Clarification of Casino following the communication of Rallye

Paris, 12 July 2019,

Following the press releases issued by Rallye, Foncière Euris and Finatis on 12 July 2019 relating to structured financing arrangements, Casino, Guichard-Perrachon ("**Casino**") confirms that these operations have no impact on the control exercised by Rallye and its holding companies over Casino.

In addition, Casino points out that the loss of control of Casino by Rallye or its holding companies would have no legal impact on Casino's debt and would not constitute an event of default, neither under the bank financing documentation nor the bond financing documentation of Casino.

As a matter of fact:

i. The main part of Casino's bank financing documentation contains change of control clauses. The notion of change of control is not defined as the loss of control of Casino by Rallye or its holding companies but as the acquisition of control[1] of Casino by a third party, other than Rallye and its affiliates, acting alone or in concert. The implementation of the change of control clauses would constitute an event of mandatory early repayment or cancellation of confirmed credit lines upon the individual decision of each of the lenders.

ii. All of Casino's bond financing documentation contains change of control clauses, with the exception of the documentation relating to the €600 million of perpetual deeply subordinated notes (TSSDI) issued in 2005 that does not contain any. The notion of change of control is defined by two cumulative elements:

- the acquisition by a third party, other than Rallye and its affiliates, acting alone or in concert, of shares conferring them more than 50% of the voting rights in Casino; and

- this change of control directly results in a downgrade of Casino's long-term credit rating (by at least one notch in the event that Casino is not *an investment grade*).

In the event of an acquisition of control of Casino by a third party leading to a downgrading of Casino's rating, the consequences on Casino's bond financing would be as follows:

- for senior bonds representing a cumulative nominal value to date of €5,337.5 million, each bond investor would have the right to ask Casino for the early redemption at par of all the bonds he holds;

- for the deeply subordinated notes issued in 2013 representing a nominal amount of €750 million to date, the coupon would be increased by an additional margin of 5% per year and Casino would also have the option to redeem all of these notes at par.

Note

1. Within the meaning of Article L. 233-3 of the French Commercial Code. It is reminded that control within the meaning of Article L. 233-3 of the French Commercial Code is presumed to be exercised by any person who directly or indirectly holds more than 40% of the voting rights and that no other shareholder holds directly or indirectly more than his own.

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