

Investor Presentation



September 2015

Cnova
CDISCOUNT & NOVA PONTOCOM

Disclaimers

Forward-Looking Statements

The information contained in this presentation is as of July 22, 2015. We assume no obligation to update forward-looking statements contained in this presentation as a result of new information or future events or developments.

This presentation contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, Section 27A of the U.S. Securities Act of 1933, and Section 21E of the U.S. Securities Exchange Act of 1934. Such forward-looking statements may include projections regarding Cnova's future performance. You can identify these statements by the fact that they use future dates or use words such as "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "future," "will," "seek" and similar terms or phrases. The forward-looking statements contained in this presentation are based on management's current expectations, which are subject to uncertainty, risks and changes in circumstances that are difficult to predict and many of which are outside of Cnova's control. Important factors that could cause Cnova's actual results to differ materially from those indicated in the forward-looking statements include, among others: the ability to grow its customer base; the ability to maintain and enhance its brands and reputation; the ability to manage the growth of Cnova effectively; changes to technologies used by Cnova; changes in global, national, regional or local economic, business, competitive, market or regulatory conditions; and other factors discussed under the heading "Risk Factors" in the U.S. Annual Report on the Form 20-F for the year ended December 31, 2014 filed with the U.S. Securities and Exchange Commission on March 31, 2015 and other documents filed with or furnished to the U.S. Securities and Exchange Commission. Any forward-looking statement made in this presentation speaks only as of the date hereof. Factors or events that could cause Cnova's actual results to differ from the statements contained herein may emerge from time to time, and it is not possible for Cnova to predict all of them. Except as required by law, Cnova undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise.

Non-GAAP Financial Measures

To provide investors with additional information regarding our financial results, this presentation includes certain financial measures which may be defined as "non-GAAP financial measures" by the U.S. Securities and Exchange Commission (SEC). These measures may be different from non-GAAP financial measures used by other companies. The presentation of this financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation of, or as a substitute for, the financial information prepared and presented in accordance with generally accepted accounting principles (GAAP).

For a reconciliation of these non-GAAP financial measures to the nearest comparable GAAP measures, see the Non-GAAP Reconciliations section included in this presentation.

- **2Q15 Highlights**

- 2Q15 Financials

- Outlook & Strategy

2Q15 Financial Results Highlights



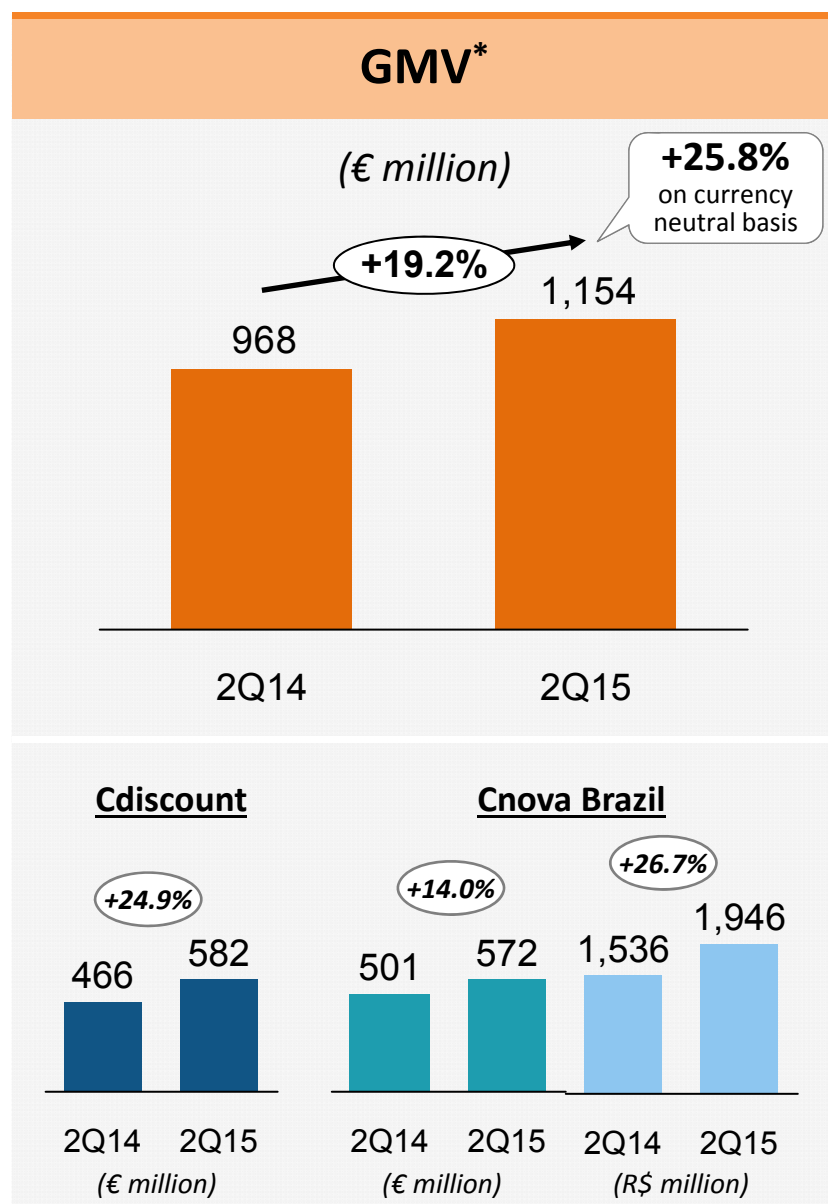
Key Figures (Unaudited, € millions)	2Q15	1Q15	2Q14	Change Y-o-Y Reported	Change France and Brazil ⁽¹⁾	
					Vs. 1Q15	Vs. 2Q14
Gross Merchandise Value (GMV)	1,154.1	1,248.2	967.8	+19.2%/+25.8% ⁽⁴⁾	-7.5%	+18.2%
Net Sales	836.7	915.5	755.9	+10.7%/+17.5% ⁽⁴⁾	-8.7%	+9.5%
Gross Profit	107.6	113.2	106.7	+0.8%/+6.9% ⁽⁴⁾	-4.7%	+1.7%
France and Brazil ⁽¹⁾	108.6	113.9	106.7	+1.7%	-4.7%	+1.7%
% of Net Sales	13.1%	12.6%	14.1%	-100 bps	+56 bps	-100 bps
New countries ⁽²⁾	(1.0)	(0.7)	-			
SG&A	(131.3)	(141.2)	(98.0)	+34.0%	-10.1%	+25.5%
France and Brazil ⁽¹⁾	(123.0)	(136.7)	(98.0)	+25.5%	-10.1%	+25.5%
% of Net Sales	-14.9%	-15.1%	-13.0%	-189 bps	+23 bps	-189 bps
New countries ⁽²⁾	(8.3)	(4.4)	-			
Operating EBITDA	(13.2)	(18.2)	16.3	-180.9%	-66.9%	-126.8%
France and Brazil ⁽¹⁾	(4.4)	(13.2)	16.3	-126.8%	-66.9%	-126.8%
% of Net Sales	-0.5%	-1.5%	2.2%	-269 bps	+93 bps	-269 bps
New countries ⁽²⁾	(8.8)	(5.0)	-			
Operating EBIT	(23.7)	(28.0)	8.7	-370.9%	-15.5%	-264.6%
France and Brazil ⁽¹⁾	(14.4)	(22.9)	8.7	-264.6%	-37.1%	-264.6%
% of Net Sales	-1.7%	-2.5%	1.2%	-290 bps	+78 bps	-290 bps
New countries ⁽²⁾	(9.3)	(5.1)	-			
Net Income/(Loss)	(40.2)	(40.6)	(21.3)	+89.1%	-4.0%	+51.0%
% of Net Sales	-4.8%	-4.4%	-2.8%			
Adjusted EPS (in Euros)	(0.06)	(0.06)	(0.02)			
Change in Operating Working Capital ⁽³⁾	129.3	160.2	73.7	+55.6		
Free Cash Flow ⁽³⁾	27.8	91.6	65.2	-37.4		
Net cash/(Net financial debt) (period end)	36.3	70.8	(122.9)	+149.2		

- **GMV** growth of 25.8% and **net sales** up 17.5% on a currency neutral basis
 - **GMV** growth of 24.9% at Cdiscount and 26.7% at Cnova Brazil in local currency
 - **Net sales** up 13.7% at Cdiscount and 20.5% at Cnova Brazil in local currency
- **Significant sequential improvement in France and Brazil:**
 - **Gross profit margin** up 56bps vs. 1Q15
 - **Improved SG&A expenses** as percentage of sales vs. 1Q15 after last quarter's investments for future growth
 - **Operating EBITDA** up 93 bps vs. 1Q15
 - **Operating margin** up 78 bps vs. 1Q15
- **Positive Free cash flow** (excluding financial expenses paid in relation to factoring) with generation on LTM of 28 M€ and 42 M€ excl. FX

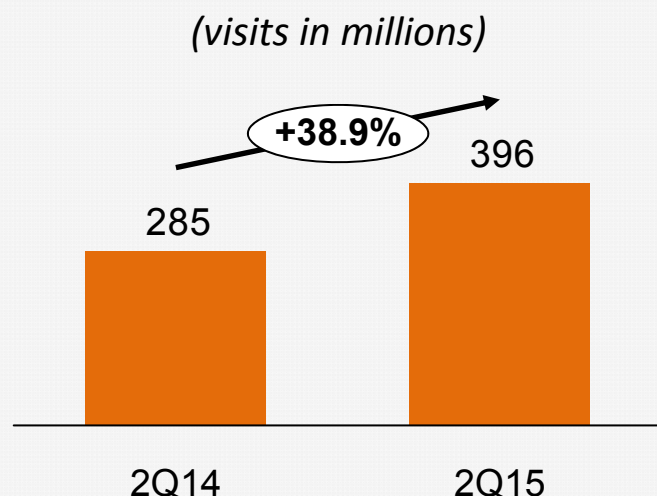
Notes: (1) Includes France, Brazil and Holding. (2) Colombia, Ecuador, Panama, Thailand, Vietnam, Ivory Coast, Senegal, Cameroon and Burkina Faso. (3) Last twelve months. (4) Currency neutral basis. For definitions, refer to appendices.

