

Sao Paulo, June 28th, 2011

PRESS RELEASE

GAMA has submitted to Carrefour and CBD a proposal for a strategic partnership in Brazil

- On June 27th, 2011 GAMA¹ submitted to Carrefour and CBD a proposal for a strategic partnership in Brazil.
- Gama is wholly-owned by an investment fund managed by BTG Pactual, to be capitalized by the Brazilian National Development Bank (BNDES) via its subsidiary BNDSPAR.
- This project contemplates a merger of Carrefour's Brazilian assets with those of CBD² (Grupo Pão de Açúcar) in an equally-owned joint venture, with Gama becoming a reference shareholder in Carrefour.
- Gama, which will be re-named Novo Pão de Açúcar, will become the leading retailer in Brazil and the largest shareholder of France's Carrefour, the second largest player in the retail market.

Gama has submitted to Carrefour and CBD a proposal to form a strategic partnership that would create the largest player in the Brazilian retail industry, combining the assets of Carrefour and those of CBD in an equally-owned company. As part of this transaction, Gama would become a reference shareholder of Carrefour.

Gama is wholly-owned by an investment fund managed by BTG Pactual, one of Brazil's leading financial groups, and will be capitalized by the Brazilian National Development Bank (BNDES). Gama has indicated that it will benefit from a capital injection from BNDES and BTG Pactual of €2bn and debt financing for €500m.

This proposal will be submitted for final approval by the Board of BNDES, following the favourable opinion already issued by BNDES's Technical Committee.

This transaction, if it were to be completed, would lead to the creation of the largest player in the retail industry in Brazil, the world's third biggest market in terms of food spending, with estimated combined 2011 pro-forma turnover in excess of €30bn. The new Brazilian group will have 2,386 stores situated in all regions of Brazil. The combination of the two groups in Brazil will permit the capture of important synergies, expected to total 700 million euros per year.

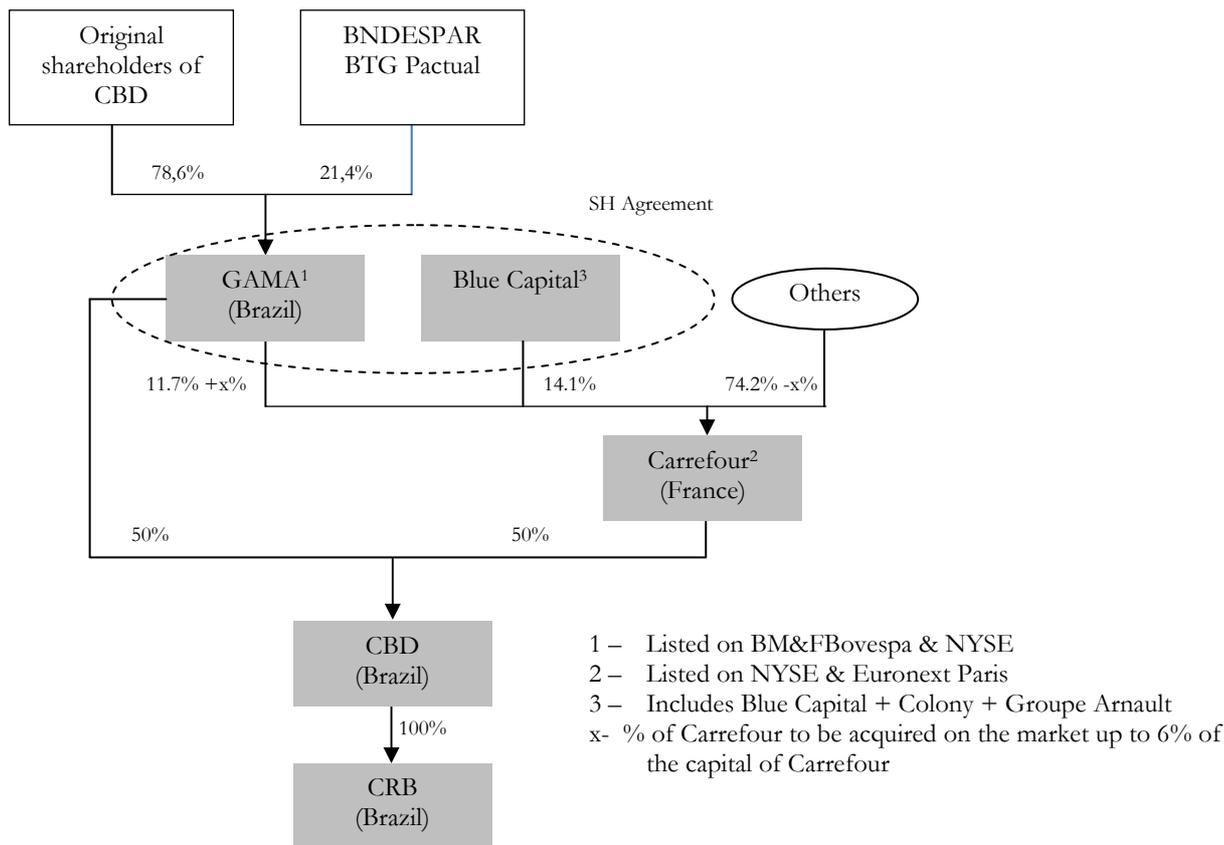
¹ *Gama 2 SPE Empreendimentos e Participações S/A*

