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PRESS RELEASE

Paris/Luxembourg – December 4, 2017. Picard Bondco S.A., the parent company of the Picard group, provides today updated financial and operating information to the holders of Picard Groupe S.A.S.'s outstanding senior secured notes due 2019, Picard Bondco S.A.'s outstanding 7.750% senior notes due 2020 and Picard PIKco S.A.'s outstanding 11% PIK notes due 2020, as follows:

Recent Developments

Based on unaudited accounting records and preliminary management reporting, we estimate that for the month of October 2017, our sales remained stable as compared to the month of October 2016. Against a backdrop of a negative calendar effect (one Saturday less in October 2017 as compared to October 2016), our like-for-like sales in France slightly decreased. Our EBITDA also decreased moderately over the corresponding period, primarily due to our slightly lower French like-for-like sales and the impact of our discounting and promotional campaigns in October 2017 in connection with the launch of our "*Picard et moi*" loyalty program on October 16, 2017. Such promotional campaign included discounts of up to 30% on certain SKUs. Since its launch, our loyalty program has grown rapidly with 2.2 million customers having joined the program as of November 27, 2017, 26% of which have migrated from our prior CRM Program. Building an effective and comprehensive customer loyalty program is a key aspect of our future growth strategy.

Other Financial Data

	As of and for the year ended March 31,			As of and for the six months ended September 30,		As of and for the twelve months ended September 30,
	2015	2016	2017	2016	2017	2017
	(€ in millions, except ratios and percentages)					
Other information[1]						
Gross profit margin[2]	43.8%	43.8%	43.9%	44.3%	44.3%	43.9%
EBITDA[3]	181.9	191.6	201.3	66.8	63.5	198.0
EBITDA margin[4]	13.3%	14.0%	14.4%	11.5%	10.5%	14.0%
Adjusted EBITDA[5]						206.1
Net debt[6]	1,172.6	1,131.0	1,088.3	1,161.1	1,114.6	1,114.6
Adjusted net debt[7]						1,080.4
Adjusted net debt/Adjusted EBITDA						5.2x

(1) Unaudited except for gross profit margin as at March 31, 2015, 2016 and 2017.
(2) Gross profit margin is gross profit divided by sales of goods.
(3) EBITDA represents operating profit before depreciation, amortization and provisions allowances. EBITDA is not a measurement of performance under IFRS-EU, and you should not consider EBITDA as an alternative to operating profit or net income or any other performance measure derived in accordance with IFRS-EU.

We believe that EBITDA is a useful indicator of our ability to incur and service our indebtedness and can assist securities analysts, investors and other parties in evaluating the Picard Group. EBITDA and similar measures are used by different companies for differing purposes and are often calculated differently. You should exercise caution in comparing EBITDA and similar measures as presented by us to those presented by other companies. EBITDA as presented here differs from the definition of "Consolidated EBITDA" contained in our indentures.

The reconciliation of our operating profit to EBITDA is as follows:

	Year ended March 31,			For the twelve months ended September 30,
	2015	2016	2017	2017
	(€ in millions)			
Operating profit	147.9	156.8	167.4	162.1
Depreciation, amortization and provisions allowances	34.0	34.8	33.9	35.9
EBITDA	**181.9**	**191.6**	**201.3**	**198.0**

(4) EBITDA margin is EBITDA divided by sales of goods.

(5) Adjusted EBITDA represents EBITDA adjusted for various items that management considers to be non-operational and/or non-recurring in nature and includes both income and expense items, including (a) the payment of management fees, (b) the payment of non-capitalized refinancing fees, (c) provisions for restructuring plans in Sweden, (d) social security charges back-payments and related penalties, (e) losses of the six stores located in Sweden that we decided to close, (f) receipt of an indemnity from a logistics supplier, (g) receipt of a store eviction indemnity, (h) a capital gain on warehouse disposal and (i) savings on rental payments relating to prior periods but realized during the twelve months ended September 30, 2017. The adjustments to EBITDA presented herein are for informational purposes only. This information is prepared on the basis of certain assumptions as further described below but such assumptions do not take into account all conceivable variables and are therefore inherently subject to risks and uncertainties and they may not give an accurate or complete picture of our financial condition or results of operations, may not be comparable to our consolidated financial statements or the other financial information included herein and undue reliance should not be placed upon them when evaluating an investment decision. See "*Presentation of financial and other information*". The following table sets forth a reconciliation of EBITDA to Adjusted EBITDA, for the twelve months ended September 30, 2017. Adjusted EBITDA is not a measurement of performance under IFRS-EU, and you should not consider Adjusted EBITDA as an alternative to operating profit or net income or any other performance measure derived in accordance with IFRS-EU. We believe that Adjusted EBITDA is a useful indicator of our ability to incur and service our indebtedness and can assist securities analysts, investors and other parties in evaluating the Picard Group. Adjusted EBITDA and similar measures are used by different companies for differing purposes and are often calculated differently. You should exercise caution in comparing Adjusted EBITDA and similar measures as presented by us to those presented by other companies. Adjusted EBITDA as presented here differs from the definition of "Consolidated EBITDA" contained in our indentures.