2Q15 Highlights

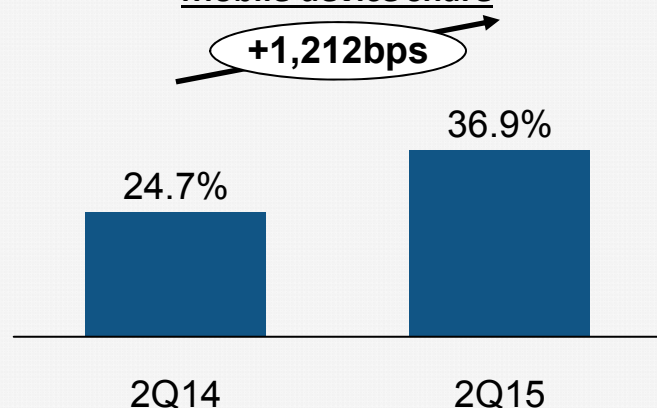
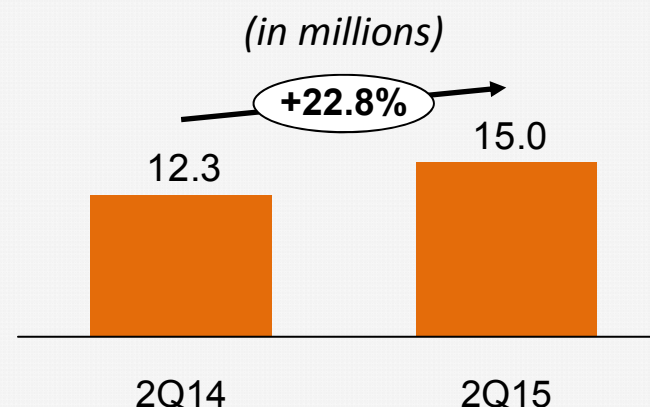
Strong GMV growth



- **Strong GMV*** growth of 25.8% on a currency neutral basis
- Strong growth in both Cdiscount and Cnova Brazil on local currencies: 24.9% and 26.7%, respectively
- High GMV growth driven by increase in marketplace expansion:
 - Marketplace share of GMV of 18.9%, up 813 bps vs. 2Q14
 - Increase in active marketplace sellers by 118% vs. 2Q14
 - Larger assortment of products: expansion from 9.9 million in 2Q14 to 20.1 million in 2Q15

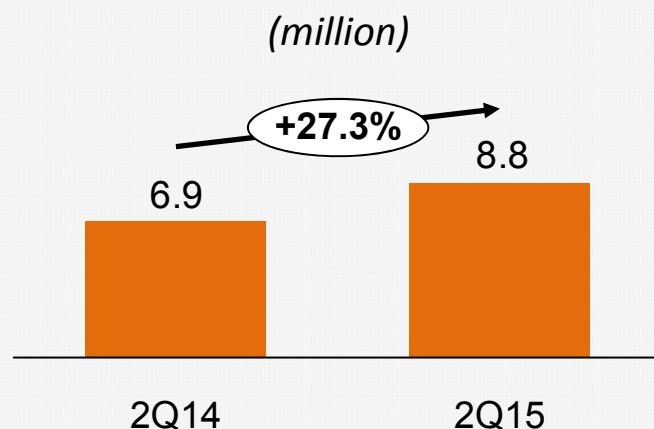
Traffic

- Website traffic growth of 39%
- Mobile share continues to grow and now surpasses 1/3 of total traffic:
 - Increase of mobile penetration in both countries, particularly in Brazil
 - Successful platform improvement on Casas Bahia mobile website
- Increase of active customer base by 23% up to 15 million active customers

Mobile device share**Active customers***

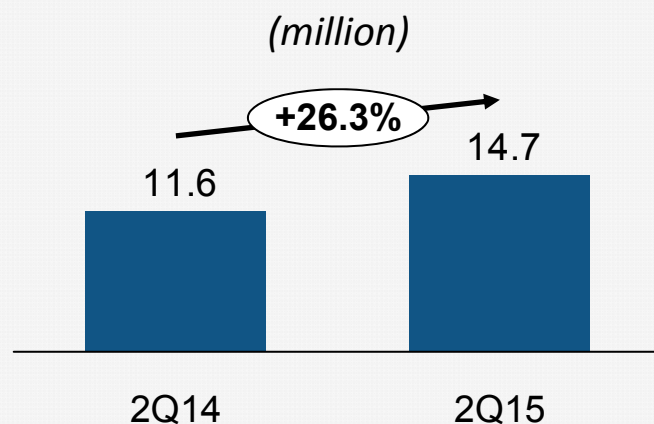
Notes: *) Active customers at the end of June having purchased at least once through our sites during the last 12 months, calculated on a website-by-website basis because we operate multiple sites each with unique systems of identifying users, which could result in an individual being counted more than once.

Placed orders*



- Higher number of orders per customer Y-o-Y : +5.4%
 - +8.4% in France
 - +2.3% in Brazil

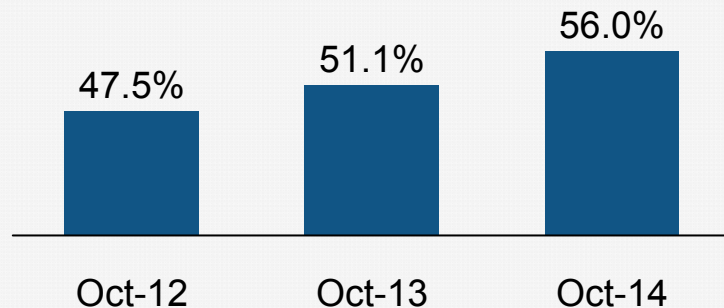
Items sold



- Higher number of items per customer Y-o-Y: +4.3%

Repurchase rate

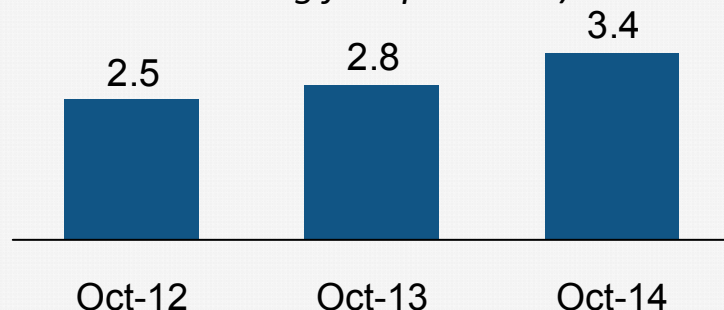
(all clients of Oct. 2012, Oct. 2013, Oct. 2014)



- Increased repurchase rate over following 6 months:
 - From 47.5% for clients from October 2012 to 56.0% for clients from October 2014

Additional orders from returning clients

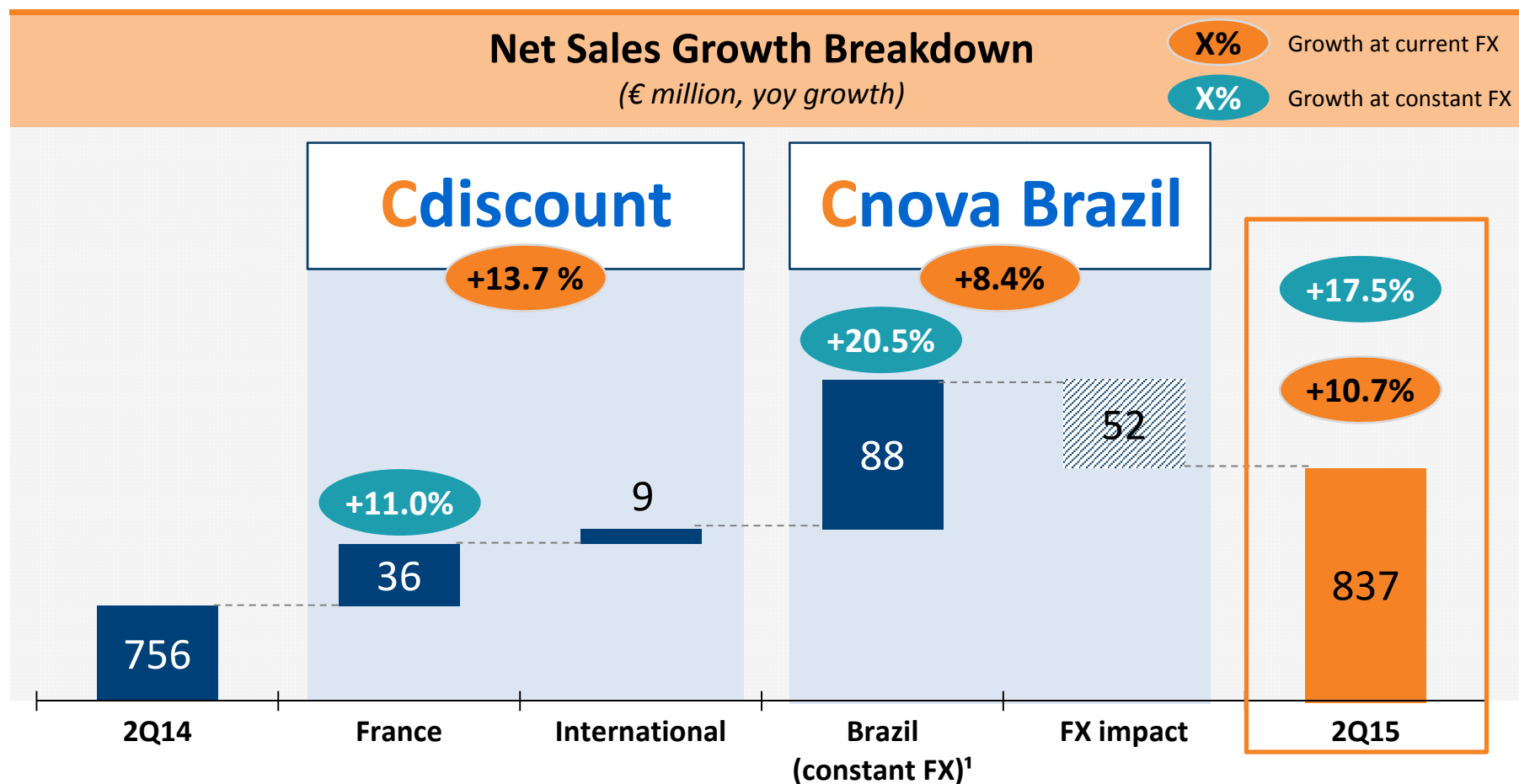
(all clients of Oct. 2012, Oct. 2013, Oct. 2014, excluding first purchase)



