



Solid H1 2021 performance, driven by France

**Strong increase in net free cash flow: +€203m
Full-year net FCF expected comfortably above €1bn**

Additional €200m share buyback program

- **Sustained commercial activity: +3.6% on a like-for-like basis (LFL) in Q2, on a high comparable base (+6.3% in Q2 2020); LFL in H1: +3.9%**
- **Strong growth in France: +4.7% LFL in Q2, of which +4.3% in hypermarkets, with continuous market share gains in each format⁽¹⁾**
- **Continuous growth in e-commerce: +26% in H1 2021, +120% over two years**
- **Further improvement in profitability: Recurring Operating Income (ROI)⁽²⁾ of €740m in H1, up +11.2% (+€81m) at constant FX⁽³⁾ after +29.1% in H1 2020**
 - France's ROI up +45.1% (+€58m)
- **Further cost-reduction momentum (€430m in H1)**
- **EPS Growth of 34.3% in H1 2021, at €0.42**
- **Strong +€203m improvement in net free cash flow⁽⁴⁾ to €(1,990)m in H1 2021**
- **Carrefour anticipates net free cash flow generation comfortably above €1bn in FY 2021**
- **Additional €200m share buyback program in 2021. Completion of the €500m program at end-July**
- **A Digital Day, presenting the Group's digital strategy, will be held on November 9, 2021**

Alexandre Bompard, Chairman and CEO, declared: "Once again this half, Carrefour has delivered excellent results. This performance reflects both the relevance of our strategic plan and the effectiveness of its execution, thanks to the tremendous commitment of all employees. We continue our steady improvement in customer service and are gaining market share in all our key markets. Our organic growth is strong, while the value-creating acquisitions in recent periods are rapidly integrated. Finally, our new cost savings plan is quickly showing its first effects. While the sanitary and macroeconomic context remains uncertain, the Group is moving forward with great serenity towards achieving its objectives, both for full-year 2021, which will be another record year in terms of cash generation, and for the medium term. Hence, we are complementing the €500m share buyback completed at end-July with an additional €200m program. In addition, in the coming months, we will considerably amplify our digital transformation, whose main strategic drivers will be presented at a Digital Day to be held on November 9 in Paris."

Notes: (1) based on NielsenIQ RMS data; (2) ROI includes income and expenses related to COVID-19 effects. Exceptional bonuses and similar benefits to Group employees in 2020 (€128m, in H1) are accounted for under other non-current income and expenses ; (3) H1 2020 comparable base is restated for the IFRS IC decision on IFRS 16; (4) Net Free Cash Flow corresponds to free cash flow after net finance costs and net lease payments. It includes cash-out of exceptional charges

FIRST-HALF 2021 KEY FIGURES

(in €m)	H1 2020 restated ⁽²⁾	H1 2021	Variation
Sales inc. VAT	38,079	38,319	+3.9% LFL
Recurring operating income (ROI) ⁽¹⁾	726	740	+11.2%, +€81m (at constant FX)
Recurring operating margin	2.1%	2.1%	+3bps (+12bps at constant FX)
Operating income	485	689	+41.9% / +€203m
Net income, Group share	(25)	298	+€323m
Adjusted net income, Group share	250	337	+€87m
Adjusted EPS	0.31	0.42	+34.3%
Net Free Cash Flow	(2,193)	(1,990)	+€203m
Net financial debt (at June 30)	5,218	5,525	+€307m (incl. FX impact)

Notes: (1) ROI includes income and expenses related to COVID-19 effects. Exceptional bonuses and similar benefits to Group employees in 2020 (€128m, in H1) are accounted for under other non-current income and expenses; (2) H1 2020 comparable base is restated for the IFRS IC decision on IFRS 16

SOLID SALES MOMENTUM IN Q2 2021

Group sales increased by +3.6% LFL in Q2. This performance reflects a solid dynamic of market share gains in key countries and the relevance of our multi-format and omnichannel model, as it comes against a high comparable base. While not uniform across countries or formats, activity had grown strongly in Q2 2020 (+6.3% LFL), benefiting notably from the transfer to stores of out-of-home consumption and a wave of strong consumption after the first lockdown.

The sanitary environment was mixed in the second quarter of 2021: Restrictions linked to the pandemic were gradually lifted in most European countries, before the rapid progression of the Delta variant prompted the authorities to reinforce sanitary measures from June. Conversely, the sanitary situation deteriorated in Brazil.

In **France**, Q2 2021 revenue increased +4.7% on a LFL basis (+6.3% LFL in food, -6.5% LFL in non-food). Cumulatively over two years¹, growth reached +5.4%. Market share improved by +0.5 point over the quarter; Carrefour once again outperformed in each of the reference channels: hypermarkets, supermarkets, convenience and Drive².

- Hypermarkets (+4.3% LFL in Q2/+0.8% on a two-year stack) confirmed their good momentum, driven by improved customer satisfaction and operational excellence. Stores are gaining market share not only compared to their benchmark channel (+0.5 point in Q2) but also compared to the overall market
- Supermarkets (+7.0% LFL au T2/+11.4% on a two-year stack) maintained their very good momentum and continued to significantly outperform their benchmark channel
- Convenience (-3.0% LFL in Q2/+8.4% on a two-year stack) also outperformed its benchmark channel. Sales were down given a high comparable base (+11.4% in Q2 2020), as the first lockdown last year had particularly favored this segment

¹ Sum of Q2 2020 LFL and Q2 2021 LFL

² Market shares based on NielsenIQ RMS data for total food and non-food sales for the 13-week period ending 27/06/2021 for Carrefour Hypermarkets vs total Hypermarket banners, Carrefour Supermarkets vs total Supermarket banners, Carrefour Convenience vs total Convenience banners, Carrefour Drive vs total Drive banners in France (Copyright © 2021, NielsenIQ)

- Promocash's activities, while still penalized by restaurant closures over part of the quarter, were up compared to Q2 2020 and accelerated sharply at the end of the quarter after the reopening of bars and restaurants
- The performance in non-food is solid given the increase of +10.7% LFL in Q2 2020. Cumulatively over two years, growth reached +4.2% LFL
- Food e-commerce in France grew again in Q2 2021 (+11%), after growth of +63% in Q2 2020. Carrefour continues to deploy new initiatives; the Group has notably extended its partnership with Deliveroo in France and internationally, and announced the deployment of more than 400 automatic lockers in partnership with Pickup (a subsidiary of La Poste) in France. In addition, Carrefour announces today it has entered into exclusive negotiation to acquire a minority stake in Cajoo, a French pioneer in quick commerce

In **Europe**, like-for-like sales were down -1.9% compared to Q2 2020, but up +2.8% over two years. The trends vary considerably between countries, given very different comparable bases: in Q2 2020, Spain and Belgium had posted strong growth, outperforming markets that had benefited from the transfer of out-of-home catering. In Eastern Europe and Italy, the Group had been penalized by its exposure to stores located in shopping centers, which were temporarily closed.