	For the twelve months ended September 30,
	2017
	(€ in millions)
EBITDA	**198.0**
Management fees[(a)]	2.6
Non-capitalized refinancing fees[(b)]	0.8
Restructuring provision in Sweden[(c)]	1.3
URSSAF back-payments and penalties[(d)]	4.1
Loss-making stores in Sweden[(e)]	1.0
Logistics supplier indemnity[(f)]	(0.3)
Store eviction indemnity[(g)]	(0.5)
Capital gain on warehouse disposal[(h)]	(0.4)
Out-of-period rent savings[(i)]	(0.5)
Adjusted EBITDA	**206.1**

(a) Management fees represents annual fees paid by the Group to its shareholders for strategic, marketing, operation, procurement and other advice.

(b) Non-capitalized refinancing fees represents non-capitalized third-party advisory fees recorded as operating expenses in connection with an abandoned refinancing project.

(c) Restructuring provisions in Sweden represents provisions for costs incurred or expected to be incurred in connection with our restructuring plans in Sweden. Such restructuring costs relate to asset impairment charges and other exceptional items associated with the closure of a loss-making store in January 2017 and of six loss-making stores to be closed in the coming months, including early lease termination payments, severance indemnities for employees and costs associated with the dismantling of stores.

(d) URSSAF back-payments and penalties represents a provision recorded following an URSSAF audit relating to social security contributions paid during calendar years 2014 to 2016. The full amount of the reassessment is €4.6 million, corresponding to allegedly underpaid social security contributions of €4.3 million and estimated late payment penalties of €0.3 million. The adjustment of €4.1 million is the portion of the €4.6 million attributable to prior periods (from January 1, 2014 to September 30, 2016). A significant portion of the URSSAF reassessment stems from the alleged erroneous calculation of social security contributions on lower wages, which are subject to a formula-based reduction (the "*allègements Fillon*"). If the URSSAF administration maintains its claim, we intend to challenge the reassessment before the relevant French courts. However, as is customary in URSSAF proceedings, we may be required to make a payment for the full amount of the reassessment before being able to challenge the decision of the URSSAF administration. Therefore, we recorded a provision for the full amount in our financial statements as of September 30, 2017.

(e) Loss-making stores in Sweden represents the operating losses of six stores located in Sweden, during the twelve-month period ended September 30, 2017, for which a restructuring provision has been recorded, as described above in (c). The relevant loss-making stores will be closed in the near future but the decision to close these stores was made during the three-month period ended September 30, 2017.

(f) Logistics supplier indemnity represents a one-off indemnity payment received from one of our logistics suppliers.

(g) Store eviction indemnity represents the indemnity received from a landlord for the closure and relocation of one of our stores. Because this indemnity was received outside in the ordinary course of business, we are adjusting EBITDA for the full amount of income generated.

(h) Capital gain on warehouse disposal represents a one-off capital gain realized in connection with the sale of an unused warehouse. Because the sale of this asset occurred outside in the ordinary course of business, we are adjusting EBITDA for the full amount of income generated, net of the book value of such asset.

(i) Out-of-period rent savings represents savings on rent recorded during the twelve months ended September 30, 2017 relating to reimbursement of rental payments received during the twelve months ended September 30, 2017 that relate to prior periods. In France, commercial leases provide for a periodic rent renegotiation based on the fluctuations in certain reference indices. The adjustment relates to savings on rental payments made prior to October 1, 2016, which were successfully renegotiated and reimbursed during the twelve-month period ended September 30, 2017.

(6) Net debt as of September 30, 2017 is total debt, consisting of the outstanding aggregate principal amount of the Existing Senior Secured Notes (with a carrying value under IFRS of €766.2 million), finance leases (amounting to €0.8 million), bank guarantees (amounting to €2.4 million) and the outstanding aggregate principal amount of the Existing Senior Notes (with a carrying value under IFRS of €424.3 million), *minus* cash and cash equivalents.

(7) Adjusted net debt as of September 30, 2017 is net debt minus the difference between (i) net working capital and (ii) average net working capital, each as of September 30, 2017. Net working capital is defined as inventories plus trade and other receivables minus the absolute value of trade and other payables, as reported in our consolidated statements of financial position as of the end of the relevant periods. Our net working capital is typically negative (i.e., the absolute value of trade and other payables is typically higher than the sum of inventories and trade and other receivables). Average net working capital as of September 30, 2017 is calculated as the average of the net working capital as of the end of each of the last four fiscal quarters ended September 30, 2017 (€196.3 million, €101.4 million, €88.3 million and €83.1 million). Due to the seasonality of the business, net working capital and cash and cash equivalents vary during the year. Generally, net working capital at the end of September is less favorable (i.e., less negative) than the average level of net working capital and cash balances are lower at the end of September than the average of our cash balances as of the end of the last four fiscal quarters. We present adjusted net debt as an approximation of our net debt adjusted to account for seasonal differences in cash and cash equivalents.