- Increased number of orders over following 6 months from returning clients:
 - From 2.5 additional orders per client from October 2012 to 3.4 additional orders per client from October 2014

Agenda

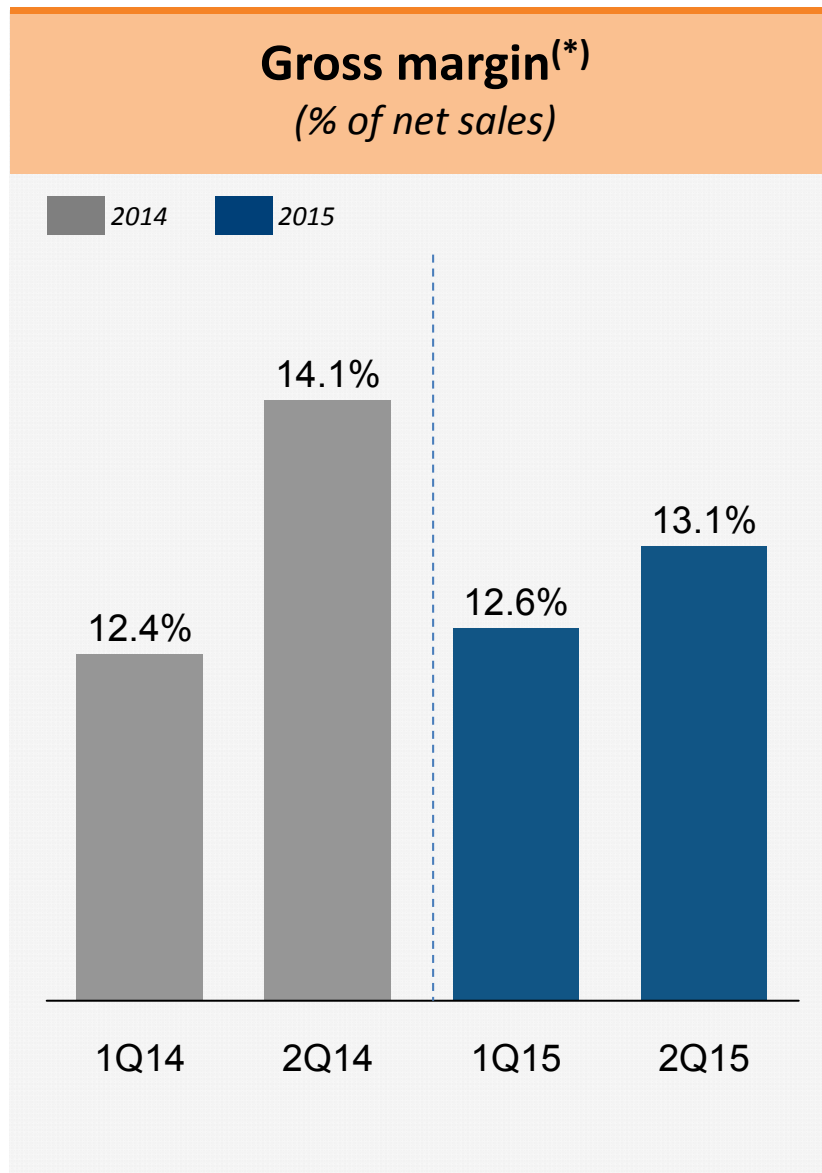
- 2Q15 Highlights
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- **Net sales** up 17.5% on a currency neutral basis
 - Cdiscount: up 13.7% (up 11.0% in France)
 - Brazil: up 20.5% (currency neutral basis); up 8.4% due to strong FX impact

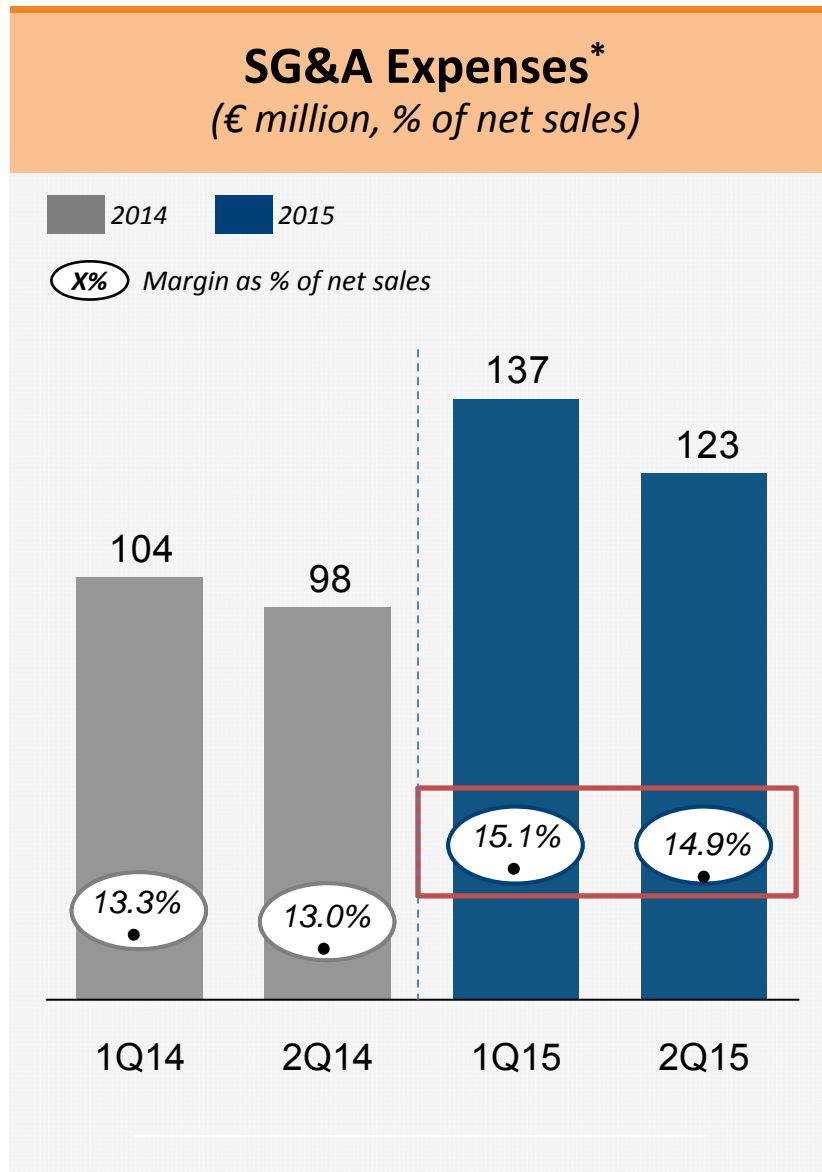
Gross margin

Improved gross margin



- Gross margin^(*) improvement of 56 bps quarter-over-quarter as a result of:
 - Improvement in French and Brazilian gross margin in 2Q15 vs. 1Q15
 - Increase of marketplace contribution with enhanced commission rates well under way
 - Stable pricing in both countries, well adapted to current commercial environment
- Y-o-Y improvement of French gross margin
- Promotional investments in Brazil due to tougher economic scenario
- International countries⁽²⁾ in ramp-up phase

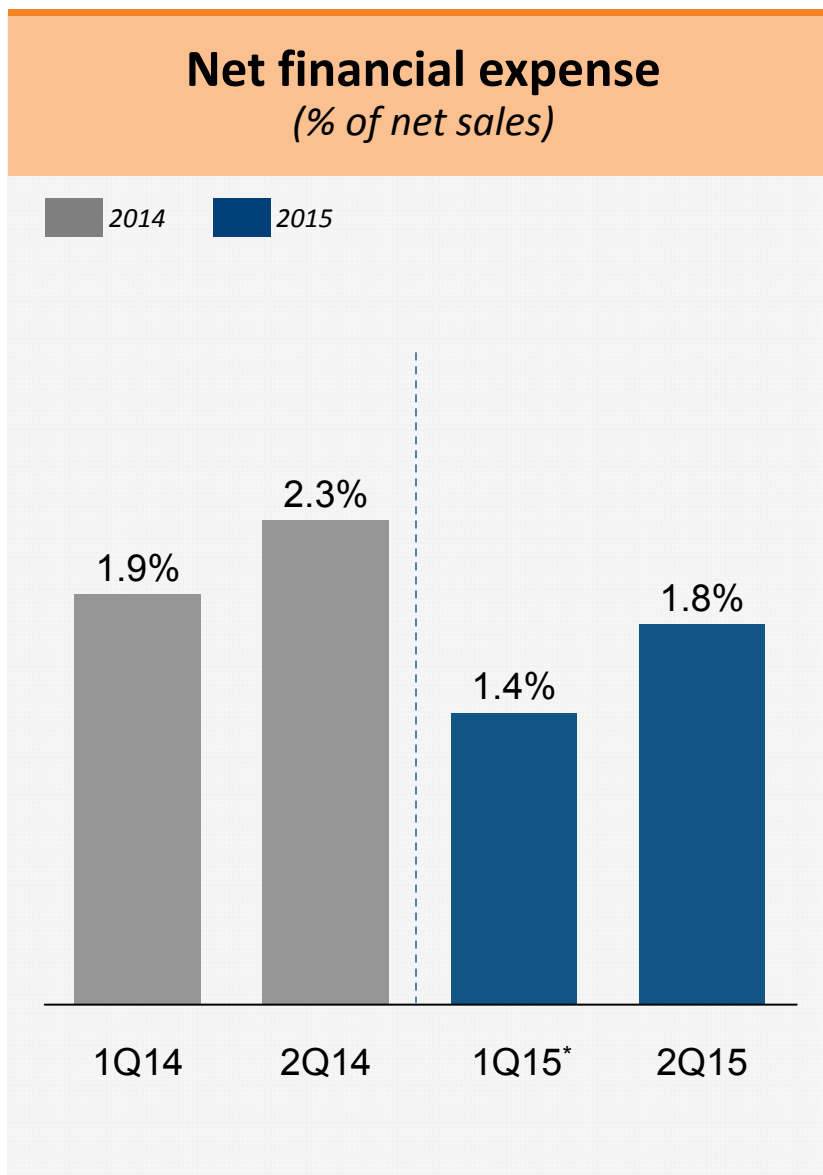
Other operating expenses Lower SG&A expenses