- In **Spain** (-2.8% LFL/+7.1% on a two-year stack), Carrefour continued to outperform the market this quarter. The solid two-year growth illustrates the improvement in NPS® and price perception, which has continued since the start of the year. Supersol stores, whose acquisition was finalized in March, are gradually being converted to Carrefour banners
- In **Italy** (-3.2% LFL/-10.5% on a two-year stack), Carrefour's relative performance is improving month after month, under the leadership of the new management team, who has set customer satisfaction and operational excellence as priorities. This translates into continuous improvement in NPS® and price perception. LFL growth turned positive in June
- In **Belgium** (-6.7% LFL/+9.2% on a two-year stack), sales were down compared to the exceptionally high level of last year (+15.9% LFL in Q2 2020, the market having notably benefited from the closure of borders). It is still progressing strongly over two years
- In **Poland** (+7.1% LFL/+2.9% on a two-year stack) and in **Romania** (+8.4% LFL/+6.2% on a two-year stack), Carrefour benefited from the gradual lifting of sanitary restrictions, in particular the reopening of shopping centers in May

In **Latin America**, LFL sales increased by +10.5%, and by +31.4% over two years.

- In **Brazil**, sales increased by +10.7% at constant exchange rates in Q2, including LFL growth of +3.4% (+18.3% on a two-year stack), a contribution from openings and acquisitions of +6.5% and a positive petrol effect of +1.4%. The exchange rate was an unfavorable -8.0%. The performance was solid despite the high comparable base and the deterioration in recent months of the economic and sanitary situation, impacting consumers' purchasing power
 - Atacadão's sales were up +19.7% at constant exchange rates in Q2 2021 with like-for-like growth of +10.2% (+18.9% LFL over 2 years) as well as a contribution from openings and the Makro acquisition of +9.5%. In H1, Carrefour completed the conversion of 29 Makro stores twice as fast as planned. The Group thus anticipates run-rate EBITDA breakeven will be reached at these stores by year-end. The fourth consecutive quarter of double-digit LFL growth at Atacadão illustrates the resilience of its model in the current pandemic context, as well as strategic decisions in favor of competitiveness
 - The sales decrease at Carrefour Retail in Q2 (-11.4% LFL/+18.9% on a two-year stack) was mainly linked to non-food, which had grown very strongly in 2020 in the context of COVID-19. Over two years, food and non-food sales posted double-digit growth, driven by the customer loyalty strategy that increases the frequency of visits and loyalty
 - Food e-commerce grew by +16% in the quarter and more than five-fold on a two-year stack

- Financial services continue to grow strongly and returned to their pre-pandemic level of credit production; billings are up +50% in Q2
- In **Argentina** (+45.1% LFL/+99.1% on a two-year stack), Carrefour continued to gain market share, with volumes increasing strongly in a declining market, marked by inflation that remains high

In **Taiwan (Asia)**, Q2 sales were up +20.8% at constant exchange rates, thanks notably to the integration of the Wellcome convenience stores. The stores converted to the Carrefour banner this half strongly outperformed. Like-for-like sales were down -1.4%, impacted by the drop in traffic, particularly in hypermarkets, following the restriction measures put in place as part of the fight against the pandemic.

H1 2021 INCOME STATEMENT¹

H1 2021 gross sales increased by +3.9% on a like-for-like basis. The Group's gross sales stood at €38,256m pre-IAS 29, an increase of +5.2% at constant exchange rates.

Net sales amounted to €34,462m.

Gross margin stood at 21.4% of net sales, down -39bps. This evolution reflects:

- The evolution of the integrated/franchisee mix
- Investments in competitiveness
- The resumption of promotional activity, which had been virtually stopped during the first lockdown in 2020
- The restart of petrol sales, which carry lower margin
- And purchasing gains that partly offset the above-mentioned factors

Distribution costs were down -32bps to 16.3% of net sales, compared to 16.6% in H1 2020. They benefited from cost savings plans and include costs related to new store openings, ongoing conversion of recently acquired stores and new services offered to customers, notably in digital.

Group **Recurring operating income** (ROI) reached €740m, up +€81m (+11.2%) at constant exchange rates (the currency effect was negative at -€67m, notably due to the depreciation of the Brazilian Real). Operating margin was stable (+3bps) at 2.1%.

The strong improvement in H1 reflected:

- The increase in profitability of retail activities, despite the resumption of promotional and marketing activity
- The improvement in the contribution of financial services, other services (travel, ticketing, etc.) and sales to professionals (HoReCa) in Europe (including France). Financial services benefit from good control over the cost of risk, while other activities resumed gradually during the second quarter with the easing of sanitary constraints
- These items were, as expected, partly offset by a negative impact of around -€31m linked to the consolidation of recently acquired perimeters (Makro, Bio c 'Bon, Supersol, Wellcome) under conversion to Carrefour banners in H1
- In **France**, ROI was up a strong +45.1% (+€58m) to €187m. Operating margin increased by +32bps to 1.1%. This evolution reflects the excellent dynamics of distribution activities, combined with good cost reduction dynamics
- In **Europe** (excluding France), ROI increased by +13.0% (+€25m) to €225m. Operating margin improved by +27bps to 2.2%, driven in particular by Spain

¹ H1 2020 comparable base is restated for the IFRS IC decision on IFRS 16

- In **Latin America**, ROI reached €309m; it was broadly stable (-0.8%) at constant exchange rates, after a strong +27.5% increase in H1 2020. Operating margin in H1 2021 was down -76bps to 5.0%. The impact of the application of IAS 29 is -€10m
 - In Brazil, ROI decreased by -€20m at constant exchange rates due to the drop in non-food, on a high comparable base. The Group kept investing in competitiveness in a deteriorated economic and sanitary environment
 - In Argentina, ROI continued to improve noticeably thanks to excellent commercial dynamics and a constant attention to costs
- In Taiwan (**Asia**), ROI in the half stood at €47m vs €49m in H1 2020

