = Cash Flow + change in WCR - Capex.

Enhanced financial flexibility

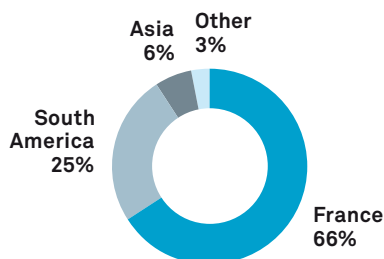
In € millions	2009	2008
Equity (before appropriation)	7,916	7,031
Net debt	4,072	4,851
Net debt-to-EBITDA ratio	2.2x	2.5x

Consolidated net revenue

Sales stable on an organic basis excluding petrol



Greater contribution of emerging markets to consolidated revenue: 31% in 2009 vs. 28% in 2008



Casino

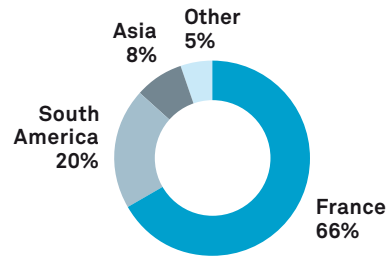
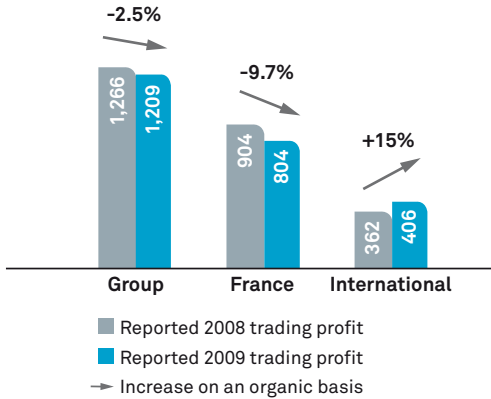
Convenience formats resilient in France, strong growth momentum in international markets

In € millions	2009 revenue	2008 revenue	Change	Organic change excluding petrol
Franprix-Leader Price	4,007	4,260	-5.9%	-1.4%
Géant Casino	5,548	6,121	-9.4%	-7.4%
Convenience stores	6,690	6,842	-2.2%	-1.7%
- Casino Supermarkets	3,355	3,441	-2.5%	-1.4%
- Monoprix	1,829	1,830	-0.1%	-0.1%
- Superettes	1,506	1,570	-4.1%	-4.1%
Other businesses	1,420	1,335	6.4%	6.8%
France	17,664	18,557	-4.8%	-2.7%
South America	6,563	6,084	7.9%	5.8%
Asia	1,686	1,583	6.5%	5.1%
Other businesses	844	852	-1.0%	-0.6%
International	9,093	8,520	6.7%	5.0%
Group	26,757	27,076	-1.2%	-0.1%

Operating profit

Moderate decline in trading profit on an organic basis as trading profit experienced continued decrease in France and sustained growth in international markets

International operations accounted for 34% of consolidated trading profit, compared with 29% in 2008

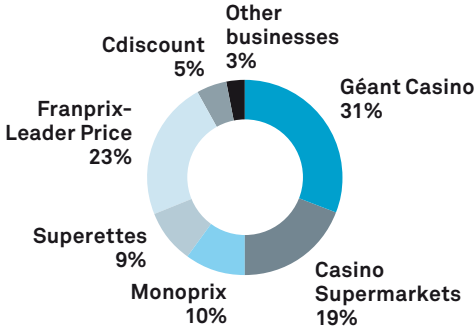


Trading margin holds up well in France, reflecting favourable mix of formats
 Sharp improvement in trading profit in international markets

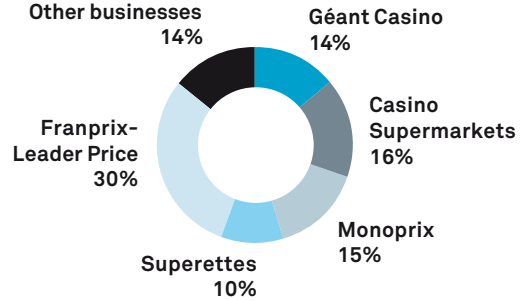
In € millions	2009 trading profit	Trading margin	2009 trading profit	Trading margin	Organic change
Franprix-Leader Price	243	6.1%	272	6.4%	-34 bps
Géant Casino	115	2.1%	195	3.2%	-112 bps
Convenience stores	330	4.9%	352	5.1%	-16 bps
Other businesses	115	n.a.	85	n.a.	n.a.
France	804	4.5%	904	4.9%	-30 bps
South America	248	3.8%	254	4.2%	-14 bps
Asia	92	5.4%	81	5.1%	+34 bps
Other businesses	66	n.a.	28	n.a.	n.a.
International	406	4.5%	362	4.3%	+41 bps
Group	1,209	4.5%	1,266	4.7%	-7 bps

A multi-format portfolio in France that is heavily weighted toward the convenience and discount segments...