- SG&A expenses*: slight improvement as percentage of net sales in 2Q15 quarter-over-quarter
- Tech and Content costs: 2.7% in 2Q15 vs. 2.9% in 1Q15 and 2.7% in 2Q14
- G&A costs: 1.8% of sales in 2Q15 vs. 2.2% in 1Q15 and 1.6% in 2Q14
- Fulfillment costs increase to 8.3% of sales in 2Q 15 vs. 7.8% in 1Q15 and 6.6% in 2Q14 :
 - Impact of fast growing marketplace
 - Product mix impact coming from strong growth of large home appliances and home furnishing items
 - Expanded product selection
 - Customer delivery enhancement:
 - Same-day and next day deliveries in France
 - Doubling pick-up points in Brazil: 516 at the end of June 2015 vs. 210 at the end of March 2015
- Increased development costs associated with 5 new specialty sites

Net financial expenses

Reduction of net financial expense



- Net financial expense: from 2.3% as percentage of net sales in 2Q14 to 1.8% on 2Q15.
- Partial mitigation of Brazilian interest rate increase:
 - Lower average number of installments in Cnova Brazil (from 8.7 average installments in 2Q14 to 7.5 average instalments in 2Q15)
 - Stronger cash position vs. 2Q14 and 1Q15, and positive net cash

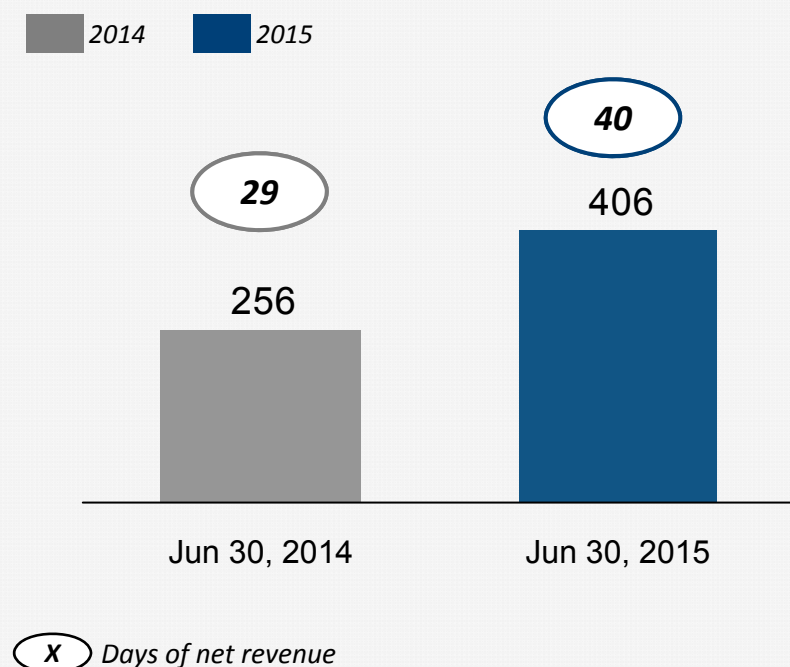
Notes: (*) 1Q15 net financial expenses adjusted for +€ 7.1million non-recurring item

Adjusted Net Earnings and EPS

	2Q15	1Q15	2Q14
Adjusted Net Earnings (€ million, attributable to equity holders)	(27.8)	(25.1)	(8.2)
Adjusted EPS (€)	(0.06)	(0.06)	(0.02)

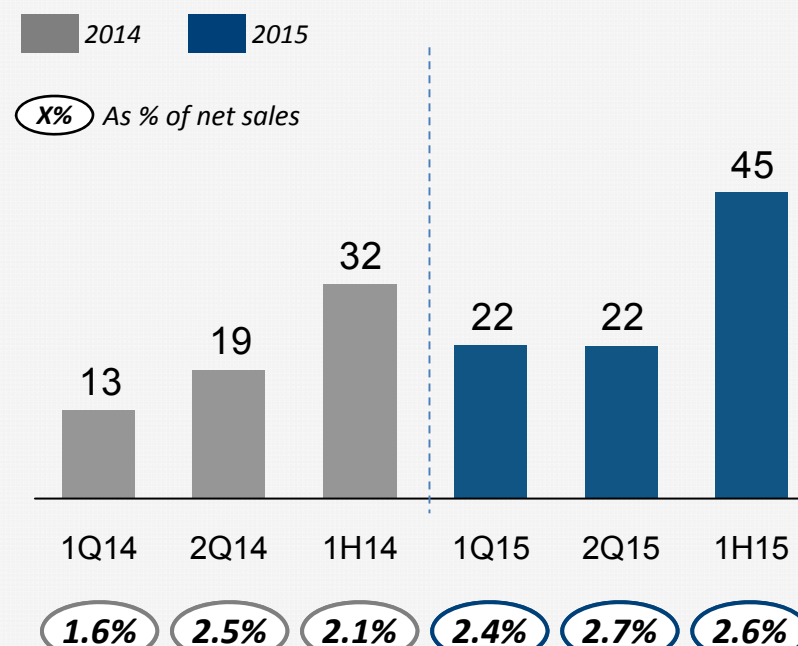
- Despite improvements on gross margin and improved SG&A expenses as percentage of net sales from France and Brazil* vs. 1Q15, the impact of investments for growth made on 1Q15 and new countries resulted in Adjusted EPS of -0.06€ vs. -0.02€ in 2Q14

Operating working capital* (€ million, days of net revenue)

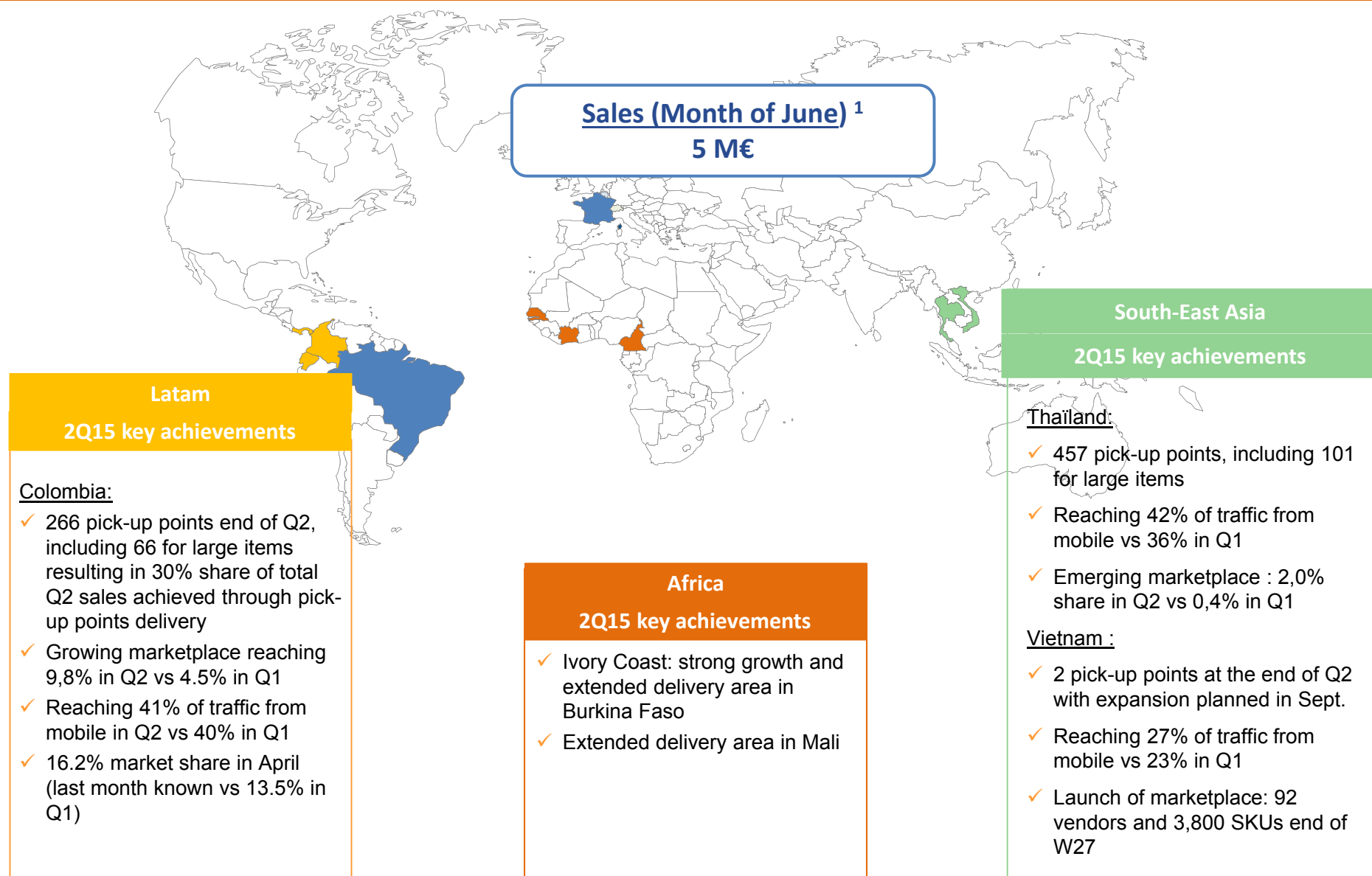


- Improvement of 11 days in working capital in days of net revenue
- 1 yr. change in working capital requirement of 55.6 M€

Capex (% of net sales)



- Capex for 1H15 of 2.6% of sales vs. 2.1% in 1H14



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Cnova will continue to focus on delivering strong top-line growth while gradually improving profitability excluding new countries.