² CBD : Companhia Brasileira de Distribuição, Grupo Pão de Açúcar

The proposed transaction notably contemplates the following steps:

- The merger of CBD and Gama will be submitted for approval by the shareholders thereof, the shareholders of CBD will receive, in consideration for their shares, ordinary shares of Gama; in this context, the ordinary and preferred shares of CBD will be exchanged for ordinary shares of Gama, at a ratio of 0.95 ordinary share per preferred share and a ratio of 1:1 for the ordinary shares; this ratio results in a value for CBD of R\$17.1 billion, or the equivalent of R\$ 66.00 per preferred share; CBD will have, prior to the merger, received a cash injection of 1.5 billion euros by way of a capital increase subscribed by Gama;
- The ordinary shares of Gama will be listed on the Brazilian stock exchange (BM&FBOVESPA) and listed in the form of ADRs on the NYSE;
- The merger of the Brazilian activities of Carrefour and CBD by way of a share merger between CBD and the Brazilian subsidiary of Carrefour pursuant to which CBD will hold all of the share capital of the Brazilian subsidiary of Carrefour;
- Gama would contribute to Carrefour shares of CBD in order to re-balance the interests of Gama and Carrefour in CBD at 50-50. In consideration for this contribution, Carrefour would issue to Gama 90 million preferred shares of Carrefour, representing approximately 11.7% of Carrefour's share capital post-issuance of the new shares;
- Following completion of the transaction, Gama could acquire additional Carrefour shares on the open market representing up to 6% of Carrefour's share capital;
- Gama would enter into a shareholders' agreement and act in concert with Blue Capital SARL, Colony Blue Investor SARL, and Groupe Arnault SAS, which today jointly hold 14.1% of Carrefour's share capital and 20.2% of voting rights, limiting their joint holding to a maximum of 30% of Carrefour's shares and voting rights (including Preferred Shares).

Following these steps, the group structure would be as follows :



The Preferred Shares issued by Carrefour as consideration for the CBD shares would have the same economic rights as the ordinary shares. The voting rights of the Preferred Shares would be adjusted so that the voting rights attached to the combined holding of Gama and Blue Capital in Carrefour would remain below 30%.

In addition, the Preferred Shares will permit Gama to benefit from certain governance rights: representation rights on Carrefour’s Board of Directors with two Board seats, including the Vice Chairmanship, upon completion of the transaction, and three seats after the 2013 general shareholders’ meeting approving the 2012 financial statements. Gama would hold the Chairmanship of the Strategic Committee and would also be represented on all other Board committees.

The bylaws of Gama, which will reflect best corporate governance practices, will include the following provisions:

- A limitation of 15% on the number of votes exercisable by any shareholder (as permitted by article 110, Section 1, of the Brazilian law No. 6.404/76), independent of the percentage of capital held by each shareholder;
- The right for each shareholder of Gama to benefit from a mandatory public offer in the event of a change of control of Gama; and
- The obligation for any shareholder holding more than 39% of the shares of Gama to launch a public offer for 100% of the shares of the company.

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