Non-recurring income and expenses stood at €(41)m, vs €(239)m in H1 2020. It notably includes:

- The capital gain on the sale of 60% of **Market Pay** for c.€230m
- The capital gain following a contribution of real estate assets in Brazil (Pinheiros project) for €81m
- Provisions, within the framework of organizational **transformation** projects, for c.€(260)m

Net income, Group share stood at €298m vs €(25)m in H1 2020. It includes the following items:

- **Net financial expenses** of €(132)m, an improvement of €53m compared to H1 2020 following refinancing operations carried out under more favorable conditions. They also include a positive impact of +€16m from the application of IAS 29.
- An **income tax charge** down to €(187)m vs €(237)m the previous year, linked to the decrease in the CVAE rate in France and the depreciation of the Brazilian Real over the period. At the same time, the normative tax rate improved to 30.6%¹ vs. 32.1% in H1 2020, reflecting in particular the evolution of the geographic mix and the drop in the Corporate tax rate in France
- **Net income from discontinued operations**, Group share of €23m vs €3m in H1 2020

Adjusted net income, Group share improved by +34.7% (+€87m), to €337m compared to €250m in H1 2020.

Adjusted EPS improved by +34.3% to €0.42 vs €0.31 H1 2020.

¹ Excluding non-current income and taxes not assessed on pre-tax income

CASH FLOW AND DEBT¹

In H1 2021, the Group posted an improvement of +€203m in its **net free cash flow²** from €(2,193)m to €(1,990)m. Over 12 months at end-June, net free cash flow stood at €1,259m.

The improvement in net free cash flow in the first half of 2021 reflects the following items:

- Broadly stable **EBITDA**
- A €62m decrease in **income tax paid**
- A decrease in cash-outs from **exceptional** items (restructuring and others), that stood at €132m (vs. €365m in H1 2020)
- A **change in working capital requirement** that deteriorated by €139m, reflecting in particular a variation in inventories at the end of June vs. December that was less favorable than last year, given a particularly low level of inventory at the end of December 2020 after the sustained activity of the year-end festivities
- An increase in **capex** to €539m in H1 2021 (vs. €449m in H1 2020), in line with the expected increase in full-year capex to between €1.5bn and €1.7bn in 2021 (vs €1,241m in 2020). Change in payables to fixed-assets suppliers contributed to net free cash flow improvement for +€110m
- A drop in **cost of net financial debt** of €12m, thanks to a refinancing at lower interest rate of bond issues

Net financial debt stood at €5,525m at June 30, 2021, vs €5,218m at June 30, 2020. Main impacts over 12 months include:

- Net free cash flow of €1,259m
- The payment of dividends to Group shareholders for €(497)m including €(383)m ordinary dividends to Group shareholders, and dividends to minorities
- Acquisitions and disposals for a total of €(426)m, including the acquisition of Makro stores, Supersol, Wellcome and Bio c' Bon banners, the 10% down payment for the acquisition of Grupo BIG in Brazil (€139m) and the disposal of 60% of Market Pay for €189m
- The share buyback program (completed at end-July) for €(443)m in H1 2021

ENHANCED LIQUIDITY AND SOLID BALANCE SHEET

Carrefour has one of the **strongest balance sheets in the industry**. Since 2018, the Group has demonstrated great financial discipline and has strengthened its balance sheet and liquidity. This is an important asset in the current context, marked by rapid changes in food retail and the COVID-19 pandemic.

In May 2021, Moody's raised the outlook for Carrefour from "negative" to "stable". As of June 30, 2021, the Group was rated Baa1 stable outlook by Moody's and BBB stable outlook by Standard & Poor's.

In April, the Group redeemed a bond loan in the amount of €871m, with a coupon of 3.88%.

In addition, in May 2021, Carrefour exercised the option to extend from June 2025 to June 2026 its two credit facilities for a total amount of €3.9bn. This option was subscribed to more than 99% of bank commitments.

Finally, the Group updated its EMTN (Euro-Medium Term Notes) program in June 2021 by including a CSR component. The Group published a Sustainability-Linked Bond-type Framework, aimed at strengthening the CSR dimension of its bond financing.

¹ H1 2020 comparable base is restated for the IFRS IC decision on IFRS 16

² Net Free Cash Flow corresponds to free cash flow after net finance costs and net lease payments. It includes cash-out of exceptional charges

ANNOUNCEMENT OF AN ADDITIONAL €200M SHARE BUYBACK

In view of the strong cash generation in the first half, the Board of Directors has approved the launch of an additional buyback program of Carrefour shares for a maximum amount of **€200m**, with a view to cancelling those shares.

This decision is part of the capital allocation policy aiming at achieving an efficient balance between capex, acquisitions and return to shareholders.

These buyback operations reflect management's confidence in the Group's operational performance, its generation of free cash flow and its prospects, supported by a strong first half.

These transactions fall within the framework of Carrefour's share buyback program, as authorized by the General Meeting of shareholders of May 21, 2021.

Carrefour will appoint one or more independent financial intermediaries responsible for implementing these buybacks, in compliance with the regulations in force, in particular in terms of the price and volume of shares that can be bought back daily.

Subject to market conditions¹, **Carrefour expects these transactions to take place by the end of 2021.**

CARREFOUR 2022 STRATEGIC PLAN OBJECTIVES CONFIRMED

The Group reiterates the orientations of the Carrefour 2022 strategic plan and confirms all of its operational and financial objectives.

The net free cash flow is expected comfortably above €1bn in 2021.