Cnova's 2015 priorities remain to:

- Continue the fast development of its marketplaces, leveraging Cnova's traffic and direct sales
- Continue cost efficiency focus to strengthen its low-cost business model
- Strengthen Cnova's competitive advantages, including the click-and-collect network expansion and strong m-commerce position
- Continue to broaden product assortment, particularly in the higher margin home products category
- Focus on developing our operations in large international markets where Cnova can demonstrate competitive advantage and the existing specialty sites
- Generate free cash flow in 2015 through continued effective working capital management

In line with 2Q15 net sales performance,

Cnova is targeting net sales growth in 2H15 of

+17.5%

within a plus or minus 150bps deviation on a currency neutral basis*.

compared with the same period of 2014

Notes: (*) This guidance is on a consolidated basis (Cdiscount Group + Cnova Brazil) and on “constant currency basis” i.e. assuming 2014 exchange rate (Euro/BRL exchange rate in 3Q14= 3.01 and 4Q14=3.18)

Appendices

1. Complete Financial Statements
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3. Non-GAAP Reconciliations
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Consolidated Income Statement

Consolidated Income Statement (Unaudited, € millions)	Second Quarter		Change		Half Year		Change
	2015	2014	Reported	Currency neutral ¹	2015	2014	Reported
Net sales	836.7	755.9	+10.7%	+17.5%	1,752.2	1,533.3	+14.3%
Cost of sales	(729.1)	(649.2)	+12.3%		(1,531.4)	(1,330.3)	15.1%
Gross profit	107.6	106.7	+0.8%	+6.9%	220.8	202.9	+8.8%
% of net sales	12.9%	14.1%			12.6%	13.2%	-64bps
SG&A	(131.3)	(98.0)	+34.0%	+41.3%	(272.5)	(201.6)	+35.2%
% of net sales	-15.7%	-13.0%			-13.1%	-15.6%	-240bps
Fulfillment	(70.4)	(50.2)	+40.1%		(143.6)	(103.9)	
Marketing	(19.9)	(14.9)	+34.1%		(40.7)	(31.8)	
Technology and content	(23.1)	(20.5)	+12.9%		(49.7)	(39.0)	
General and administrative	(17.8)	(12.4)	+44.3%		(38.5)	(26.9)	
Operating profit/(loss) from ordinary activities (Operating EBIT)	(23.7)	8.7			(51.7)	1.3	
% of net sales	-2.8%	1.2%			-3.0%	0.1%	-304bps
Other expenses	(9.8)	(14.1)	-30.8%		(23.9)	(14.1)	+69.4%
Total operating profit/(loss)	(33.4)	(5.4)			(75.6)	(12.8)	
Other financial income and expense	(14.8)	(17.3)	-14.2%		(20.2)	(32.3)	-37.5%
Profit/(loss) before tax	(48.3)	(22.6)	+113.4%	+125.1%	(95.8)	(45.1)	+112.5%
Income tax gain/(expense)	8.0	2.8			15.0	6.6	
Share of losses of associates	0.0	(1.4)			0.0	(1.4)	
Net income/(loss)	(40.2)	(21.3)	+89.1%	+96.3%	(80.8)	(39.9)	+102.3%
% of net sales	-4.8%	-2.8%			-4.6%	-2.6%	
Attributable to Cnova equity holders	(36.2)	(21.1)	+71.1%	+80.9%	(73.8)	(39.5)	+86.9%
Attributable to non-controlling interests	(4.0)	(0.1)			(7.1)	(0.5)	
Adjusted EPS (€)	(0.06)	(0.01)			(0.12)	(0.06)	

1) Euro/Brazilian real average exchange rate for the 2nd quarter: 2014 = 3.06; 2015 = 3.40.

Consolidated Balance Sheet

Consolidated Balance Sheet (€ million)	June 30, 2015	December 31, 2014	Change
Cash and cash equivalents	412.3	573.3	-28.1%
Trade receivables, net	140.0	139.3	+0.5%
Inventories, net	466.7	417.2	+11.9%
Current income tax assets	1.4	1.5	-5.8%
Other current assets, net	141.0	202.6	-30.4%
Total current assets	1,161.4	1,333.9	-12.9%
Other non-current assets, net	81.7	93.7	-12.8%
Deferred tax assets	61.0	46.5	+31.2%
Investment in associates	-	-	-
Property and equipment, net	45.3	44.0	+3.0%
Intangible assets, net	155.0	147.1	+5.4%
Goodwill	465.4	496.3	-6.2%
Total non-current assets	808.3	827.6	-2.3%
TOTAL ASSETS	1,969.7	2,161.5	-8.9%
EQUITY AND LIABILITIES			
Current provisions	0.7	4.7	-84.4%
Trade payables	1,012.3	1,296.0	-21.9%
Current financial debt	366.2	102.6	+257.1%
Current taxes liabilities	37.6	37.9	-0.9%
Other current liabilities	70.1	118.0	-40.6%
Total current liabilities	1,486.9	1,559.2	-4.6%
Non-current provisions	10.3	4.6	+124.5%
Non-current financial debt	9.9	2.0	+382.4%
Other non-current liabilities	2.4	4.0	-39.7%
Deferred tax liabilities	1.6	7.3	-78.7%
Total non-current liabilities	24.2	18.0	+34.6%
Share capital	22.1	22.1	-
Reserves, retained earnings and additional paid-in capital	436.9	555.9	-21.4%
Equity attributable to equity holders of Cnova	458.9	578.0	-20.6%
Non-controlling interests	(0.4)	6.3	-105.6%
Total equity	458.6	584.3	-21.5%
TOTAL EQUITY AND LIABILITIES	1,969.7	2,161.5	-8.9%

Consolidated Cash Flow Statement

<i>Consolidated Cash Flow Statement</i> (€ millions)	At June 30		
	2015	2014	Change
Net loss attributable to equity holders of the Parent	(73.8)	(39.5)	-34.3
Net loss attributable to non-controlling interests	(7.1)	(0.5)	-6.6
Net loss for the period	(80.8)	(39.9)	-40.9
Depreciation and amortization expense	19.9	13.5	+6.4
Expenses on share-based payment plans	0.5	-	+0.4
(Gains) losses on disposal of non-current assets and impairment of assets	7.0	-	+7.0
Share of losses of associates	-	1.4	-1.4
Other non-cash items	0.9	5.7	-4.8
Financial expense, net	20.2	32.3	-12.1
Current and deferred tax profit	(15.0)	(6.6)	-8.4
Income tax paid	(2.0)	(0.2)	-1.8
Change in operating working capital	(337.0)	(225.5)	-111.5
<i>Inventories of products</i>	(65.4)	23.6	-89.0
<i>Operating payables</i>	(242.6)	(254.1)	+11.5
<i>Operating receivables</i>	20.8	10.8	+10.0
<i>Other</i>	(49.8)	(5.8)	-43.9
Net cash from operating activities	(386.5)	(219.3)	-167.2
Purchase of property and equipment and intangible assets	(44.9)	(31.5)	-13.4
Purchase of non-current financial assets	(0.4)	(1.2)	+0.8
Proceeds from disposal of property and equipment, intangible assets and non-current financial assets	2.4	0.1	+2.4
Changes in loans granted (including to related parties)	65.2	71.3	-6.1
Net cash used in investing activities	22.3	38.6	-16.3
Proceeds from IPO, net of costs	(13.2)	(6.2)	-7.1
Additions to financial debt	272.8	43.0	+229.8
Repayments of financial debt	(1.3)	(0.7)	-0.7
Interest paid, net	(25.7)	(28.7)	+3.0
Net cash from/(used in) financing activities	232.5	7.4	+225.2
Effect of changes in foreign currency translation adjustments	(29.2)	7.0	-36.2
Change in cash and cash equivalents	(160.9)	(166.3)	+5.4
<i>Cash and cash equivalents at beginning of period</i>	573.3	263.6	+309.8
<i>Bank overdrafts at beginning of period</i>	(0.2)	(30.9)	+30.7
Cash and cash equivalents, net, at beginning of period	573.2	232.7	+340.5
Cash and cash equivalents, net, at end of period	412.3	66.4	+345.9

Consolidated Cash Flow Statement 2

Consolidated Cash Flow Statement (Unaudited, € millions)	Last Twelve Months at		Change
	June 30, 2015	June 30, 2014	
Operating profit/(loss) from ordinary activities (Operating EBIT)	(19.7)	34.5	(54.3)
Share based payment expenses	0.5	0.2	+0.2
Depreciation & amortization	38.1	28.4	+9.6
Operating EBITDA	18.8	63.2	(44.4)
Income tax paid	(6.7)	(2.0)	(4.6)
Change in operating working capital	129.3	73.7	+55.6
<i>Inventory</i>	(134.2)	(46.8)	(87.4)
<i>Trade payables</i>	383.5	114.7	+268.8
<i>Trade receivables</i>	(37.4)	12.3	(49.6)
<i>Other</i>	(82.6)	(6.5)	(76.1)
Other cash items ¹	(23.6)	(8.9)	(14.7)
Net cash from (used in) operating activities	117.8	125.9	(8.1)
Purchase of PP&E and intangible assets	(90.0)	(60.6)	(29.4)
Free cash flow	27.8	65.2	(37.4)
Changes in loans granted (including to related parties)	(6.0)	5.7	(11.7)
Other cash from investing activities	(7.8)	(5.2)	+9.7
Net cash used in investing activities	(103.8)	(58.1)	(45.6)
Proceeds from IPO, net of costs	130.0	(6.2)	+136.2
Net changes to financial debt	302.3	(5.6)	+307.9
Net interest paid	(60.2)	(59.4)	(-0.8)
Others	1.5		
Net cash from financing activities	373.6	(71.1)	+444.8
Foreign currency translation adjustment	(41.7)	(12.1)	(29.7)
Change in cash & cash equivalents	345.9	(15.5)	+361.4
Bank overdrafts	0.1	(0.0)	+0.1
Cash and cash equivalents at beginning of period	66.4	81.8	(15.5)
Cash and cash equivalents at end of period	412.3	66.4	+346.0

1) Primarily restructuring, litigation, initial public offering expenses.