61% of consolidated revenue in France



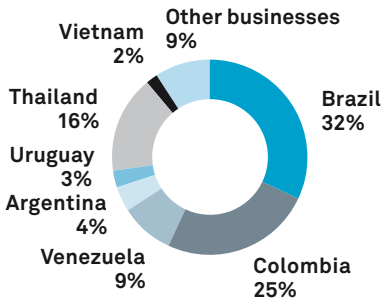
71% of consolidated trading profit in France



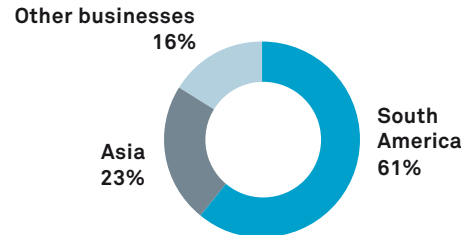
stayed on

Two priority regions outside France: South America and Asia

91% of consolidated revenue outside France



84% of consolidated trading profit outside France



Stock Performance

Financial Information

The Casino ordinary share is listed on Euronext Paris, compartment A (ISIN code: FR0000125585, Reuters code: CASP.PA, Bloomberg code: CO FP).

It is included in the CAC Next 20 (Paris), Euronext 100, SBF 80, SBF 120 and SBF 250 stock market indices, as well as the Dow Jones Stoxx and Dow Jones Euro Stoxx sector indices (non-cyclical goods and services).

At 31 December 2009, Casino had 110,360,987 ordinary shares outstanding and a market capitalisation of €6,900,872,517.

The Casino ordinary share price is displayed in real-time in the Financial Information/Stock Exchange section of www.groupe-casino.fr.

It is eligible for the Deferred Settlement System (SRD).

Note: preferred shares.

In 2009, in order to simplify its ownership structure and make the company more attractive to investors, Casino, Guichard-Perrachon submitted for approval to shareholders a resolution concerning the compulsory conversion of all preferred non-voting shares into ordinary shares. Following its adoption by the Special Meeting of Holders of Preferred Non-Voting Shares and the Annual General Meeting of 19 May 2009, the compulsory conversion was carried out on 15 June 2009 on the basis of six ordinary shares for seven preferred shares. For more information (in French), visit <http://www.groupe-casino.fr/fr/Conversion-des-ADP.html>.

The Casino share grew by 27.5% in 2009, outperforming the major stock indices



Source: Reuters, rebased data vs. Casino at 31 December 2008.

Five-year share performance

	2009	2008	2007	2006	2005
Average daily trading volume					
In no. of shares	552,654	553,913	440,242	463,567	363,265
In € millions	28.30	37.31	32.33	27.79	21.50
High/low					
High (in €)	62.79	84.61	86.55	71.70	66.40
Low (in €)	44.81	43.73	64.00	47.70	55.35
Closing price at 31 Dec. (in €)	62.53	54.30	74.39	70.40	56.25

course.”

Recommended dividend up 4.7%, payout ratio greater than 50%

	2009	2008
Diluted earnings per share (in €)	4.75	4.32
Dividend per ordinary share (in €)	2.65*	2.53
Payout ratio (dividend/earnings per share)	56%	59%

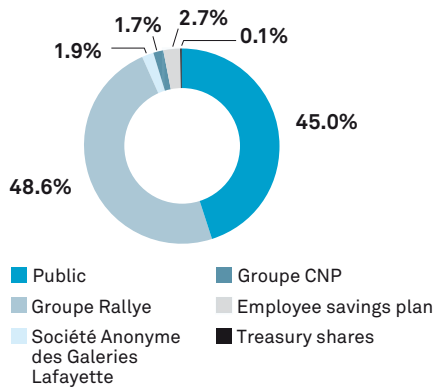
* Submitted to shareholders for approval at the Annual General Meeting on 29 April 2010.

Capital structure at 31 December 2009

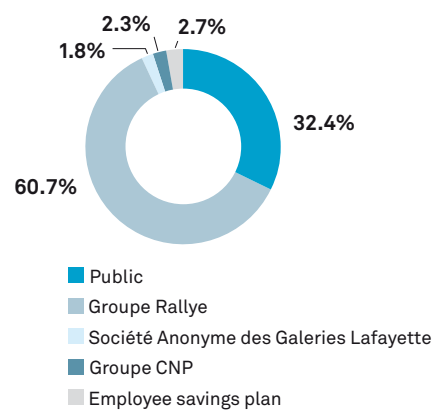
	Number of shares	Voting rights*
Public	49,703,303	52,664,256
Groupe Rallye	53,653,315	98,598,796
Société Anonyme des Galeries Lafayette	2,049,747	2,985,505
Groupe CNP	1,887,957	3,775,914
Employee savings plan	2,980,707	4,321,675
Treasury shares	85,958	-
Total	110,360,987	162,346,146

* Rights to vote in Annual General Meetings, which are not the same as the voting rights published under France's disclosure threshold rules. The difference stems from the fact that when the number of voting rights and shares outstanding is published each month, the number of voting rights is calculated, in compliance with article 223-11 of the AMF's General Rules and Regulations, based on all of the shares carrying voting rights, including shares held in treasury, whose voting rights may not be exercised.

