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*This press release does not constitute or form a part of an offer of or solicitation to purchase securities in the United States of America or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S ("Regulation S") under the US Securities Act of 1933, as amended (the "Securities Act"). The securities mentioned herein have not been, and will not be, registered under the Securities Act and may not be offered or sold in the United States of America or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds (as defined below) will be offered and sold only to non-U.S. persons in offshore transactions (as defined in Regulation S), in accordance with Regulation S. Carrefour does not intend to register any portion of the proposed offering in the United States of America and no public offering will be made in the United States of America. The Bonds may not be offered or sold or otherwise made available to retail investors. No key information document under PRIIPS Regulation has been and will be prepared.*



**Press release**

Boulogne-Billancourt, March 22, 2018

## **Carrefour launches an offering of US\$500 million non-dilutive cash settled convertible bonds**

Carrefour announces the launch of a US\$500 million offering of non-dilutive cash settled convertible bonds with a maturity of 6 years due 2024 (the "**Bonds**") to institutional investors.

The Bonds offer investors exposure to the performance of Carrefour ordinary shares (the "**Ordinary Shares**"). Investors will have conversion rights in respect of the Bonds which will be settled in cash by reference to the share price of Ordinary Shares. The issue and conversion of the Bonds will not result in the issuance of any new shares of Carrefour nor will Carrefour or any of its affiliates be required to deliver existing shares upon exercise of this conversion right or upon redemption at maturity of the Bonds. Given that new shares will not be issued, the issue of the Bonds will not have a dilutive effect on the Ordinary Shares.

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Concurrently with the issuance of the Bonds, an affiliate of Carrefour will purchase cash settled call options on the Ordinary Shares (the "**Call Options**") to hedge the economic exposure of Carrefour to pay cash amounts under the Bonds upon any exercise of conversion rights by investors.

The Bonds will not bear interest (zero-coupon). The Bonds will be issued at an issue price ranging between 96.75 % and 98.00 % of their nominal value on March 27, 2018, the expected settlement-delivery date of the Bonds, and redeemed at par on March 27, 2024. The nominal value of each Bond will be US\$200,000.

The initial conversion price (the "**Initial Conversion Price**") will represent a conversion premium of 20% over the share reference price. The share reference price (the "**Share Reference Price**") will be determined as the arithmetic average of Carrefour's daily volume-weighted average Ordinary Share price in euros on the regulated market of Euronext in Paris over the 10 consecutive trading days from March 23, 2018 (inclusive) to April 9, 2018 (the "**Reference Share Price Period**"). The initial conversion ratio of the Bonds will be determined on April 9, 2018, and will correspond to the nominal value per Bond converted in euros and divided by the Initial Conversion Price (the "**Initial Conversion Ratio**").

The final terms of the Bonds are expected to be announced later today, except for the Share Reference Price, the Initial Conversion Price and the Initial Conversion Ratio which will be announced by Carrefour on or around April 9, 2018.

The net proceeds of the issue of the Bonds will be used for general corporate purposes and for the purchase of the Call Options.

After the determination of the final terms of the Bonds (other than the Share Reference Price, the Initial Conversion Price and the Initial Conversion Ratio) it is anticipated that the hedge counterparties to the Call Options will enter into transactions to hedge their respective positions under the Call Options through the sale, purchase of Carrefour shares or any other transactions, on the market and off-market, at any time, and in particular during the Reference Share Price Period and at or around the conversion or redemption of the Bonds.

In the context of the offering, Carrefour will agree to a lock-up undertaking in relation to its shares and equity-linked securities for a period ending 90 calendar days after the settlement and delivery date, subject to certain exceptions.

The Bonds will be offered via an accelerated book building process through a private placement to institutional investors only or otherwise not entailing a public offering, outside the United States of America, Australia, Canada, Japan and South Africa. No prospectus, offering circular or similar document will be prepared in connection with the offering.

Carrefour intends to apply for the Bonds to be admitted to trading on Euronext Access<sup>TM</sup> (previously Open Market (*marché libre*) of Euronext in Paris).

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This press release does not constitute a subscription offer of the Bonds and the offering of the Bonds does not constitute an offer to the public in any country, including in France.

## **DISCLAIMER**

### **Available information**

The issue of the Bonds was not subject to a prospectus approved by the French Financial Market Authority (*Autorité des marchés financiers*) (the “**AMF**”).