Appendices

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4. Additional Information

Definitions

Adjusted Net Profit – calculated as net profit (loss) attributable to equity holders of Cnova before Other Expenses and the related tax impacts. See “Non-GAAP Reconciliations” section for additional information.

Adjusted EPS or Adjusted Net Profit Per Share – calculated as Adjusted Net Profit divided by the weighted average number of ordinary shares outstanding during the applicable period. See “Non-GAAP Reconciliations” section for additional information.

Free Cash Flow – Net cash from (used in) operating activities less purchase of property and equipment and intangible assets. See “Non-GAAP Reconciliations” section for additional information.

Gross Margin – Gross Profit as a percentage of net sales. See “Non-GAAP Reconciliations” section for additional information.

Gross Merchandise Volume or “GMV” - comprised of our product sales plus other revenues plus marketplace business volumes (calculated based on approved and sent orders) plus taxes.

Gross Profit – net sales less cost of sales. See “Non-GAAP Reconciliations” section for additional information.

Marketplace Share – Includes marketplace share of www.cddiscount.com in France as well as extra.com.br, pontofrio.com, casasbahia.com.br and cddiscount.com.br in Brazil.

Net Cash / (Net Financial Debt) – calculated as the sum of (i) cash and cash equivalents and (ii) the current account provided by Cnova or its subsidiaries to Casino pursuant to cash pool arrangements, less financial debt. See “Non-GAAP Reconciliations” section for additional information.

Non-recurring operating expenses – calculated as the sum of restructuring, initial public offering expenses, litigation, gain/(loss) from disposal of non-current assets and impairment of assets.

Operating EBITDA – calculated as Operating Profit (Loss) from Ordinary Activities (Operating EBIT) before depreciation and amortization expense and share based payment expenses. See “Non-GAAP Reconciliations” section for additional information

Operating Profit/(Loss) from Ordinary Activities (Operating EBIT) –calculated as operating profit (loss) before other expenses (restructuring, initial public offering expenses, litigation, gain/(loss) from disposal of non-current assets and impairment of assets).

Operating Working Capital – calculated as trade payables less net trade receivables less net inventories as presented in our balance sheet.

Change in Operating Working Capital – calculated as operating payables less operating receivables less net inventories and others as presented on our Cash Flow Statement.

Unique Customer – customers who have purchased a least once over the considered period but counted as a single customer irrespective of the number of orders placed by that customer over the considered period.

Appendices

1. Complete Financial Statements
2. Definitions
3. Non-GAAP Reconciliations
4. Additional Information

Non-GAAP Reconciliations (1/6)

Adjusted Net Profit/(Loss) Attributable to Equity Holders of Cnova

Adjusted EPS

Adjusted Net Profit/(Loss) Attributable to Equity Holders of Cnova is calculated as net profit/(loss) attributable to equity holders of Cnova before restructuring, initial public offering expenses, litigation, gain/(loss) from disposal of non current assets and impairment of assets and the related tax impacts. Adjusted EPS is calculated as Adjusted Net Profit/(Loss) Attributable to Equity Holders of Cnova divided by the weighted average number of outstanding ordinary shares of Cnova during the applicable period. We have provided a reconciliation below of Adjusted Net Profit/(Loss) Attributable to Equity Holders of Cnova to net profit/(loss) attributable to equity holders of Cnova, the most directly comparable GAAP financial measure.

Adjusted Net Profit/(Loss) Attributable to Equity Holders of Cnova is a financial measure used by Cnova's management and board of directors to evaluate the overall financial performance of the business. In particular, the exclusion of certain expenses in calculating Adjusted Net Profit/(Loss) Attributable to Equity Holders of Cnova facilitates the comparison of income on a period-to-period basis.

The following table reflects the reconciliation of net profit/(loss) attributable to equity holders of Cnova to Adjusted Net Profit/(Loss) Attributable to Equity Holders of Cnova and presents the computation of Adjusted EPS for each of the periods indicated.

€ thousands	Q2 2015	Q2 2014	S1 2015
Net loss for the year attributable to equity holders of Cnova	(36,163)	(21,134)	(73,773)
Excluding: restructuring expenses	7,363	8,860	11,677
Excluding: litigation expenses	806	410	1,396
Excluding: initial public offering expenses	277	4,800	3,812
Excluding gain / (loss) from disposal of non-current assets	256	23	533
Excluding: impairment of assets charges	1,052	-	6,477
Excluding: income tax effect on above adjustments	(992)	(1,202)	(2,101)
Excluding: recognition of previously unrecognized tax losses	-	-	-
Excluding: minority interest effect on above adjustments	(374)	49	(937)
Adjusted net income for the year attributable to equity holders of Cnova	(27,776)	(8,194)	(52,917)
Weighted average number of ordinary shares	442,617,845	411,455,569	442,617,845
Adjusted EPS (€)	(0.06)	(0.02)	(0.12)

Non-GAAP Reconciliations (2/6)

Free Cash Flow generation

Free Cash Flow is calculated as net cash provided (used) by operating activities flow statement less capital expenditures (purchases of property and equipment and intangible assets) as presented in our cash flow statement.

€ millions	June 30, 2015 (LTM)	June 30, 2014 (LTM)	Change
Net cash flow from operating activities	117.8	125.9	(8.1)
Less purchase of property and equipment and intangible assets	(90.0)	(60.6)	(29.4)
Free cash flow	27.8	65.2	(37.4)

Non-GAAP Reconciliations (3/6)

Gross Profit and Gross Margin

Gross Profit is calculated as net sales less cost of sales. Gross Margin is gross profit as a percentage of net sales. Gross Profit and Gross Margin are included in this press release because they are performance measures used by our management and board of directors to determine the commercial performance of our business.

The following tables present a computation of Gross Profit and Gross Margin for each of the periods indicated:

€ thousands	Q2 2015	Q2 2014	S1 2015
Net sales	836,688	755,865	1,752,158
Less: Cost of sales	(729,085)	(649,166)	(1,531,392)
Gross Profit	107,603	106,699	220,766
Gross margin	12.9%	14.1%	12.6%

Non-GAAP Reconciliations (4/6)

Net Cash / (Net Financial Debt)

Net Cash/(Net Financial Debt) is calculated as the sum of (i) cash and cash equivalents and (ii) cash pool balances held in arrangements with Casino Group and presented in other current assets, less current and non-current financial debt. Net Cash/(Net Financial Debt) is a measure that provides useful information to management and investors to evaluate our cash and cash equivalents and debt levels and our current account position, taking into consideration the cash pool arrangements in place among certain members of the Casino Group, and therefore assists investors and others in understanding our cash position and liquidity.

The following table presents a computation of Net Cash/(Net Financial Debt) for each of the periods indicated:

€ thousands	June 30, 2015	June 30, 2014
Cash and cash equivalents	412,331	66,361
Plus cash pool balances with Casino presented in other current assets		
Less current financial debt	(366,201)	(73,402)
Less non-current financial debt	(9,865)	(105,901)
Net cash / (Net financial debt)	36,265	(112,942)

Non-GAAP Reconciliations (5/6)

Operating EBITDA

Operating EBITDA is calculated as operating profit (loss) from ordinary activities (operating EBIT) before depreciation and amortization expense and share based payment expenses. We have provided a reconciliation below of this measure to operating profit (loss) from ordinary activities (operating EBIT) – see definition above - the most directly comparable GAAP financial measure.

We have included Operating EBITDA in this press release because it is a key measure used by our management and board of directors to evaluate our operating performance, generate future operating plans and make strategic decisions regarding the allocation of capital. In particular, the exclusion of certain expenses in calculating Operating EBITDA facilitates operating performance comparisons on a period to period basis.

The following table reflects the reconciliation of operating profit (loss) from ordinary activities (recurring EBIT) to Operating EBITDA for each of the periods indicated:

€ thousands	Q2 2015	Q2 2014	S1 2015
Operating profit before restructuring, litigation, gain/(loss) from disposal of non-current assets and impairment of assets	(23,681)	8,743	(51,701)
Excluding: Share based payment expenses	255	(78)	451
Excluding: Depreciation and amortization	10,224	7,649	19,886
Operating EBITDA	(13,202)	16,314	(31,364)

Non-GAAP Reconciliations (6/6)

Operating Working Capital

Operating Working Capital is calculated as trade payables less net trade receivables less net inventories as presented in our balance sheet.

Operating Working Capital is a financial measure used by Cnova's management and board of directors to evaluate the cash generation of the business. In particular, the comparison of the Operating Working Capital on a period-to-period basis takes into account our business seasonality.