Operational objectives

- Group NPS® improvement by 2022 of +30 points since the start of the plan
- Carrefour-branded products accounting for one-third of sales in 2022
- 2,700 convenience store openings by 2022

Financial objectives

- €4.2bn in food e-commerce GMV in 2022
- €4.8bn sales of organic products in 2022
- €2.4bn in additional cost savings by 2023 on an annual basis (in addition to €3.0bn already achieved at end-2020)
- Net Free Cash Flow at a level above €1bn per year from 2021 (after cash-out of exceptional charges, notably related to restructuring plans)
- Annual level of capex of around €1.5bn to €1.7bn
- €300m in additional disposals of non-strategic real estate assets by 2022

¹ The implementation of these buybacks, their duration, and the final amounts thus repurchased will depend in particular on market conditions. Carrefour reserves the right to change all or part of the terms of these buybacks, within the limits indicated above

STRONG PROGRESS ON CSR AMBITIONS

Following its introduction in 2018, the **CSR and Food Transition index** is assessed, for the first time this year, in the first half of the year. This measure allows the Group to manage extra-financial performance more effectively. The index value for the first half of the year is **119%**, indicating that Carrefour is progressing rapidly on its ambitions. The Group thus confirms the index's objectives for the 2021-2025 period.

Carrefour has made particular progress on the following commitments:

- **Packaging** (108%): The Group confirms its trajectory to reach 20,000 tons of packaging avoided by 2025 (since 2017). 1,410 tons were avoided in the first half of 2021, i.e. 7,564 tons since 2017. In France, the Group is publishing for the first time the percentage of reusable, recyclable or compostable packaging, which reached 44% (objective of 100% by 2025)
- **Climate** (130%): Carrefour confirms its lead in reducing greenhouse gas emissions for its stores (scopes 1 and 2), with a -6.1% reduction in H1 2021 vs H1 2020
- **Employee engagement** (128%): Carrefour is publishing for the first time the average recommendation of the company by its employees, allowing to measure their level of satisfaction and engagement. With a score of 82%, the Group gained 2 points in the first half (80% in 2020, 76% in 2019). The sector's average is 74% (source: Ipsos)

AGENDA

- 2021 third-quarter sales: October 21, 2021
- Digital Day: November 9, 2021

The Carrefour Board of Directors met on July 28, 2021 under the chairmanship of Alexandre Bompard and approved the condensed consolidated financial statements for the first half of 2021. These accounts were reviewed by the statutory auditors who expressed an unqualified conclusion.

CONTACTS

Investor Relations

Sébastien Valentin, Anthony Guglielmo and Antoine Parison

Tel: +33 (0)1 64 50 79 81

Shareholder Relations

Tel: 0 805 902 902 (toll-free in France)

Group Communication

Tel: +33 (0)1 58 47 88 80

APPENDIX

SHARE CAPITAL DECREASE BY WAY OF CANCELLATION OF TREASURY SHARES

On July 28, 2021, the Board of Directors, pursuant to the authorization granted by the Extraordinary Shareholders' Meeting, decided to decrease the share capital of Carrefour S.A. by way of cancellation of 29,475,225 treasury shares representing approximately 3.6% of the share capital.

These shares were repurchased from 7 May 2021 to 9 July 2021 within the framework of the €500 million share buyback program decided by the Board of Directors on 20 April 2021.

After this cancellation of such shares, the outstanding number of shares of Carrefour S.A. will be 788,148,615 shares and the number of treasury shares will hence be 9,457,539 shares, representing approximately 1.2% of the share capital. The number of shares carrying voting rights will thus stand at 778,691,076.

SECOND-QUARTER 2021 SALES INC. VAT

The Group's sales amounted to €19,692m pre-IAS 29. Foreign exchange had an unfavorable impact in the second quarter of -3.0%, due to the depreciation of the Brazilian Real and the Argentine Peso. Petrol had a favorable impact of +3.8%. The calendar effect was an unfavorable -0.4%. The effect of openings was +0.8%. The effect of acquisitions was +2.0%. The impact of the application of IAS 29 was +€49m.

Sales inc. VAT (€m)	Variation ex petrol ex calendar		Total variation inc. petrol	
	LFL	Organic	at current exchange rates	at constant exchange rates
France	9,653	+4.7%	+2.6%	+8.5%
Hypermarkets	4,715	+4.3%	+3.7%	+9.0%
Supermarkets	3,320	+7.0%	+1.4%	+9.5%
Convenience /other formats	1,617	+1.3%	+1.6%	+5.3%
Other European countries	5,799	-1.9%	-2.1%	+1.4%
Spain	2,503	-2.8%	-2.5%	+6.3%
Italy	1,096	-3.2%	-6.8%	-4.6%
Belgium	1,109	-6.7%	-6.4%	-7.1%
Poland	505	+7.1%	+7.8%	+5.4%
Romania	585	+8.4%	+10.3%	+8.5%
Latin America (pre-IAS 29)	3,638	+10.5%	+13.3%	+1.5%
Brazil	3,063	+3.4%	+6.6%	+2.7%
Argentina (pre-IAS 29)	575	+45.1%	+45.1%	-4.6%
Asia	603	-1.4%	-3.4%	+17.9%
Taiwan	603	-1.4%	-3.4%	+17.9%
Group total (pre-IAS 29)	19,692	+3.6%	+3.0%	+5.2%
IAS 29 ⁽¹⁾	49			
Group total (post-IAS 29)	19,742			

Note: (1) hyperinflation and foreign exchange

COMPARABLE BASE AND 2-YEAR STACK – SECOND-QUARTER

LFL change excl. petrol and calendar	Q2 2020	Q2 2021	2-year stack ⁽¹⁾
France	+0.7%	+4.7%	+5.4%
Hypermarkets	-3.6%	+4.3%	+0.8%
Supermarkets	+4.3%	+7.0%	+11.4%
Convenience /other formats	+6.3%	+1.3%	+7.6%
Other European countries	+4.7%	-1.9%	+2.8%
Spain	+9.8%	-2.8%	+7.1%
Italy	-7.4%	-3.2%	-10.5%
Belgium	+15.9%	-6.7%	+9.2%
Poland	-4.2%	+7.1%	+2.9%
Romania	-2.2%	+8.4%	+6.2%
Latin America	+20.9%	+10.5%	+31.4%
Brazil	+14.9%	+3.4%	+18.3%
Argentina	+54.0%	+45.1%	+99.1%
Asia	-2.5%	-1.4%	-3.9%
Taiwan	-2.5%	-1.4%	-3.9%
Group total	+6.3%	+3.6%	+9.9%