Detailed information on Carrefour, including its Ordinary Shares, business, results, prospects and related risk factors are described in Carrefour’s registration document, the French version of which was filed with the AMF on April 25, 2017 under number D.17-0425 (the “**Reference Document**”) as supplemented by its 2017 consolidated financial statements and the related 2017 managers’ discussion & analysis published on 28 February 2018 (the “**2017 Financial Statements**”). The Reference Document and the 2017 Financial Statements are available together with all the press releases and other regulated information about Carrefour on Carrefour’s website ([www.carrefour.com](http://www.carrefour.com)).

### **Important information**

This press release may not be published, distributed or released directly or indirectly in the United States of America, Australia, Canada, South Africa or Japan. The distribution of this press release may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes, should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No communication or information relating to the offering may be transmitted to the public in a country where there is a registration obligation or where an approval is required. No action has been or will be taken in any country in which such registration or approval would be required. The issuance or the subscription of the Bonds may be subject to legal and regulatory restrictions in certain jurisdictions; none of Carrefour and the Joint Bookrunners assumes any liability in connection with the breach by any person of such restrictions.

This press release is an advertisement and not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4, 2003 as amended (the “**Prospectus Directive**”).

The Bonds will be offered only by way of a private placement in France to persons referred to in Article L.411-2-II of the French monetary and financial code (*Code monétaire et financier*) and outside France (excluding the United States of America, Australia, Canada, South Africa and Japan), and there will be no public offering in any country (including France). This press release does not constitute a recommendation concerning the issue of the Bonds. The value of the Bonds and the Shares can decrease

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as well as increase. Potential investors should consult a professional adviser as to the suitability of the Bonds for the person concerned.

#### **Prohibition of sales to European Economic Area retail investors**

No action has been undertaken or will be undertaken to make available any Bonds to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
  - (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and
- (b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds.

Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

#### **France**

The Bonds have not been and will not be offered or sold or cause to be offered or sold, directly or indirectly, to the public in France. Any offer or sale of the Bonds and distribution of any offering material relating to the Bonds have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), other than individuals, acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D. 411-1 of the French monetary and financial Code (*Code monétaire et financier*).

#### **United Kingdom**

This press release is addressed and directed only (i) to persons located outside the United Kingdom, (ii) to investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), (iii) to people designated by Article 49(2) (a) to (d) of the Order or (iv) to any other person to whom this press release could be addressed pursuant to applicable law (the persons mentioned in paragraphs (i), (ii), (iii) and (iv) all deemed relevant persons ("**Relevant Persons**"). The Bonds are intended only for Relevant Persons and any invitation, offer of contract related to the subscription, tender, or acquisition of the Bonds may be addressed and/or concluded only with Relevant Persons. All persons other than Relevant Persons must abstain from using or relying on this document and all information contained therein.

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This press release is not a prospectus which has been approved by the Financial Conduct Authority or any other United Kingdom regulatory authority for the purposes of Section 85 of the Financial Services and Markets Act 2000.

#### **United States of America**

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#### **Australia, Canada, South Africa and Japan**

The Bonds may not and will not be offered, sold or purchased in Australia, Canada, South Africa or Japan. The information contained in this press release does not constitute an offer of securities for sale in Australia, Canada, South Africa or Japan.

The distribution of this press release in certain countries may constitute a breach of applicable law.

The Joint Bookrunners are acting exclusively on behalf of Carrefour and no-one else in connection with the offering. They will not regard any other person as their respective client in relation to the offering and will not be responsible to anyone other than Carrefour for providing the same protections as to any of their clients or to provide advice in connection with the offering, the Bonds, the contents of this press release or any other transaction, arrangement or other matter described in this press release.

In connection with the offering, the Joint Bookrunners and any of their respective affiliates, may take up a portion of the Bonds as a principal position and in that capacity may subscribe for, acquire, retain, purchase, sell, offer, offer to sell or negotiate for their own account such Bonds and other securities of Carrefour or related investments in connection with the offering, the Bonds, Carrefour or otherwise.

Accordingly, references to securities issued, offered, subscribed, acquired, placed or dealt should be read as including any issue, offer, subscription, acquisition, placement, dealing or negotiation made by the Joint Bookrunners and any of their affiliates acting as investors for their own account. The Joint Bookrunners do not intend to disclose the extent of any such above mentioned investments or transactions otherwise than in accordance with any applicable legal or regulatory requirements.

None of the Joint Bookrunners or any of their respective affiliates accept any responsibility whatsoever which could result from the use of this press release with respect to its inaccuracy or completeness.

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**MIFID II – Target Market: Professional Investors and Eligible Counterparties only**

Classification of the non-dilutive cash settled convertible bonds for the purposes of MIFID II: professional investors and eligible counterparties (“**ECPS**”) (all distribution channels) only.