€ thousands	Jun 30, 2015	Jun 30, 2014
Inventories	466,664	351,000
Trade Payables	(1,012,337)	(731,119)
Trade receivables	139,981	123,965
Working cap. (excluding non goods)	(405,692)	(256,154)

Change in Operating Working Capital

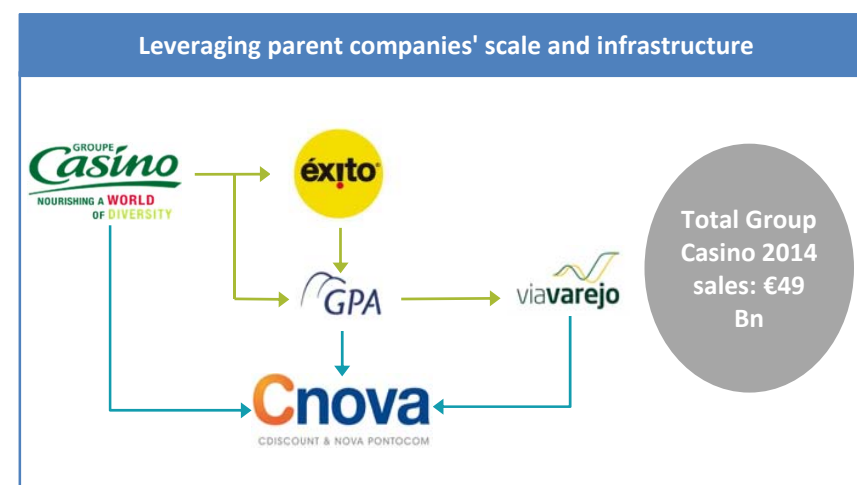
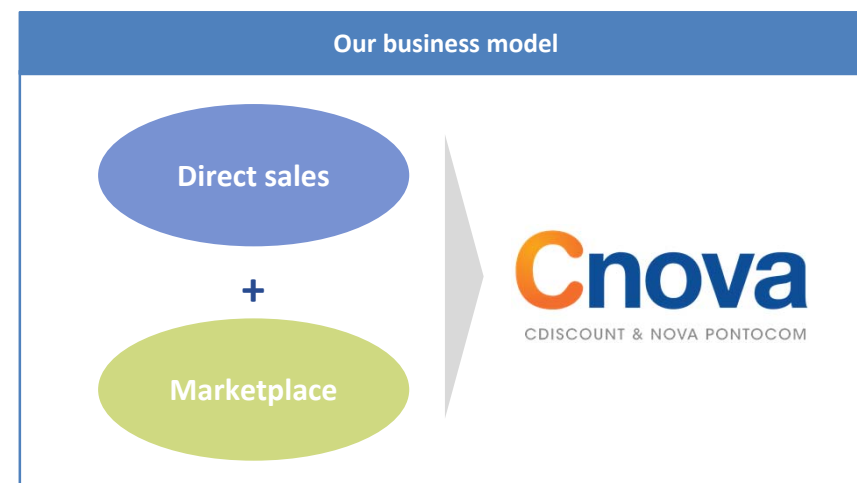
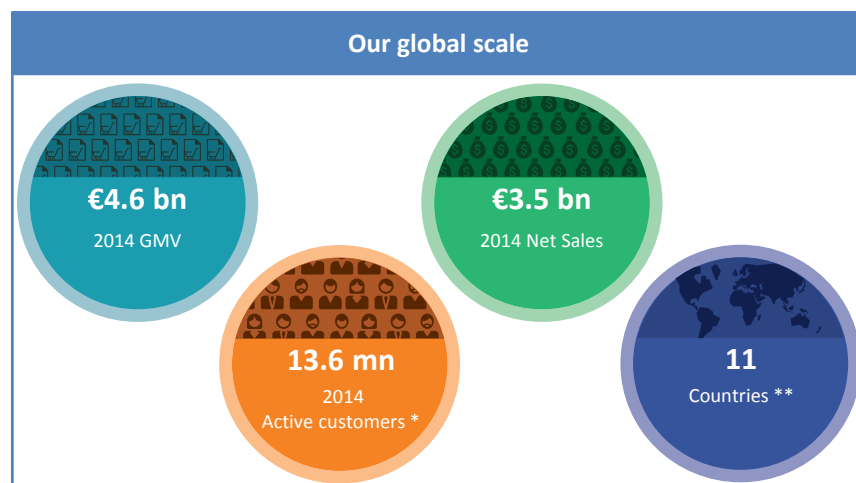
Change in Operating Working Capital is calculated as operating payables less operating receivables less net inventories and others as presented on our Cash Flow Statement.

€ thousands	June 30, 2015 (LTM)	June 30, 2014 (LTM)	Change
Operating working Capital variation			
Inventories	(134,238)	(46,841)	(87,397)
Trade Payables	383,502	114,692	268,810
Trade receivables	(37,376)	12,262	(49,638)
Other	(82,593)	(6,461)	(76,132)
Change in Operating working capital	129,294	73,652	55,642