Note: (1) Sum of Q2 2020 LFL and Q2 2021 LFL

TECHNICAL EFFECTS – SECOND-QUARTER 2021

	Calendar	Petrol	Foreign exchange
France	-0.2%	+6.1%	-
Hypermarkets	-0.4%	+5.6%	-
Supermarkets	0.0%	+8.1%	-
Convenience /other formats	-0.1%	+3.9%	-
Other European countries	-0.5%	+2.4%	-0.2%
Spain	-0.5%	+4.6%	-
Italy	+0.3%	+1.9%	-
Belgium	-0.7%	-	-
Poland	-2.0%	+0.3%	-0.6%
Romania	0.0%	0.0%	-1.9%
Latin America	-0.7%	+1.0%	-15.1%
Brazil	-0.9%	+1.4%	-8.0%
Argentina	+0.1%	-	-49.9%
Asia	-0.3%	-	-2.9%
Taiwan	-0.3%	-	-2.9%
Group total	-0.4%	+3.8%	-3.0%

FIRST-HALF 2021 SALES INC. VAT

The Group's sales amounted to €38,256m pre-IAS 29. Foreign exchange had an unfavorable impact in the first half of -4.9%, due to the depreciation of the Brazilian Real and the Argentine Peso. Petrol had a favorable impact of +1.3%. The calendar effect was an unfavorable -0.7%. The effect of openings was +0.8%. The effect of acquisitions was +1.6%. The impact of the application of IAS 29 was +€63m.

Sales inc. VAT (€m)	Variation ex petrol ex calendar LFL		Total variation inc. petrol	
	LFL	Organic	at current exchange rates	at constant exchange rates
France	18,815	+4.1%	+1.8%	+3.4%
Hypermarkets	9,309	+3.8%	+3.1%	+4.0%
Supermarkets	6,459	+7.0%	+1.1%	+4.2%
Convenience /other formats	3,047	-0.6%	-0.4%	+0.4%
Other European countries	11,263	-1.7%	-1.9%	-0.9%
Spain	4,794	-0.6%	-0.3%	+3.4%
Italy	2,164	-7.4%	-9.9%	-8.9%
Belgium	2,182	-2.2%	-1.9%	-2.9%
Poland	999	+2.3%	+3.0%	-0.7%
Romania	1,126	+3.2%	+4.5%	+2.3%
Latin America (pre-IAS 29)	6,920	+13.2%	+15.7%	-7.3%
Brazil	5,813	+7.2%	+10.3%	-6.6%
Argentina (pre-IAS 29)	1,107	+39.1%	+39.0%	-10.7%
Asia	1,258	-4.1%	-6.4%	+10.4%
Taiwan	1,258	-4.1%	-6.4%	+10.4%
Group total (pre-IAS 29)	38,256	+3.9%	+3.3%	+0.3%
IAS 29 ⁽¹⁾	63			
Group total (post-IAS 29)	38,319			+5.2%

Note: (1) hyperinflation and foreign exchange

COMPARABLE BASE AND 2-YEAR STACK – FIRST-HALF

LFL change excl. petrol and calendar	H1 2020	H1 2021	2-year stack ⁽¹⁾
France	+2.4%	+4.1%	+6.5%
Hypermarkets	-1.4%	+3.8%	+2.4%
Supermarkets	+6.2%	+7.0%	+13.1%
Convenience /other formats	+6.6%	-0.6%	+6.0%
Other European countries	+5.4%	-1.7%	+3.6%
Spain	+8.3%	-0.6%	+7.6%
Italy	-2.6%	-7.4%	-10.0%
Belgium	+11.2%	-2.2%	+9.0%
Poland	+2.0%	+2.3%	+4.3%
Romania	+3.5%	+3.2%	+6.7%
Latin America	+19.0%	+13.2%	+32.2%
Brazil	+11.4%	+7.2%	+18.6%
Argentina	+61.4%	+39.1%	+100.5%
Asia	+2.1%	-4.1%	-2.0%
Taiwan	+2.1%	-4.1%	-2.0%
Group total	+7.0%	+3.9%	+10.9%

Note: (1) Sum of H1 2020 LFL and H1 2021 LFL

TECHNICAL EFFECTS – FIRST-HALF 2021

	Calendar	Petrol	Foreign exchange
France	-0.6%	+2.4%	-
Hypermarkets	-0.7%	+1.6%	-
Supermarkets	-0.6%	+3.7%	-
Convenience /other formats	-0.5%	+2.2%	-
Other European countries	-0.7%	+0.8%	-0.4%
Spain	-0.9%	+1.3%	-
Italy	+0.1%	+0.9%	-
Belgium	-0.9%	-	-
Poland	-1.1%	+0.4%	-2.9%
Romania	-0.5%	+0.0%	-1.8%
Latin America	-0.9%	+0.0%	-24.2%
Brazil	-0.8%	+0.3%	-19.0%
Argentina	-0.6%	-	-49.1%
Asia	-0.1%	-	-2.6%
Taiwan	-0.1%	-	-2.6%
Group total	-0.7%	+1.3%	-4.9%

Geographic breakdown of H1 2021 net sales and recurring operating income

<i>(in €m)</i>	H1 2020 restated ⁽¹⁾	Net sales			ROI ⁽²⁾		
		H1 2021	Variation at constant exchange rates	Variation at current exchange rates	H1 2020 restated ⁽¹⁾	H1 2021	Variation at constant exchange rates
France	16,357	16,889	+3.2%	+3.2%	129	187	+45.1%
Europe (ex-France)	10,246	10,158	-0.4%	-0.9%	200	225	+13.0%
Latin America	6,569	6,208	+17.0%	-5.5%	377	309	-0.8%
Asia	1,092	1,208	+13.2%	+10.6%	49	47	-2.0%
Global functions	-	-	-	-	(28)	(28)	n.a.
TOTAL	34,265	34,462	+5.1%	+0.6%	726	740	+11.2%
							+1.9%

Notes: (1) H1 2020 restated for the IFRS IC decision on IFRS 16; (2) ROI includes income and expenses related to COVID-19 effects. Exceptional bonuses and similar benefits to Group employees in 2020 (€128m, in H1) are accounted for under other non-current income and expenses

Consolidated income statement H1 2020 vs H1 2021

(in €m)	H1 2020 published	H1 2020 restated ⁽¹⁾	H1 2021	Variation at constant exchange rates	Variation at current exchange rates
Net sales	34,265	34,265	34,462	5.1%	0.6%
Net sales, net of loyalty program costs	33,949	33,949	34,059	4.9%	0.3%
Other revenue	1,121	1,121	1,040	(0.8%)	(7.2%)
Total revenue	35,070	35,070	35,100	4.7%	0.1%
Cost of goods sold	(27,612)	(27,612)	(27,734)	5.1%	0.4%
Gross margin	7,457	7,458	7,365	3.3%	(1.2%)
As a % of net sales	21.8%	21.8%	21.4%	(36pbs)	(39pbs)
SG&A	(5,700)	(5,700)	(5,622)	3.0%	(1.4%)
As a % of net sales	16.6%	16.6%	16.3%	(34pbs)	(32pbs)
Recurring operating income before D&A (EBITDA)⁽²⁾	1,886	1,886	1,873	4.4%	(0.7%)
EBITDA margin	5.5%	5.5%	5.4%	(4pbs)	(7pbs)
Amortization	(1,039)	(1,032)	(1,003)	(0.1%)	(2.8%)
Recurring operating income (ROI)⁽³⁾	718	726	740	11.2%	1.9%
Recurring operating margin	2.1%	2.1%	2.1%	12pbs	3pbs
Income from associates and joint ventures	(2)	(2)	(10)		
Recurring operating income including income from associates and joint ventures	716	724	730		
Non-recurring income and expenses	(234)	(239)	(41) ⁽⁴⁾		
Operating income	482	485	689		
Financial result					
Finance costs, net	(173)	(185)	(132)		
Net interests related to leases commitment	(91)	(91)	(80)		
Other financial income and expenses	(48)	(59)	(52)		
(34)	(34)	(1)			
Income before taxes	308	300	556		
Income tax expense	(238)	(237)	(187)		
Net income from continuing operations	70	64	369		
Net income from discontinued operations	3	3	23		
Net income	73	67	392		
of which Net income, Group share	(21)	(25)	298		
of which continuing operations	(23)	(28)	275		
of which discontinued operations	3	3	23		
of which Net income, Non-controlling interests	94	92	94		
of which continuing operations	94	92	94		
of which discontinued operations	-	-	-		
Net Income, Group share, adjusted for exceptional items	253	250	337		
Depreciation from supply chain (in COGS)	(129)	(128)	(130)		
Net Income, Group share, adj. for exceptional items, per share	0.32	0.31	0.42		
Weighted average number of shares pre-dilution (in millions)	801.3	801.3	803.8		

Notes: (1) H1 2020 restated for the IFRS IC decision on IFRS 16; (2) Recurring Operating Income Before Depreciation and Amortization (EBITDA) also excludes depreciation and amortization from supply chain activities which is booked in cost of goods sold; (3) ROI includes income and expenses related to COVID-19 effects. Exceptional bonuses and similar benefits to Group employees in 2020 (€128m, in H1) are accounted for under other non-current income and expenses; (4) incl. c.€230m of capital gains on the disposal of 60% of Market Pay

Consolidated balance sheet

(in €m)	June 30, 2020 published	June 30, 2021
ASSETS		
Intangible assets	9,300	9,412
Tangible assets	10,424	10,620
Financial investments	1,393	1,247
Deferred tax assets	770	727
Investment properties	277	298
Right-of-use asset	4,052	4,522
Consumer credit from financial-service companies – Long-term	2,070	1,827
Other non-current assets	1,621	1,637
Non-current assets	29,906	30,291
Inventories	5,555	5,942
Trade receivables	2,532	2,698
Consumer credit from financial-service companies – Short-term	3,179	3,721
Tax receivables	793	727
Other current assets	957	1,134
Other current financial assets	357	400
Cash and cash equivalents	2,750	1,294
Current assets	16,123	15,917
Assets held for sale	24	101
TOTAL	46,053	46,309
LIABILITIES		
Shareholders' equity, Group share	9,283	9,469
Minority interests in consolidated companies	1,480	1,593
Shareholders' equity	10,763	11,063
Deferred tax liabilities	600	518
Provision for contingencies	2,854	2,806
Borrowings – Long-term	6,379	6,146
Lease liabilities – Long-term	3,348	3,760
Bank loans refinancing – Long-term	1,298	1,630
Tax payables – Long-term	314	215
Non-current liabilities	14,793	15,077
Borrowings – Short-term	1,909	1,038
Lease liabilities – Short-term	892	977
Trade payables	11,157	11,385
Bank loans refinancing – Short-term	3,275	3,182
Tax payables – Short-term	1,030	1,167
Other current payables	2,234	2,421
Current liabilities	20,496	20,170
Liabilities related to assets held for sale	-	-
TOTAL	46,053	46,309

Consolidated cash-flow statement

(in €m)	H1 2020 restated ⁽¹⁾	H1 2021	Variation
NET DEBT AT OPENING	(2,615)	(2,616)	(1)
EBITDA	1,886	1,873	(13)
Income tax	(227)	(165)	62
Financial result (excl. cost of debt and interest related to leases obligations)	(34)	(1)	33
Cash impact of restructuring items and others	(365)	(132)	233
Gross cash flow (excl. discontinued)	1,260	1,575	316
Change in working capital requirement (incl. change in consumer credit)	(2,102)	(2,241)	(139)
Discontinued operations	(27)	(9)	18
Operating cash flow (incl. exceptional items and discontinued)	(869)	(675)	194
Capital expenditure ⁽²⁾	(449)	(539)	(89)
Asset disposals (business-related)	53	35	(18)
Change in net payables and receivables on fixed assets	(329)	(219)	110
Free cash flow	(1,595)	(1,398)	197
Free cash flow (excl. exceptional items and discontinued)	(1,241)	(1,255)	(14)
Payments related to leases (principal and interests) net of subleases payments received	(507)	(513)	(6)
Net cost of financial debt	(91)	(80)	12
Net free cash flow	(2,193)	(1,990)	203
Net free cash flow (excl. exceptional items and discontinued)	(1,839)	(1,847)	(8)
<i>Exceptional items and discontinued operations⁽³⁾</i>	<i>(354)</i>	<i>(143)</i>	<i>211</i>
Financial investments	(122)	(248)	(126)
Disposal of investments	14	188	174
Capital increase	1	0	(0)
Dividends paid	(145)	(473)	(328)
Change in treasury stock and other equity instruments	-	(443)	(443)
Others	(157)	57	214
NET DEBT AT CLOSE	(5,218)	(5,525)	(307)

Notes: (1) H1 2020 restated for the IFRS IC decision on IFRS 16; (2) Restated for Makro; (3) Discontinued operations, restructuring (€157m in H1 2021 vs €184m in H1 2020), payment of exceptional bonuses and similar benefits to Group employees in 2020 (€128m, in H1) and others

Change in shareholders' equity

(in €m)	Total shareholders' equity	Shareholders' equity, Group share	Minority interests
At December 31, 2020	11,297	9,795	1,502
H1 2021 total net income	392	298	94
Other comprehensive income/(loss), after tax	329	250	79
Dividends	(466)	(383)	(83)
Impact of scope and others ⁽¹⁾	(489)	(490)	1
At June 30, 2021	11,063	9,469	1,593

Note: (1) mainly share buyback

Net income, Group share, adjusted for exceptional items

(in €m)	H1 2020 Restated ⁽¹⁾	H1 2021
Net income, Group share	(25)	298
Restatement for non-recurring income and expenses (before tax)	239	41
Restatement for exceptional items in net financial expenses	19	17
Tax impact ⁽²⁾	28	(10)
Restatement on share of income from companies consolidated by the equity method	-	-
Restatement on share of income from minorities	(8)	14
Restatement for net income of discontinued operations, Group share	(3)	(23)
Adjusted net income, Group share	250	337

Notes: (1) H1 2020 restated for the IFRS IC decision on IFRS 16; (2) Tax impact of restated items (non-recurring income and expenses and financial expenses) and exceptional tax items

Application of IAS 29

The impact on Group sales is presented in the table below:

	Sales incl. VAT (€m)	2020 pre-IAS 29 ⁽¹⁾	LFL ⁽²⁾	Calendar	Openings	Scope and others ⁽³⁾	2021 at constant rates pre-IAS		Forex	2021 at current rates pre-IAS29	IAS 29 ⁽⁴⁾	2021 at current rates post-IAS 29
							29	29				
Q1	19,445	+4.2%		-1.0%	+0.8%	-0.6%	-1.1%	+2.2%	-6.7%	18,564	+13	18,577
Q2	18,710	+3.6%		-0.4%	+0.8%	+0.6%	+3.8%	+8.3%	-3.0%	19,692	+49	19,742
H1	38,155	+3.9%		-0.7%	+0.8%	+0.0%	+1.3%	+5.2%	-4.9%	38,256	+63	38,319

Notes: (1) Restated for IFRS 5; (2) Excluding petrol and calendar effects and at constant exchange rates; (3) Including transfers; (4) Hyperinflation and currencies

Application of IFRS 16

H1 2020 consolidated financial statements have been restated (“H1 2020 restated”) to reflect the decision by the IFRS Interpretation Committee (IFRS IC) published in December 2019 on leases falling within the scope of IFRS 16 (see note 4 of the Consolidated Financial Statements).

Acquisitions and disposals in 2020

Acquisitions	Country	Announcement	Status	Completion date
Potager City	France	January 2020	Completed	January 2020
DejBox	France	January 2020	Completed	January 2020
Makro stores	Brazil	February 2020	Completed	Oct. 2020 to June 2021 ⁽¹⁾
Wellcome	Taiwan	June 2020	Completed	December 2020
Supersol	Spain	August 2020	Completed	March 2021
Bio c' Bon	France	November 2020	Completed	November 2020
Bioazur	France	October 2020	Completed	November 2020
Grupo BIG	Brazil	March 2021	Signed	Expected in 2022
Disposals				
Rue du Commerce	France	November 2019	Completed	April 2020
60% of MarketPay	France	October 2020	Completed	April 2021

Note: (1) Asset transfer: successive completion dates site by site depending on obtaining transfer authorizations

Objectives

	End-June 2021	Objective
Operational objectives		
Improvement in the Group NPS® since the beginning of the plan	+18 points	+30 points by 2022
Sales of Carrefour-branded products	30% of sales +1 point yoy	1/3 of sales by 2022
Convenience store openings	+2,609 (+735 in H1)	+2,700 by 2022
Financial objectives		
Food e-commerce GMV	€2.6bn in the last 12 months	€4.2bn by 2022
Sales of organic products	€2.7bn in the last 12 months	€4.8bn by 2022
Cost-reduction plan	€430m in H1	€2.4bn on an annual basis by 2023
Net Free Cash Flow ⁽¹⁾	€1,259m in the last 12 months	>€1bn/year
Capex	€539m (+€89m) in H1	€1.5bn to €1.7bn/year
Disposals of non-strategic real estate assets	€150m	€300m additional by 2022

Note: (1) Net Free Cash Flow corresponds to free cash flow after net finance costs and net lease payments. It includes cash-out of exceptional charges

CSR and food transition index at 119% in H1 2021

Carrefour's CSR and food transition index assesses Carrefour's annual extra-financial results. Designed to measure the performance of CSR policies over several years, the index sets an annual target for the strategic CSR indicators. The overall index score is a simple average of the scores for these indicators⁽¹⁾.

Category	Objective	2020	H1 2021	Score H1 2021
Products				102%
Sustainable agriculture	€4.8bn sales of organic products by 2022 10% penetration of Carrefour Quality Lines within fresh products by 2025	€2.3bn 7.4%	€1.4bn 7.2%	84% 95%
Raw materials	100% of sensitive raw materials to be covered by a risk reduction plan by 2025	88%	88%	88%
Packaging	20,000 tons of packaging avoided by 2025 (cumulative since 2017)	6,154	7,564	108%
Animal welfare	100% of cage-free eggs by 2025	74%	78%	103%
Suppliers involvement	300 suppliers to commit to the food transition pact by 2025	0	60	120%
Stores				111%
Waste	All waste to be recycled by 2025	66.2%	65.8%	92%
CO2 emissions	Scope 1 and scope 2 greenhouse gas emissions to be cut by 30% by 2030 (vs 2019)	-9% vs 2019	-6% vs S1 2020	130%
Customers				154%
Food transition offer	15% increase in in-store customer surveys regarding organic and local products, the reduction of food waste and packaging, health and nutrition by 2025	-	+10	200%
Act For Food	80% of our customers believe that Carrefour helps them to enjoy a healthier and more responsible diet while remaining affordable by 2022	76%	78%	104%
Employees				109%
Committed employees	Minimum employee recommendation score of 75/100 awarded to Carrefour every year by its employees	80%	82%	128%
Gender equality	Women to account for 35% of (the top 200) managers by 2025	22%	23%	100%
Disabled workers	At least 4% of the Group's employees to be people with disabilities by 2025	3.63%	3.55%	99%

Note: (1) Indicators on nutrition, local partners, food waste, food transition offer and training are not available on a half-year basis. Their score is not consolidated in this half-year rating, but will be included in the full-year 2021 consolidated index

Expansion under banners – Q2 2021

Thousands of sq. m	Dec. 31 2020	March 31 2021	Openings/ Store enlargements	Acquisitions	Closures/ Store reductions/ Disposals	Q2 2021 change	June 30 2021
France	5,507	5,535	+23	+2	-17	+8	5,543
Europe (ex Fr)	6,165	6,301	+39	-	-425	-386	5,914
Latin America	2,717	2,764	+14	+97	-4	+106	2,870
Asia	1,035	1,140	-	-	-	-	1,140
Others ⁽¹⁾	1,486	1,553	+30	-	-102	-73	1,480
Group	16,910	17,293	+105	+98	-549	-345	16,947

Note: (1) Africa, Middle East and Dominican Republic

Store network under banners – Q2 2021

Nº of stores	Dec. 31 2020	March 31 2021	Openings	Acquisitions	Closures/ Disposals	Transfers	Total Q2 2021 change	June. 30 2021
Hypermarkets	1,212	1,227	+2	-	-5	-	-3	1,224
France	248	252	+1	-	-	-	+1	253
Europe (ex France)	456	459	-	-	-4	-	-4	455
Latin America	185	185	-	-	-1	-	-1	184
Asia	172	172	-	-	-	-	-	172
Others ⁽¹⁾	151	159	+1	-	-	-	+1	160
Supermarkets	3,546	3,517	+65	-	-56	-5	+4	3,521
France	1,173	1,054	-	-	-1	-5	-6	1,048
Europe (ex France)	1,864	1,926	+31	-	-53	-	-22	1,904
Latin America	151	151	-	-	-1	-	-1	150
Asia	10	12	-	-	-	-	-	12
Others ⁽¹⁾	348	374	+34	-	-1	-	+33	407
Convenience stores	7,827	8,362	+157	+15	-99	-	+73	8,435
France	4,018	4,188	+48	+15	-33	-	+30	4,218
Europe (ex France)	3,156	3,292	+100	-	-48	-	+52	3,344
Latin America	530	535	+7	-	-7	-	-	535
Asia	66	287	-	-	-	-	-	287
Others ⁽¹⁾	57	60	+2	-	-11	-	-9	51
Cash & carry	392	400	+4	+17	-2	-	+19	419
France	147	146	+2	-	-2	-	-	146
Europe (ex France)	13	13	-	-	-	-	-	13
Latin America	214	223	+2	+17	-	-	+19	242
Asia	-	-	-	-	-	-	-	-
Others ⁽¹⁾	18	18	-	-	-	-	-	18
Soft discount (Supeco)	71	89	+2	-	-	+5	+7	96
France	6	8	+1	-	-	+5	+6	14
Europe (ex France)	64	80	+1	-	-	-	+1	81
Latin America	1	1	-	-	-	-	-	1
Asia	-	-	-	-	-	-	-	-
Others ⁽¹⁾	-	-	-	-	-	-	-	-
Group	13,048	13,595	+230	+32	-162	-	+100	13,695
France	5,592	5,648	+52	+15	-36	-	+31	5,679
Europe (ex France)	5,553	5,770	+132	-	-105	-	+27	5,797
Latin America	1,081	1,095	+9	+17	-9	-	+17	1,112
Asia	248	471	-	-	-	-	-	471
Others ⁽¹⁾	574	611	+37	-	-12	-	+25	636

Note: (1) Africa, Middle East and Dominican Republic

DEFINITIONS

Free cash flow

Free cash flow corresponds to cash flow from operating activities before net finance costs and net interests related to lease commitment, after the change in working capital, less net cash from/(used in) investing activities.

Net Free Cash Flow

Net Free Cash Flow corresponds to free cash flow after net finance costs and net lease payments.

Like for like sales growth (LFL)

Sales generated by stores opened for at least twelve months, excluding temporary store closures, at constant exchange rates, excluding petrol and calendar effects and excluding IAS 29 impact.

Organic sales growth

Like for like sales growth plus net openings over the past twelve months, including temporary store closures, at constant exchange rates.

Gross margin

Gross margin corresponds to the sum of net sales and other income, reduced by loyalty program costs and cost of goods sold. Cost of sales comprise purchase costs, changes in inventory, the cost of products sold by the financial services companies, discounting revenue and exchange rate gains and losses on goods purchased.

Recurring Operating Income (ROI)

Recurring Operating Income corresponds to the gross margin lowered by sales, general and administrative expenses, depreciation and amortization.

Recurring Operating Income Before Depreciation and Amortization (EBITDA)

Recurring Operating Income Before Depreciation and Amortization (EBITDA) also excludes depreciation and amortization from supply chain activities which is booked in cost of goods sold.

Operating Income (EBIT)

Operating Income (EBIT) corresponds to the recurring operating income after income from associates and joint ventures and non-recurring income and expenses. This latter classification is applied to certain material items of income and expense that are unusual in terms of their nature and frequency, such as impairment of non-current assets, gains and losses on sales of non-current assets, restructuring costs and provisions recorded to reflect revised estimates of risks provided for in prior periods, based on information that came to the Group's attention during the reporting year.

© Net Promoter, Net Promoter System, Net Promoter Score, NPS and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc

DISCLAIMER

This press release contains both historical and forward-looking statements. These forward-looking statements are based on Carrefour management's current views and assumptions. Such statements are not guarantees of future performance of the Group. Actual results or performances may differ materially from those in such forward looking statements as a result of a number of risks and uncertainties, including but not limited to the risks described in the documents filed with the Autorité des Marchés Financiers as part of the regulated information disclosure requirements and available on Carrefour's website (www.carrefour.com), and in particular the Universal Registration Document. These documents are also available in English on the company's website. Investors may obtain a copy of these documents from Carrefour free of charge. Carrefour does not assume any obligation to update or revise any of these forward-looking statements in the future.