Ownership structure at 31 December 2009



Voting rights at 31 December 2009



STORE BASE IN FRANCE

	Number of stores at 31 December			Retail space (in thousands of sq. m)		
	2009	2008	2007	2009	2008	2007
Géant Casino hypermarkets	122	131	129	903	988	970
Of which French affiliates	5	6	6			
Of which international affiliates	5	14	11			
Casino Supermarkets	390	401	379	619	628	583
Of which French franchise affiliates	53	67	71			
Of which international franchise affiliates	21	22	17			
Franprix supermarkets	789	702	652	352	315	298
Of which franchise outlets	472	281	289			
Monoprix supermarkets	463	377	330	639	559	567
Of which franchise outlets/affiliates	117	47	53			
Of which Naturalia	41	39				
Leader Price discount outlets	559	530	489	509	483	447
Of which franchise outlets	266	216	221			
Total supermarkets + discount outlets	2,201	2,010	1,850	2,118	1,985	1,894
Of which franchise outlets	929	633	651			
Petit Casino superettes	1,816	1,903	1,947	257	265	264
Of which franchise outlets	28	26	25			
Spar superettes	896	915	893	236	240	233
Of which franchise outlets	739	735	716			
Vival superettes	1,753	1,677	1,620	166	160	154
Of which franchise outlets	1,753	1,677	1,620			
Other	4	30	36	1	6	7
Of which franchise outlets	2	6	13			
Franchised stores	1,257	1,126	1,133	92	73	75
Casino supermarkets			5			
Corners, Relay, Shell, Elf, Carmag, other	1,257	1,126	1,128			
Wholesale activity	1,025	441	411	75	34	32
Total convenience stores	6,751	6,092	6,040	827	778	765
Of which franchise/wholesale outlets	4,805	4,011	3,918			
Affiliated stores	13	99	100	4	34	34
Of which French affiliates	13	98	98			
Of which international affiliates		1	2			
Other businesses	277	269	278	NA	NA	NA
Casino Restauration	277	269	257			
Total France	9,364	8,601	8,397	3,852	3,785	3,664

INTERNATIONAL STORE BASE

	Number of stores at 31 December			Retail space (in thousands of sq. m)		
	2009	2008	2007	2009	2008	2007
Argentina	49	65	62	149	164	149
Libertad hypermarkets	15	15	13			
Leader Price discount outlets	26	26	25			
Other	8	24	24			
Uruguay	53	52	52	74	70	69
Géant hypermarkets	1	1	1			
Disco supermarkets	28	27	27			
Devoto supermarkets	24	24	24			
Venezuela	41	60	62	78	85	87
Exitó hypermarkets	6	6	6			
Cada supermarkets	35	36	38			
Q'Precios discount outlets		18	18			
Brazil	1,080	597	575	1,745	1,359	1,337
Extra hypermarkets	103	102	91			
Pão de Açúcar supermarkets	145	145	153			
Sendas supermarkets	68	73	62			
Extra Perto supermarkets	13	5	15			
Compre Bem supermarkets	157	165	178			
Assai discount outlets	40	28	15			
Extra Facil superettes	52	32	19			
Eletró (other businesses), Ponto Frio	502	47	42			
Of which Ponto Frio	455					
Thailand	78	79	58	595	590	514
Big C hypermarkets	67	66	54			
Leader Price discount outlets	11	13	4			
Vietnam	9	8	7	47	42	39
Big C hypermarkets	9	8	7			
Indian Ocean	50	51	49	97	95	94
Jumbo hypermarkets	11	11	11			
Score and Jumbo supermarkets	21	20	19			
Cash & Carry supermarkets	5	5	5			
Spar supermarkets	6	6	6			
Other	7	9	8			
Colombia	260	264	257	649	646	619
Exitó hypermarkets	89	87	74			
Pomona and Carulla supermarkets	89	94	92			
Bodega discount outlets	47	14				
Other	35	69	91			
Netherlands		305	315			
Super de Boer supermarkets		305	315			
Total International	1,620	1,481	1,437	3,434	3,051	2,908

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CASINO, GUICHARD-PERRACHON

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