Appendices

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Cnova at a Glance

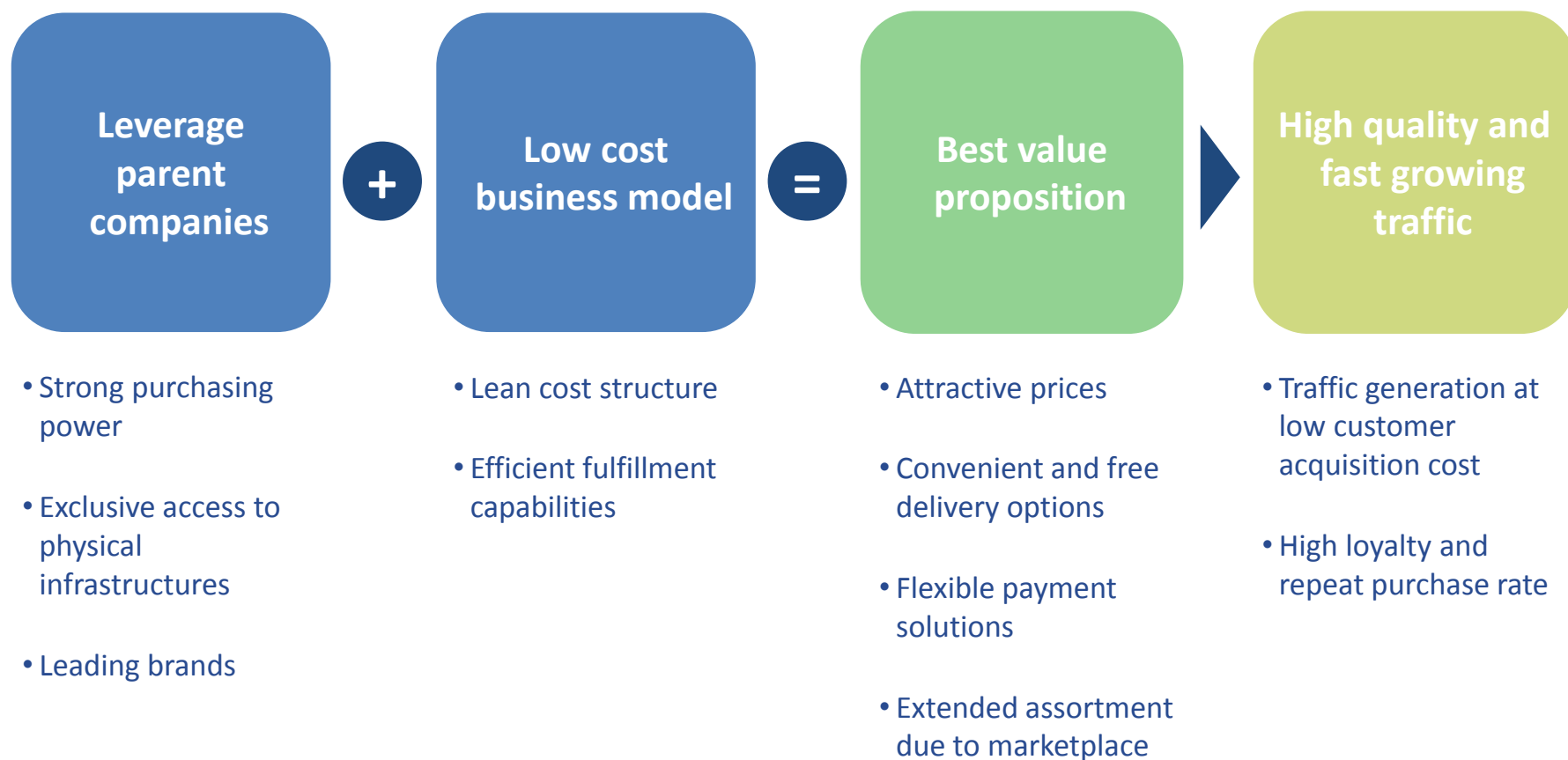


Notes

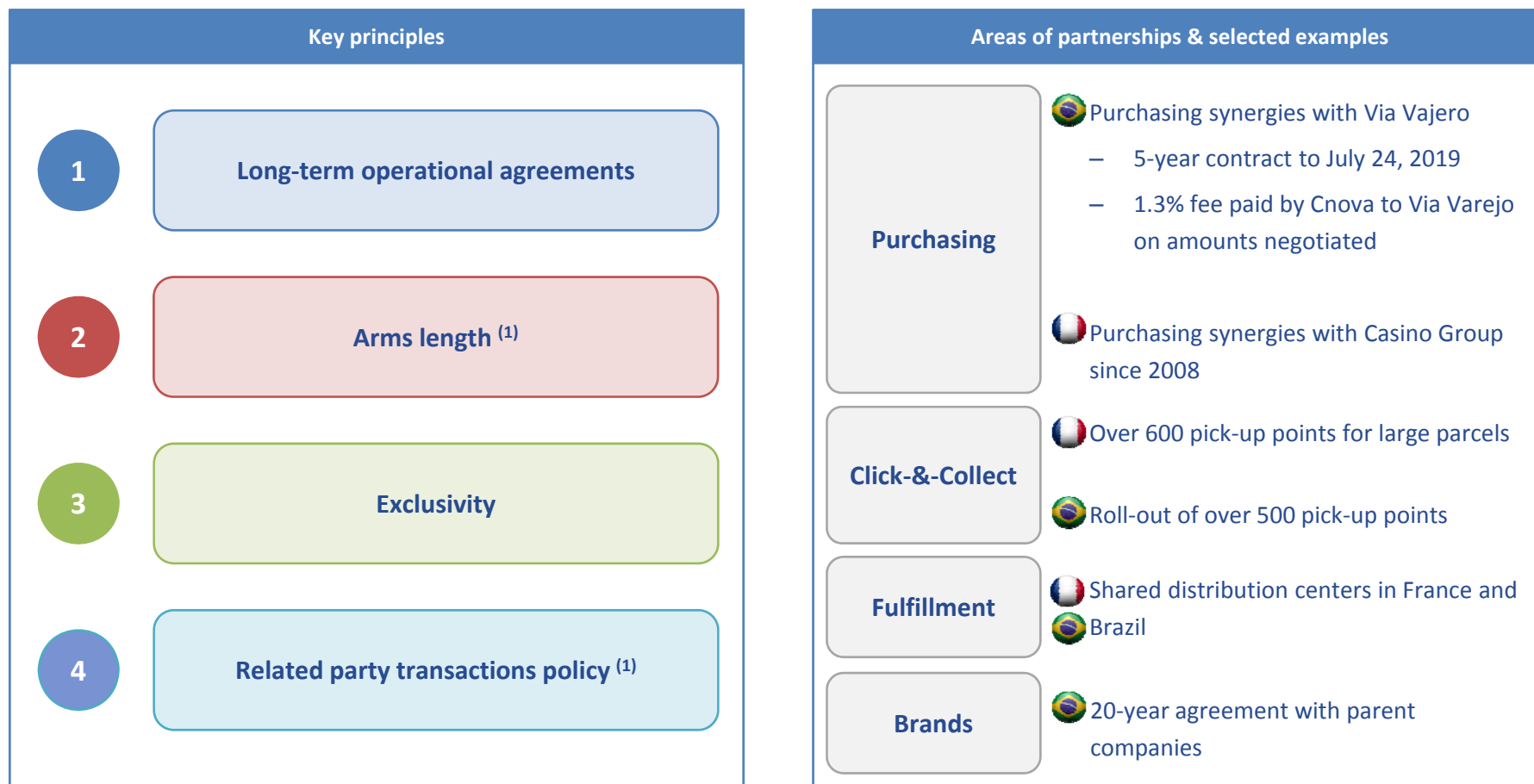
* Customers who made at least one purchase through Cnova's sites during 2014

** As of 31 December 2014

Cnova's Business Model



Long-term Partnerships with Parents Cos.



Notes

1. Cnova will adapt policy for related party transactions to be on arm's length terms

Specialty Websites

Specialty websites

- ✓ Premium brands
- ✓ Premium customers
- ✓ Advice & editorial content



Cdiscount

- ✓ Low cost and low price model
- ✓ Broad product offerings

Health & Beauty August 2010



COMPTOIR SANTÉ

Apparel February 2013



MenShowroom.com

Home Decor January 2013



MonCornerDéco

DIY December 2014



MON CORNER
BRICO

Baby Products December 2014



Mon corner baby

Men's Fashion May 2015



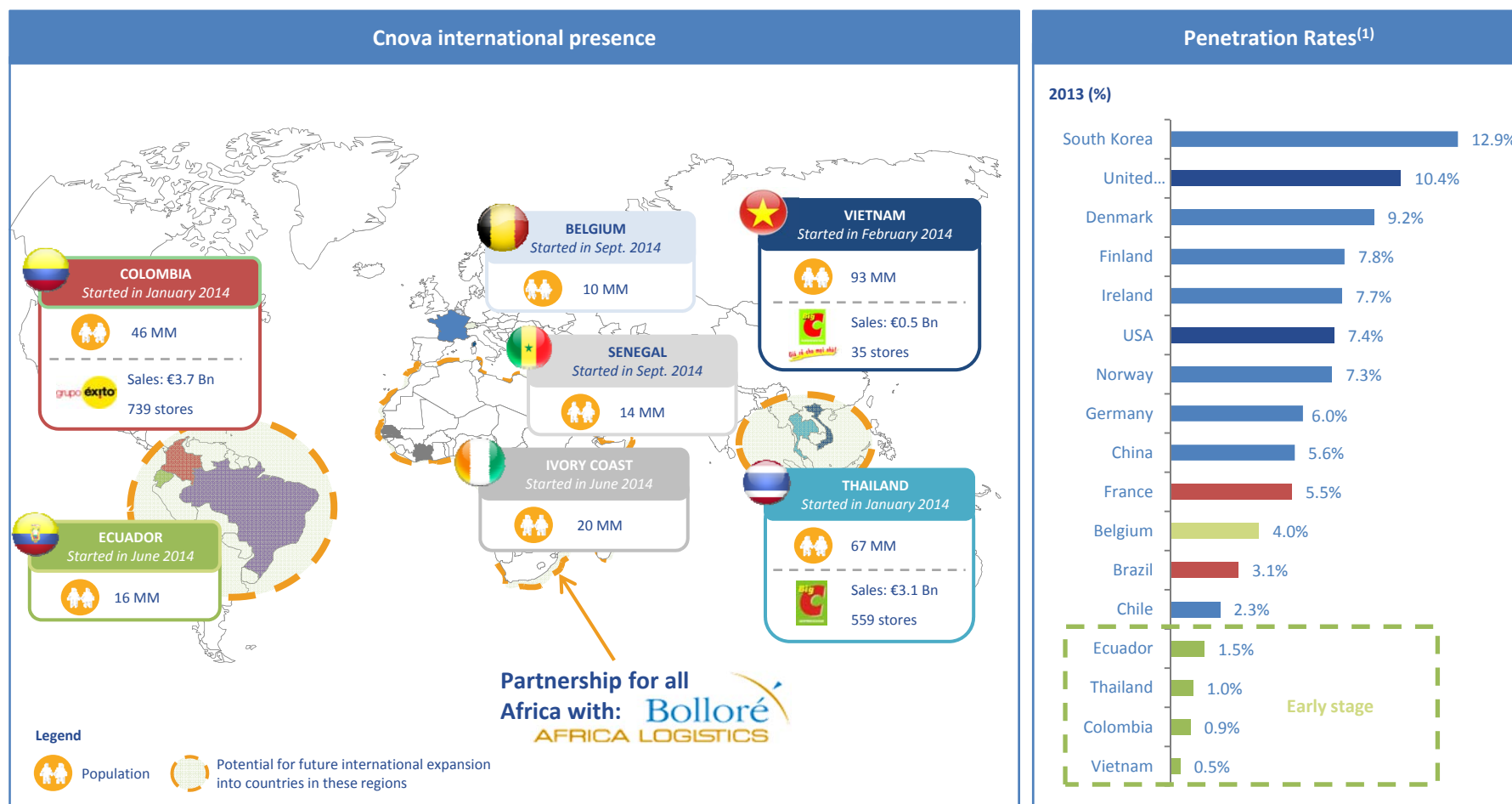
CORNER HOMME

Perfume / Makeup July 2015



COMPTOIR PARFUMS

International Expansion



Since January 2014, Cnova has doubled its addressable markets to reach c. 530MM people

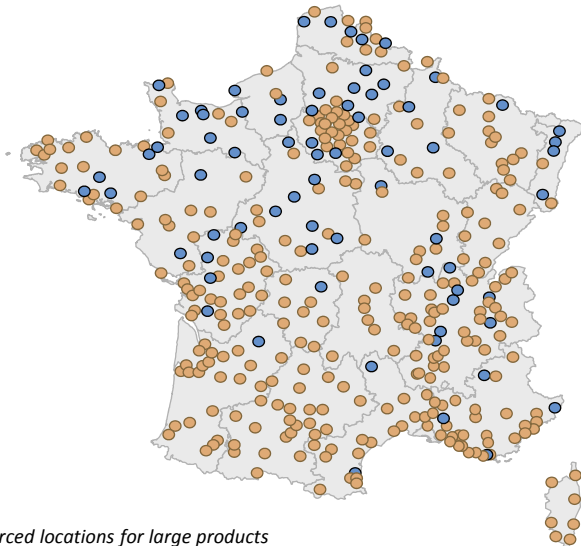
Source: IDC, Global Insight, Euromonitor
Notes

1. eCommerce market as % of total retail market, consumer goods (excl. services), 2013

Click-&-Collect



Strong advantage over competition in France



- Outsourced locations for large products
- Group Casino locations for large products

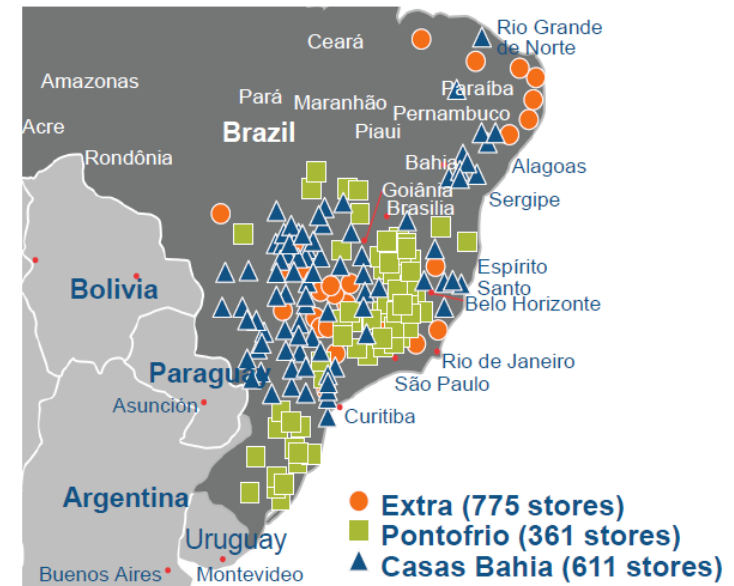
- Extensive network of pick-up points (c. 700 for large goods, c. 19,000 for smaller parcels)
- 60% - 70% of Net Sales delivered through Click-and-Collect
- Triple advantage for customers: faster, free of charge⁽¹⁾ and convenient
- Approx. 40% cost saving realised compared to home delivery for Cdiscount

Notes

1. For orders above € 25



Potential for Click & Collect in Brazil



- Roll-out planned in Brazil
 - Roll-out of more than 700 pick-up points
 - Reduced the cost of shipping an order from an average of R\$10 to R\$5 (in São Paulo)

G. Christopher Welton

christopher.welton@cnovagroup.com

+33 1 53 70 55 65