Other Operating Data

	As of and for the year ended March 31,			As of and for the twelve months ended September 30,
	2015	2016	2017	2017
Directly-operated French stores (end of period)	930	947	967	971
Net new store openings (France)	14	17	20	4
Franchised French stores (end of period)(8)	9	13	18	22
Franchised French store openings	1	4	0	4
Total French stores (end of period)	***939***	***960***	***985***	***993***
Other stores (end of period)(9)	24	34	39	41
Other store openings	10	10	5	2
Total stores (end of period)	**963**	**994**	**1024**	**1034**
France				
French like-for-like sales growth(10)	0.8%	0.4%	0.3%	1.3%
Directly-operated stores trading space (m^2)	221,060	224,912	228,761	229,395
Average basket size (€)(11)	22.4	22.4	22.4	22.5
Total number of tickets (in millions)(12)	60.8	61.9	62.8	63.3

(8) Franchised French stores represent our franchised stores in mainland France, Corsica, La Réunion and the French West Indies.
(9) Other stores represent our directly-operated stores in Belgium, Luxembourg and Sweden and franchised stores in Japan and Switzerland (but does not include "corners"). Our Swedish stores are owned by our 75% owned subsidiary, Picard Sweden AB, the remaining 25% of which is owned by our Swedish partner.
(10) Like-for-like sales growth represents the change in sales from our directly-operated stores in France that have been open for more than 12 months. For the purpose of like-for-like calculations, a store will be included (i) on the first day of the twelfth month following its opening date if it was opened between the first and the fifteenth day of any given month, and (ii) on the first day on the thirteenth month following its opening date in all other cases.
(11) Average basket size means the average euro value per transaction in our directly-operated stores.
(12) Total number of tickets means the number of sales transactions that take place in a given period. Total number of tickets only includes tickets from directly-operated stores.

Social Security Contributions Dispute (*Unions de Recouvrement des Cotisations de Sécurité Sociale et d'Allocations Familiales, "URSSAF"*)

On December 1, 2017, we were notified that the URSSAF has initiated an audit on Picard Groupe S.A.S. in respect of social security contributions. The URSSAF verifications will begin in January 2018. At this stage, we cannot evaluate the impact, if any, a reassessment may have on our business, our financial condition and our results of operations.

Presentation of financial and other information

Adjusted EBITDA, which is a non-IFRS measure that represents EBITDA for the twelve months ended September 30, 2017, adjusted for various items that management considers to be non-operational and/or nonrecurring in nature and includes both income and expense items as further described in footnote 6 under "Summary historical financial information and other data—Other financial data". The adjustments to EBITDA exclude (a) the payment of management fees, (b) the payment of non-capitalized refinancing fees, (c) provisions for restructuring plans in Sweden, (d) social security charges back-payments and related penalties, (e) operating losses of stores we decided to close in Sweden, (f) receipt of an indemnity from a logistics supplier, (g) the receipt of a store eviction indemnity, (h) a capital gain on warehouse disposal and (i) cost savings on rental payments relating to prior periods but realized during the twelve months ended September 30, 2017.

The adjustments to EBITDA and Adjusted EBITDA presented herein are for informational purposes only. This information is prepared on the basis of certain assumptions but such assumptions do not take into account all conceivable variables and are therefore inherently subject to risks and uncertainties and they may not give an accurate or complete picture of our financial condition or results of operations, may not be comparable to our consolidated financial statements or the other financial information included herein and undue reliance should not be placed upon them when evaluating an investment decision.

Neither EBITDA nor Adjusted EBITDA is a measurement of performance under IFRS and you should not consider EBITDA or Adjusted EBITDA as an alternative to operating profit or consolidated income, as a measure of our operating performance, cash flows from operating, investing and financing activities, as a measure of our ability to meet our cash needs or any other measures of performance under generally accepted accounting principles. We believe that EBITDA and Adjusted EBITDA are useful indicators of our ability to incur and service our indebtedness and can assist securities analysts, investors and other parties to evaluate us. EBITDA, Adjusted EBITDA and similar measures are used by different companies for different purposes and are often calculated in ways that reflect the circumstances of those companies. EBITDA and Adjusted EBITDA may not be indicative of our historical operating results, nor are they meant to be predictive of future results.

This press release may include forward looking statements. These forward looking statements can be identified by the use of forward looking terminology, including the terms as "believe", "expect", "anticipate", "may", "assume", "plan", "intend", "will", "should", "estimate", "risk" and or, in each case, their negative, or other variations or comparable terminology. These forward looking statements include all matters that are not historical facts and include statements regarding the Issuer's or any of its affiliates' intentions, beliefs or current expectations concerning, among other things, the Issuer's or any of its affiliates' results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which they operate. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward looking statements are not guarantees of future performance and that the Issuer's or any of its affiliates' actual results of operations, financial condition and liquidity, and the development of the industries in which they operate may differ materially from those made in or suggested by the forward looking statements contained in this press release. In addition, even if the Issuer's or any of its affiliates' results of operations, financial condition and liquidity, and the development of the industries in which they operate are consistent with the forward looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods.