



First-half 2023

Strong rise in ROI and operating margin in France Net Free Cash Flow up +€196m First gains from Carrefour 2026 plan

2023 targets confirmed

- **H1 sales up +11.2% on a like-for-like basis (LFL) and +8.2% on a reported basis**
 - Q2 sales up +10.3% LFL and +4.1% on a reported basis
 - +20% growth in e-commerce GMV in H1 (+20% in Q2)
- **Stable EBITDA (-0.5% or -€10m) at €1,852m, up +4.0% (+€75m) at constant exchange rates**
- **Recurring Operating Income (ROI) of €700m in H1 2023, down -2.2% (-€17m) at constant exchange rates, from the integration of Grupo BIG in Brazil. Stable Group margin (+4 bps) excluding Grupo BIG**
 - **France:** ROI up +39% to €270m, with operating margin of 1.4% (+36 bps)
 - **Europe (excl. France):** Stable ROI at €164m (vs. €163m in H1 2022), notably supported by Spain
 - **Latin America:** ROI of €304m (vs. €444m in H1 2022), penalized by the integration of Grupo BIG and a difficult market environment in Brazil
- **Adjusted EPS up +9% to €0.45**
- **Net free cash flow up by €196m in H1 to €(1,684)m**
- **Continuation of €800m share buyback program in 2023, with €400m completed to date**
- **CSR and Food Transition Index targets achieved, with a score of 108% in H1 2023**
- **Leadership in France reaffirmed with the signing in July of the acquisition of the Cora and Match banners**

Alexandre Bompard, Chairman and CEO, declared: *“The first half was marked by the rapid implementation of the Carrefour 2026 plan, notably with the very sustained growth of our private labels, the roll-out of the “Maxi” method in our European stores and the launch of our Unlimitail retail media alliance. This transformation is the result of the tireless efforts of our teams. In France, the Group posted a remarkable performance, with strong growth in operating margin. With the signing of the Cora and Match acquisition, our first major transaction in France in over twenty years, Carrefour has reaffirmed its leadership in the French market. The good performance in France was echoed in most of our European geographies, where signs of a slowdown in inflation appeared during the second quarter. In Latin America, the situation is more mixed, with Argentina continuing its exceptional growth trajectory, while Brazil was affected by the conclusion of the Grupo BIG store conversion and difficult market conditions. Against this backdrop, Carrefour remains fully confident in its second half performance, and confirms its full-year objectives of growth in EBITDA, Recurring Operating Income and Net Free Cash Flow.”*

H1 2023 KEY FIGURES

(in €m)	H1 2022 ⁽¹⁾	H1 2023	Variation
Sales inc. VAT	42,001	45,448	+11.2% on comparable basis (LFL)
EBITDA	1,862	1,852	-0.5% ; +4.0% (+€75m) at constant-FX
Recurring Operating Income (ROI)	775	700	-9.6% ; -2.2% (-€17m) at constant-FX
Recurring operating margin	2.0%	1.7%	-33bps ; +4 bps excluding Grupo BIG
Adjusted net income, Group share	310	326	+5.1% (+€16m)
Adjusted EPS	0.41	0.45	+9.0%
Net Free Cash Flow	(1,880)	(1,684)	+€196m
Net financial debt at June 30	6,480	5,040	-€1,440m

Note: (1) Restated in accordance with IFRS 5 to reflect the classification of Carrefour Taiwan as a discontinued operation; (2) Restated in accordance with IFRS 3 (reduction in the purchase price of Grupo BIG)

H1 2023: Rapid progress on the Carrefour 2026 plan

Carrefour's results for the first half of 2023 reflect **the swift execution of the Group's strategy, against a backdrop of record food inflation in Europe**, which appears to have peaked in the second quarter. In this environment, marked by decreasing volumes in most of its markets, the Group's results once again demonstrate the **solidity of its model**, thanks to the **mobilization of all its teams** and its **great discipline in terms of cost management**. **France's performance was particularly remarkable**, with a +39% growth in recurring operating income and a +36 bps increase in operating margin. In Europe, recurring operating income was stable. The decrease in results in Latin America over the first half was mainly due to the Grupo BIG scope and a difficult market environment.

Against this backdrop, several key areas of the Carrefour 2026 plan are already delivering excellent results. **Sales of Carrefour-branded products continue to grow rapidly**, reaching more than 35% of half-year food sales, up +3 points compared to H1 2022. **E-commerce GMV continues to grow**, contributing to the development of omnichannel, with an increase of +20% compared to H1 2022.

Other Carrefour 2026 initiatives were also implemented during the first half:

- **The "Maxi" method**, whose deployment in Europe's hypermarkets and supermarkets started at the beginning of the year, is generating very encouraging performances, with market share gains and rapid productivity improvement in the stores concerned
- Carrefour and Publicis have announced the **launch of Unlimitail**, a joint venture designed to become the leader in European retail media, with 13 clients at the outset
- Carrefour has stepped up its **Artificial Intelligence (AI) and data solutions**, with positive impact on operations. In H1, the new "assortment builder" solution generated a significant AI-driven assortment reduction while improving profitability; the "promo optimizer" tool was rolled out in France to assist sales teams with promotions and margin optimization through algorithms. Carrefour also pioneered in using **genAI** with the launch of the "Hopla" chatbot, the first integration of chatGPT within a retailer's website, and a "marketing studio" in partnership with Google AI to automate the production of thousands of marketing campaigns
- The **mutualization of operations at the European level** has begun. The Eureka purchasing platform is now active and producing its first optimizations; the reorganization and optimization of head office teams has begun
- Projects to **enhance the value of the Group's real estate assets** have all been initiated. In France, Carrefour has teamed up with Nexity to create a real estate vehicle for the conversion of 76 sites, which should generate around 70% of the €500m value-creation target over the next few years. Carrefour Brazil has sold the premises of 5 stores and 4 distribution centers to the Barzel Group for R\$1.2bn (c.€230m) as part of a sale and leaseback transaction. The Group has also embarked on its photovoltaic energy production project, with the installation and operation of 450,000 sqm of solar

panels, mainly in Spain at this stage, representing c.130,000 MWh of theoretically producible electricity per year

- Carrefour is continuing to **transform the way it operates** its stores in France, with all 16 hypermarkets and 17 of the 25 supermarkets scheduled for transfer in 2023 already switched to lease management
- Carrefour continues to make **progress in CSR**, particularly in terms of sustainable agriculture, the fight against climate change, the reduction of packaging and the fight against deforestation in Brazil. The CSR and Food Transition Index reached 108% in the first half of the year

At the same time, **the conversion of Grupo BIG stores is now complete, ahead of the initial schedule.** One-off integration costs weighed on Carrefour Brazil's Recurring Operating Income for €65m in the first half. They should be very limited in the second half of the year. Carrefour Brazil's management is now fully focused on the Group's commercial momentum. In the first half, Carrefour generated R\$530m in cost synergies, or R\$1.2bn on an annualized basis. These synergies were offset by the negative performance of the converted stores, which are in the ramp-up phase following their recent reopening under their new banners. To date, these stores have performed on par with the Group's previous openings. **The Group reiterates its synergy target of at least R\$2.0bn by 2025.**

Finally, on 12 July, the Group signed an agreement with Louis Delhaize to acquire the **Cora and Match** banners in France, reaffirming its leadership in the French food retail market. On 30 June, Carrefour completed the sale of its stake in **Carrefour Taiwan**.

Carrefour remains mobilized to consolidate its business model, thanks to the meticulous management of its commercial strategy and its cost reduction policy, including initiatives linked to the €1bn savings target in 2023 (€490m achieved in H1 2023) and specific measures to accompany the decrease in sales volumes. Annual Capex are expected to be close to last year's, between €1.8bn and €1.9bn. **The Group is moving forward with confidence, and confirms the targets it communicated to the market last February for full-year 2023: growth in EBITDA, Recurring Operating Income and Net Free Cash Flow.**

Solid commercial and operating performance in H1 2023

H1 2023 Group sales incl. VAT came to €45,448m pre-IAS 29, up +8.2%. Like-for-like (LFL) growth reached +11.2%.

In Q2 2023, Group sales rose by +4.1% to €23,377m pre-IAS 29. This figure includes a negative exchange rate effect of -5.4%, due in particular to the depreciation of the Argentinian peso, a negative petrol effect of -3.4%, a calendar effect of -0.5%, a net expansion effect of +1.2% and an acquisitions effect of +1.6%. The application of IAS 29 had a negative impact of -€20m. Like-for-like sales increased a strong +10.3%, against a backdrop of slowing food inflation in the second quarter. This increase was driven by food sales (+11.1% LFL), while non-food sales rose by +4.5% LFL in Q2.

LFL	Q1 2023	Q2 2023	H1 2023
France	+7.1%	+7.3%	+7.2%
Europe	+8.8%	+7.4%	+8.1%
Latin America	+26.0%	+17.3%	+21.0%
Group	+12.3%	+10.3%	+11.2%

France: Excellent sales momentum and increase in profitability

In H1 2023, sales in France rose by +7.2% on a like-for-like basis, with growth in Q2 (+7.3% LFL) in line with Q1 (+7.1% LFL). Q2 growth reached +8.5% LFL in food, while non-food sales decreased by -3.1% LFL. Carrefour again gained market share in volume terms over the half-year, placing it among the main winners in the market and reflecting a gain of 567,000 new customers compared with H1 2022¹. E-commerce in France increased by 14% in the first half, with growth of 14% in Q2.

LFL	Q1 2023	Q2 2023	H1 2023
Hypermarkets	+6.0%	+6.6%	+6.3%
Supermarkets	+7.1%	+7.6%	+7.4%
Convenience/Other formats	+9.6%	+8.2%	+8.8%
<i>o/w convenience</i>	+9.1%	+8.8%	+9.0%
France	+7.1%	+7.3%	+7.2%

Recurring Operating Income rose by +39% (+€75m) to €270m, compared with €194m in H1 2022. Against a backdrop of high inflation, good sales performance and a strong drive to reduce costs enabled a +36 bps rise in operating margin to 1.4% from 1.1% in H1 2022. The Group is thus benefiting from the strategic initiatives of the Carrefour 2026 plan, including increasing sales of Carrefour-branded products, transformation of operating modes and improving the profitability of digital activities.

Europe: Strong top line and margin performance in most countries, offset by lower profits in Poland on a high comparable base

Like-for-like sales in Europe (excluding France) rose by +8.1% in H1 2023. In Q2, like-for-like sales were up +7.4%:

- In **Spain** (+7.7% LFL), Carrefour maintained its solid momentum. Food sales grew by +11.3% LFL, in line with Q1 2023 (+11.7% LFL) despite a slowdown in food inflation. Non-food sales (-3.1% LFL in Q2 versus +2.3% in Q1) were penalized in April and May by weather-sensitive categories
- In **Italy** (+4.7% LFL), the good performance continued to reflect the steady rise in customer satisfaction, thanks in particular to improved price positioning and perception

¹ Source : Kantar MyWorldPanel (cumulated through P06)

- In **Belgium** (+12.5% LFL), commercial initiatives bore fruit, with Carrefour the banner gaining the most market share (at constant scope) in the second quarter. Carrefour stores, and hypermarkets in particular, posted volume growth in a context of persistently high inflation
- In **Poland** (+0.4% LFL), sales normalized after an exceptionally strong Q2 2022 (+15.0% LFL) in the context of the war in Ukraine
- In **Romania** (+7.5% LFL), sales momentum remained good, on a high comparable base

LFL	T1 2023	T2 2023	S1 2023
Spain	+9.3%	+7.7%	+8.5%
Italy	+5.6%	+4.7%	+5.1%
Belgium	+9.9%	+12.5%	+11.3%
Poland	+6.1%	+0.4%	+3.1%
Romania	+12.5%	+7.5%	+9.8%
Other European countries	+8.8%	+7.4%	+8.1%

Recurring Operating Income for Europe is stable at €164m, compared with €163m in H1 2022. Western Europe reported growth in recurring operating income and margin, driven by Spain and Italy. Poland was impacted by a very high comparable base, against the backdrop of the outbreak of war in Ukraine in H1 2022, while Romania improved its profitability.

Latin America: Integration of Grupo BIG completed in Brazil, good performance in Argentina

In H1 2023, sales in Latin America rose by +21.0% LFL. In Q2 2023, they grew by +17.3% LFL:

- In **Brazil**, sales fell by -3.2% on a like-for-like basis in Q2 2023. This reflects a particularly difficult market environment in the quarter, with a sharp slowdown in food inflation to +2.9% in June (a sequential deflation compared with Q1) and falling prices for many agricultural commodities. Volumes were still down due to pressure on purchasing power, in a context marked by high interest rates. Growth at constant exchange rates reached +9.7% in Q2, thanks to a +13.5% contribution from expansion and acquisitions. Exchange rates had a negative impact of -3.3% in the second quarter. The Group completed the conversion of Grupo BIG stores six months ahead of schedule, converting a total of 129 stores to the Carrefour, Atacadão and Sam's Club banners, 5 more than the initial target
 - Sales in cash & carry stores (Atacadão) were particularly affected in Q2 by price deflation on agricultural commodities, which account for a significant proportion of sales. The format was also penalized by the BtoB business, where customers are postponing certain purchases in the context of sequentially falling prices. Sales were down by -4.3% LFL over the quarter, on a particularly high comparable base (+22.4% LFL in Q2 2022)
 - Carrefour Retail posted stable like-for-like sales (+0.3% LFL), on a high comparable base of +10.5% LFL in Q2 2022. Non-food sales continued to grow strongly (+5.4% LFL). Carrefour-branded products accounted for a record proportion of sales, with a +120bps increase to end-June
 - Sam's Club sales were up +4.2% LFL in Q2, thanks to the success of initiatives to increase the number of active members (+8.4% vs Q2 2022). At Sam's Club, financial services and e-commerce penetration grew rapidly
 - E-commerce GMV continued to post strong growth of +30% in Q2 2023
 - The financial services business continued to grow, with a +28.1% increase in credit portfolio and a +13.4% rise in billings in Q2, notably thanks to the recruitment of Grupo BIG customers
- In **Argentina**, Carrefour once again demonstrated the strength of its model in a country experiencing very high inflation. Like-for-like sales growth reached +127% in Q2 2023, reflecting volume growth and a rise in market share to record levels, driven by new customer gains

LFL	Q1 2023	Q2 2023	H1 2023
Brazil	+5.7%	-3.2%	+0.8%
<i>Atacadão</i>	+5.7%	-4.3%	+0.2%
<i>Carrefour Retail</i>	+5.7%	+0.3%	+2.9%
Argentina	+116.8%	+127.0%	+122.4%
Latin America	+26.0%	+17.3%	+21.0%

Recurring Operating Income for Latin America totaled €304m in H1 2023, compared with €444m in H1 2022.

- In **Brazil**, ROI fell by 39% to €251m, compared with €414m in H1 2022. This decrease primarily reflected the accelerated integration of Grupo BIG, with two major effects:
 - **Non-recurring integration costs totalling -€65m**, including:
 - The peak in store conversion costs, including the costs of closing and inventory clearance. These costs will be very low from Q3 2023 onwards
 - In financial services, the cost of recruiting the former Grupo BIG customers, including marketing expenses and provisions relating to the production of new loans to these customers
 - **The performance of converted stores** in the first few months after reopening, which traditionally make an operating loss during the ramp-up phase, **with a half-year impact of -€85m**

Performance was also affected by an unfavorable environment, with falling inflation and volumes under pressure, as well as the opening of over 240 stores in the last 12 months in the cash & carry segment. Against this backdrop, **the performance and operating margins of the legacy business remained very resilient (-20 bps to 5.2%)**. At the same time, Carrefour Brazil is making rapid progress in implementing cost synergies, with R\$530m booked in the first half of 2023, equivalent to R\$1.2bn on an annualized basis. These cost synergies were offset by the negative performance of converted stores which are ramping up following their recent reopening under their new banners. To date, these stores have performed on par with historical patterns for first-year profitability of previous openings. **The Group confirms its synergy target of R\$2bn by 2025.**

- In **Argentina**, ROI continued to improve significantly, thanks to excellent sales momentum and ongoing cost control. It came to €53m, compared with €30m in H1 2022, with a margin of 3.4% (+130 bps), including a -€10m impact from the application of IAS 29

H1 2023 INCOME STATEMENT

H1 2023 sales (including VAT) were up +11.2% on a like-for-like basis. Group sales including VAT came to €45,448m pre-IAS 29, up +12.2% at constant exchange rates. This increase included the effect of expansion and changes in Group scope (+3.4%), the calendar effect (+0.1%) and the petrol effect (-2.7%). After taking into account a negative currency effect of -4.0%, linked to the depreciation of the Argentine peso, the total sales variation was +8.2%.

Net sales amounted to €40,743m.

Gross margin was 19.8% of net sales, compared with 19.9% in H1 2022.

Distribution costs rose by 34 bps to 15.6% of sales excluding VAT, compared with 15.3% in H1 2022, due to the integration of Grupo BIG and the inherent costs incurred in the first half, as well as inflation.

The Group's **Recurring Operating Income (ROI)** was €700m, compared with €775m in H1 2022, down -9.6% and -2.2% at constant exchange rates (the currency effect was a negative €58m, due to the depreciation of the Argentinian peso). Carrefour's commercial momentum remained solid; the Group's strong cost management discipline translated into the successful execution of the savings plan, with €490m achieved in H1 2023. Besides, the implementation of the "Carrefour Invest" employee shareholder plan, which met with strong success, weighed on the Group's recurring operating income by -€30m in H1 (of which -€12m in global functions and -€18m across geographies).

Operating margin was 1.7%, compared with 2.0% in H1 2022 (-33 bps). **Excluding the impact of Grupo BIG, the Group's operating margin was 2.1%, in line with H1 2022 (+4 bps).**

Non-recurring income amounted to €(186)m, compared with €(82)m in H1 2022, driven by higher provisions linked to reorganization projects.

Net income, Group share totaled €867m, compared with €255m in H1 2022. It includes the following items:

- **Net financial expenses** increasing to €(276)m, compared with €(181)m in H1 2022, as a result of higher interest rates and increased debt, particularly in Brazilian Real, following the acquisition of Grupo BIG in Brazil, as well as higher net interests related to leases commitment (IFRS 16)
- An **income tax charge** of €(153)m, compared with €(193)m in H1 2022. The normative tax rate decreased to 27.2%² compared with 31.7% in H1 2022, reflecting the evolution of the geographical mix
- **Net income from discontinued operations, Group share**, of €749m, compared with €16m in H1 2022, linked to the capital gain recorded following the disposal of the Carrefour Taiwan stake

Adjusted net income, Group share, improved by +5.1% (+€16m) to €326m from €310m in H1 2022.

Adjusted EPS rose by +9.0% to €0.45 from €0.41 in H1 2022.

² Excluding non-recurring income and taxes not based on pre-tax income

CASH FLOW AND DEBT

The Group reported a €196m improvement in **Net Free Cash Flow**³ to €(1,684)m in H1 2023, after €(1,880)m in H1 2022.

The improvement in Net Free Cash Flow in H1 2023 mainly reflects:

- Stable **EBITDA** at €1,852m
- A €52m decrease in **income tax paid**
- A €142m decrease in cash-outs from **exceptional items**
- A €68m improvement in the change in **working capital requirements**, thanks to optimized inventory management, particularly in non-food, despite a context of decreasing volumes. The level of inventories improved by 3 days vs. end-June 2022
- An increase of €135m in **capital expenditure** (Capex), to €687m in H1 2023 (from €551m in H1 2022), of which around €150m related to the integration of Grupo BIG
- **Asset disposals** of €289m (vs. €68m in H1 2022), including the sale and leaseback operation in Brazil
- A €84m increase in **payments related to leases**
- A €39m increase in the **cost of net financial debt**, due to higher interest rates and debt denominated in Brazilian reals

Net financial debt, including discontinued operations, was €5,040m at 30 June 2023, compared with €6,480m at 30 June 2022. This decrease reflects the following:

- Net Free Cash Flow generation of €1,459m over the last 12 months
- Dividend payments of €520m, including €405m in ordinary dividends to Group shareholders, as well as dividends paid to minority shareholders.
- Acquisitions and disposals for a net total of €881m, including the sale of the 60% stake in Carrefour Taiwan
- Share buybacks totalling €336 million over the last 12 months

STRENGTHENED LIQUIDITY AND SOLID BALANCE SHEET

Carrefour has a solid balance sheet, which is an important asset in the current context of rapid change in food retailing and macro-economic uncertainties.

On 30 June 2023, the Group was rated Baa1 stable outlook by Moody's and BBB stable outlook by Standard & Poor's.

In May 2023, the Group successfully issued a new Sustainability-Linked bond for an amount of €500m, maturing in October 2030. This bond partially refinanced the June 2023 expiry of two bonds (a \$500m convertible bond and a €500m straight Eurobond).

The bond portfolio as of June 30, 2023 amounted to €7.3bn, including €6.8bn of Eurobonds with an average maturity of 3.8 years, and €0.6bn equivalent in Brazil (CRAs).

IMPLEMENTATION OF THE €800M SHARE BUYBACK

On 14 February 2023, the Group announced the launch of a €800m buyback of Carrefour shares to be conducted in 2023.

22,786,664 shares were repurchased between 27 February and 21 July 2023, at an average price of 17.64 euros, for a total amount of €400m.

On 26 July 2023, Carrefour's Board of Directors approved the cancellation of 26,887,362 shares. According to applicable laws and regulations, this cancellation is expected to occur on or about 28 July 2023. Following

³ Net Free Cash Flow corresponds to free cash flow after net finance costs and net lease payments. It includes cash-out of exceptional charges

these cancellations, the total number of shares making up the share capital will be 719,983,834 shares, including 5,391,363 treasury shares and **the number of shares in issue will therefore be 714,592,471 shares.**

CHANGE IN SCOPE OF CONSOLIDATION

Carrefour announced on 30 June 2023 the completion of the sale of its 60% stake in Carrefour Taiwan to Uni-President. The price for the sale of this stake is approximately €1bn.

On 12 July 2023, Carrefour reached an agreement with Louis Delhaize to acquire the Cora and Match banners in France, reaffirming its leadership in the French food retail market. The acquisition will be made 100% in cash, based on an enterprise value of €1.05bn, reflecting an EV/EBITDA acquisition multiple of around 4.2x post-synergies, estimated at €110m in EBITDA on an annual basis, 3 years after the effective completion of the transaction.

CARREFOUR, A COMMITTED COMPANY – CSR INDEX: 108%

In H1 2023, Carrefour again exceeded its CSR targets, with a 108%⁴ achievement rate in the **CSR and Food Transition Index**. This index assesses Carrefour's performance in implementing its CSR commitments.

The Group has made particular progress on the following commitments, which are all at the heart of the Carrefour 2026 Plan:

- **Sales of certified products (102%):**
 - €3.1bn in sales of certified products in the first six months of 2023, up +9% vs estimated H1 2022. These notably include organic products, Carrefour Quality Lines, responsible seafood products and other environmental certifications (e.g. European Ecolabel, FSC, PEFC). The Group targets €8bn in sales of certified products in 2026
- **Climate scopes 1 and 2 (115%):** Confirmation of our lead in reducing greenhouse gas emissions from stores (scopes 1 and 2), with a -40% reduction in Europe and Argentina⁵ in H1 2023 compared with H1 2019 (target -50% for the Group in 2030)
- **Climate scope 3 (105%):**
 - 36% of the Top 100 suppliers have greenhouse gas emission reduction targets aligned with a 1.5°C trajectory, i.e. +2 pts compared with the end of 2022 (100% target in 2026 to avoid delisting)
 - 233 suppliers partnering in the Food Transition Pact at the end of June 2023 (target of 500 in 2030) and a reduction of 266,000 tons of CO₂, measured for the first time on the “20 megatons” platform in H1 2023 (target of 20 megatons in 2030)
- **Diversity and engagement (124%):**
 - 28% of the Top 200 managers are women, in line with our target of 35% by 2025
 - 12,679 employees with disabilities within the Group, an increase of more than 1,000 employees compared with the end of 2022 (target of 15,000 in 2026)

Since the beginning of the year, Carrefour has also launched a number of innovative CSR initiatives, notably on climate change, the fight against all forms of waste and the strengthening of its diversity and inclusion policy.

On climate:

- In February 2023, Carrefour signed the first distributor-supplier commercial agreement with the Bel group to include climate commitments, notably on the development of plant-based alternatives
- In July 2023, Carrefour launched a CO₂ display for shopping baskets on its e-commerce site, in order to raise customer awareness of the carbon footprint of their consumption

⁴100% implies that Carrefour is in-line with its trajectory to meet its mid-term objectives

⁵ Changes in scope in Brazil (acquisition of Grupo BIG) require a recalculation of the 2019 base. Brazil results will be included in the 2023 annual index.

On the fight against all forms of waste:

- Following its commitment to energy sobriety in 2022, with the signing of the Ecowatt and Ecogaz charters, Carrefour has committed to reduce water consumption in its stores in France by 10% by 2025
- In the spring, Carrefour, in partnership with Terracycle, launched recycling kiosks, making it possible to recover and recycle products that are generally "forgotten" by the recycling system (frying pans, tights, pens, toothbrushes, etc.)
- Deployment of the deposit system, which helps to avoid unnecessary packaging, has progressed in France, with 68 stores offering their customers a deposit system. All stores in Poland have also introduced a deposit for re-use scheme for liquids

On diversity and inclusion:

- Carrefour has made a commitment to women's health in the workplace by implementing measures unprecedented in France to take into account endometriosis, miscarriage and medically assisted procreation (MAP). In particular, Carrefour is granting 12 days' paid absence a year to women suffering from endometriosis.
- Carrefour has strengthened its commitment to the inclusion of LGBT+ people by signing a partnership with Le Refuge, which helps the most vulnerable LGBT+ youths

AGENDA

- Third-quarter 2023 sales: October 25, 2023

The Carrefour Board of Directors met on July 26, 2023 under the chairmanship of Alexandre Bompard and approved the condensed consolidated financial statements for the first half of 2023. These accounts were reviewed by the statutory auditors who expressed an unqualified conclusion.

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APPENDIX

Application of IFRS 5

On July 19, 2022, the Group signed an agreement to sell its entire stake in its Taiwanese subsidiary (60%) to the Uni-President group (holder of the remaining 40%). As the conditions precedent have been lifted, in particular the approval of the local competition authority obtained in May 2023, this agreement resulted in the loss of control of the subsidiary on June 30, 2023.

The comparative consolidated income statement and cash-flow statement information presented in this document has been restated to reflect the classification of Carrefour Taiwan as a discontinued operation in accordance with IFRS 5 - Non-current assets held for sale and discontinued operations.

Historical LFL sales growth, excl. Taiwan

Quarter											
Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
+7.9%	+6.5%	+8.7%	+8.9%	+4.6%	+3.8%	+1.0%	+0.7%	+3.5%	+7.8%	+11.3%	+10.9%

Half-year					
H1 2020	H2 2020	H1 2021	H2 2021	H1 2022	H2 2022
+7.2%	+8.8%	+4.2%	+0.8%	+5.7%	+11.1%

Full year		
2020	2021	2022
+8.0%	+2.5%	+8.5%

Second-quarter 2023 sales inc. VAT

	Sales inc. VAT (€m)	Variation excl. petrol excl. calendar		Total variation inc. petrol	
		LFL	Organic	At current exchange rate	At constant exchange rate
France	10,559	+7.3%	+6.5%	+2.0%	+2.0%
Hypermarkets	5,024	+6.6%	+5.3%	-0.2%	-0.2%
Supermarkets	3,571	+7.6%	+7.0%	+3.2%	+3.2%
Convenience / Other formats	1,964	+8.2%	+8.7%	+5.8%	+5.8%
Other European countries	6,414	+7.4%	+7.0%	+4.3%	+4.1%
Spain	2,868	+7.7%	+8.0%	+3.2%	+3.2%
Italy	1,118	+4.7%	+2.8%	+0.9%	+0.9%
Belgium	1,168	+12.5%	+11.0%	+10.5%	+10.5%
Poland	572	+0.4%	+0.6%	-0.5%	-2.7%
Romania	688	+7.5%	+8.7%	+8.5%	+8.5%
Latin America (pre-IAS 29)	6,405	+17.3%	+23.5%	+7.5%	+28.0%
Brazil	5,381	-3.2%	+4.0%	+6.4%	+9.7%
Argentina (pre-IAS 29)	1,024	+127.0%	+127.9%	+14.0%	+128.8%
Group total (pre-IAS 29)	23,377	+10.3%	+11.6%	+4.1%	+9.5%
IAS 29 ⁽¹⁾	(20)				
Group total (post-IAS 29)	23,357				

Note: (1) hyperinflation and foreign exchange

Comparable base - Second quarter

LFL change excl. petrol and calendar	Q2 2021	Q2 2022	Q2 2023
France	+4.7%	+1.4%	+7.3%
Hypermarkets	+4.3%	-0.5%	+6.6%
Supermarkets	+7.0%	-0.7%	+7.6%
Convenience / Other formats	+1.3%	+10.1%	+8.2%
Other European countries	-1.9%	+3.8%	+7.4%
Spain	-2.8%	+4.8%	+7.7%
Italy	-3.2%	+4.7%	+4.7%
Belgium	-6.7%	-4.8%	+12.5%
Poland	+7.1%	+15.0%	+0.4%
Romania	+8.4%	+6.4%	+7.5%
Latin America	+10.5%	+27.7%	+17.3%
Brazil	+3.4%	+19.4%	-3.2%
Argentina	+45.1%	+71.2%	+127.0%
Group total	+3.8%	+7.8%	+10.3%

Technical effects – Second-quarter 2023

	Calendar	Petrol	Foreign exchange
France	-0.8%	-3.8%	-
Hypermarkets	-0.9%	-4.7%	-
Supermarkets	-0.7%	-3.2%	-
Convenience / Other formats	-0.7%	-2.2%	-
Other European countries	-0.3%	-2.7%	+0.2%
Spain	+0.1%	-4.8%	-
Italy	-0.1%	-1.8%	-
Belgium	-0.5%	-	-
Poland	-1.9%	-1.4%	+2.2%
Romania	-0.1%	-0.1%	-0.1%
Latin America	-0.2%	-1.3%	-20.5%
Brazil	-0.4%	-0.9%	-3.3%
Argentina	+0.9%	-	-114.8%
Group total	-0.5%	-3.4%	-5.4%

First semester 2023 sales inc. VAT

	Sales inc. VAT (€m)	Variation excl. petrol excl. calendar		Total variation inc. petrol	
		LFL	Organic	At current exchange rates	At constant exchange rates
France	20,775	+7.2%	+6.3%	+4.1%	+4.1%
Hypermarkets	10,022	+6.3%	+4.8%	+2.2%	+2.2%
Supermarkets	6,964	+7.4%	+6.7%	+4.5%	+4.5%
Convenience / Other formats	3,789	+8.8%	+9.6%	+8.2%	+8.2%
Other European countries	12,425	+8.1%	+7.5%	+5.7%	+5.6%
Spain	5,579	+8.5%	+8.8%	+5.4%	+5.4%
Italy	2,166	+5.1%	+2.3%	+1.4%	+1.4%
Belgium	2,255	+11.3%	+9.8%	+9.9%	+9.9%
Poland	1,098	+3.1%	+3.5%	+1.7%	+1.4%
Romania	1,326	+9.8%	+11.3%	+11.5%	+11.2%
Latin America (pre-IAS 29)	12,248	+21.0%	+28.0%	+19.1%	+35.6%
Brazil	10,249	+0.8%	+9.1%	+19.0%	+18.9%
Argentina (pre-IAS 29)	1,999	+122.4%	+123.3%	+19.6%	+123.8%
Group total (pre-IAS 29)	45,448	+11.2%	+12.4%	+8.2%	+12.2%
IAS 29 ⁽¹⁾	(50)				
Group total (post-IAS 29)	45,398				

Note: (1) hyperinflation and foreign exchange

Comparable base - First semester

LFL change excl. petrol and calendar	H1 2021	H1 2022	H1 2023
France	+4.1%	+0.7%	+7.2%
Hypermarkets	+3.8%	-0.8%	+6.3%
Supermarkets	+7.0%	-1.8%	+7.4%
Convenience / Other formats	-0.6%	+9.5%	+8.8%
Other European countries	-1.7%	+2.3%	+8.1%
Spain	-0.6%	+4.1%	+8.5%
Italy	-7.4%	+2.6%	+5.1%
Belgium	-2.2%	-5.9%	+11.3%
Poland	+2.3%	+10.3%	+3.1%
Romania	+3.2%	+4.1%	+9.8%
Latin America	+13.2%	+22.4%	+21.0%
Brazil	+7.2%	+13.7%	+0.8%
Argentina	+39.1%	+67.0%	+122.4%
Group total	+4.2%	+5.7%	+11.2%

Technical effects – First semester 2023

	Calendar	Petrol	Foreign exchange
France	+0.2%	-2.5%	-
Hypermarkets	+0.1%	-2.7%	-
Supermarkets	+0.3%	-2.4%	-
Convenience / Other formats	+0.3%	-1.8%	-
Other Europeans countries	+0.0%	-1.9%	+0.1%
Spain	+0.0%	-3.4%	-
Italy	+0.2%	-1.2%	-
Belgium	+0.1%	-	-
Poland	-0.1%	-2.0%	+0.3%
Romania	+0.0%	-0.1%	+0.3%
Latin America	+0.1%	-1.5%	-16.5%
Brazil	+0.1%	-1.2%	+0.1%
Argentina	+0.6%	-	-104.3%
Group total	+0.1%	-2.7%	-4.0%

Geographic breakdown of H1 2023 net sales and recurring operating income

<i>(in €m)</i>	Net sales				Recurring Operating Income			
	H1 2022 IFRS 5	H1 2023	Variation at constant exchange rates	Variation at current exchange rates	H1 2022 IFRS 5	H1 2023	Variation at constant exchange rates	Variation at current exchange rates
France	17,910	18,694	+4.4%	+4.4%	194	270	+38.6%	+38.6%
Europe (excl. France)	10,636	11,301	+6.2%	+6.3%	163	164	+1.0%	+1.0%
Latin America	9,244	10,748	+35.1%	+16.3%	444	304	-18.6%	-31.5%
Global functions	-	-	-	-	-26	-38	+44.4%	+44.5%
TOTAL	37,790	40,743	+12.4%	+7.8%	775	700	-2.2%	-9.6%

Consolidated income statement H1 2023 vs 2022

<i>(in €m)</i>	H1 2022 IFRS 5	H1 2023	Variation at constant exchange rates	Variation at current exchange rates
Net sales	37,790	40,743	+12.4%	+7.8%
Net sales, net of loyalty program costs	37,391	40,302	+12.4%	+7.8%
Other revenue	1,168	1,287	+12.1%	+10.2%
Total revenue	38,558	41,589	+12.4%	+7.9%
Cost of goods sold	(31,055)	(33,515)	+12.1%	+7.9%
Gross margin	7,504	8,074	+13.8%	+7.6%
<i>As a % of net sales</i>	<i>19.9%</i>	<i>19.8%</i>	<i>+25bps</i>	<i>-4bps</i>
SG&A	(5,769)	(6,356)	+16.9%	+10.2%
<i>As a % of net sales</i>	<i>15.3%</i>	<i>15.6%</i>	<i>+61bps</i>	<i>+34bps</i>
Recurring operating income before D&A (EBITDA) ⁽¹⁾	1,862	1,852	+4.0%	-0.5%
<i>EBITDA margin</i>	<i>4.9%</i>	<i>4.5%</i>	<i>-37bps</i>	<i>-38bps</i>
Amortization	(961)	(1,018)	+8.2%	+6.0%
Recurring operating income (ROI)	775	700	-2.2%	-9.6%
<i>Recurring operating margin</i>	<i>2.0%</i>	<i>1.7%</i>	<i>-27bps</i>	<i>-33bps</i>
Income from associates and joint ventures	12	24		
Recurring operating income including from associates and joint ventures	786	724		
Non-recurring income and expenses	(82)	(186)		
Operating income	704	538		
Financial result	(181)	(276)		
Finance cost, net	(151)	(191)		
Net interests related to leases commitment	(68)	(100)		
Other financial income and expenses	38	15		
Income before taxes	522	262		
Income tax expense	(193)	(153)		
Net income from continuing operations	329	109		
Net income from discontinued operations	29	761		
Net income	358	871		
of which Net income, Group share	255	867		
of which continuing operations	239	118		
of which discontinued operations	16	749		
of which Net income, Non-controlling interests	103	4		
of which continuing operations	90	(9)		
of which discontinued operations	13	13		
Net income, Group share, adjusted for exceptional items	310	326		
Depreciation from supply chain (in COGS)	(127)	(134)		
Net income, Group share, adj. for exceptional items, per share	0,41	0,45		
Weighted average number of shares pre-dilution (in millions)	752	726		

Note: (1) 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

Consolidated balance sheet

<i>(in €m)</i>	June 30, 2022 published	June 30, 2023
ASSETS		
Intangible assets	9,980	10,243
Tangible assets	12,521	12,603
Financial investments	2,488	2,312
Deferred tax assets	667	450
Investment properties	313	292
Right-of-use asset	4,654	4,190
Consumer credit from financial-service companies - Long-term	1,866	1,970
Other non-current assets	679	641
Non-current assets	33,169	32,702
Inventories	7,227	7,047
Trade receivables	3,402	3,349
Consumer credit from financial-service companies - Short-term	3,708	4,358
Tax receivables	800	927
Other current assets	1,127	1,222
Other current financial assets	687	631
Cash and cash equivalents	2,539	3,859
Current assets	19,490	21,392
Assets held for sale	96	52
TOTAL	52,755	54,146
LIABILITIES		
Shareholders' equity, Group share	10,019	11,367
Minority interests in consolidated companies	2,103	1,910
Shareholders' equity	12,122	13,276
Deferred tax liabilities	425	373
Provision for contingencies	3,652	4,228
Borrowings - Long-term	5,915	6,479
Lease liabilities - Long-term	3,900	3,626
Bank loans refinancing - Long-term	2,115	1,678
Tax payables - Long-term	210	62
Non-current liabilities	16,216	16,446
Borrowings - Short-term	3,809	3,004
Lease liabilities - Short-term	1,047	936
Trade payables	13,283	12,831
Bank loans refinancing - Short-term	2,497	3,791
Tax payables - Short-term	1,121	1,129
Other current payables	2,659	2,733
Current liabilities	24,417	24,423
Liabilities related to assets held for sale	-	-
TOTAL	52,755	54,146

Consolidated cash flow statement

<i>(in €m)</i>	H1 2021 IFRS 5	H1 2023	Variation
NET DEBT AT OPENING	(2,633)	(3,378)	(745)
EBITDA	1,862	1,852	(10)
Income tax paid	(198)	(146)	52
Financial result (excl. net cost of debt and net interests related to leases obligations)	38	15	(23)
Cash impact of restructuring items and others	(168)	(26)	142
Gross Cash Flow (excl. discontinued)	1,533	1,696	162
Change in working capital requirement (incl. change in consumer credit)	(2,012)	(1,944)	68
Discontinued operations	63	35	(28)
Operating Cash Flow (incl. exceptional items and discontinued)	(416)	(213)	203
Capital expenditures ⁽¹⁾	(551)	(687)	(135)
Asset disposals (business related)	68	289	221
Change in net payables and receivables on fixed assets	(262)	(246)	17
Discontinued operations	(16)	(11)	5
Free Cash Flow	(1,177)	(867)	310
Free Cash Flow (excl. exceptional items and discontinued)	(1,105)	(781)	324
Payments related to leases (principal and interest) net of subleases payments received	(497)	(581)	(84)
Net cost of financial debt	(151)	(191)	(39)
Discontinued operations	(55)	(45)	10
Net Free Cash Flow	(1,880)	(1,684)	196
Net Free Cash Flow (excl. exceptional items and discontinued)	(1,753)	(1,553)	200
<i>Exceptional items and discontinued operations⁽²⁾</i>	<i>(127)</i>	<i>(131)</i>	<i>(4)</i>
Financial investments	(936)	(9)	927
Disposal of investments	25	1,075	1,050
Capital increase / (decrease) of Carrefour SA and share buyback	(753)	(261) ⁽³⁾	492
Dividends paid	(424)	(462)	(39)
Others ⁽⁴⁾	117	(105)	(222)
Discontinued operations	3	(216)	(219)
NET DEBT AT CLOSE	(6,480)	(5,040)	1,440

Notes: (1) Restated for Makro; (2) Discontinued operations, restructuring (€110m in H1 2023 vs. €125m in H1 2022) and others; (3) Including €336m share buyback; (4) Including cash capital increase subscribed by non-controlling interests

Change in shareholders' equity

<i>(in €m)</i>	Total shareholders' equity	Shareholders' equity, Group share	Minority interests
At December 31, 2022	13,186	11,144	2,042
H1 2023 total net income	871	867	4
Other comprehensive income/(loss) after tax	142	62	80
Dividends	(450)	(405)	(45)
Impact of scope and others ⁽¹⁾	(473)	(302)	(172)
At June 30, 2023	13,276	11,367	1,910

Note: (1) Mainly own share buyback

Net income, Group share, adjusted for exceptional items

<i>(in €m)</i>	H1 2022 IFRS 5	H1 2023
Net income, Group share	255	867
Restatement for non-recurring income and expenses (before tax)	82	186
Restatement for exceptional items in net financial expenses	(4)	41
Tax impact ⁽¹⁾	(13)	3
Restatement on share of income from companies consolidated by the equity method	-	-
Restatement on share of income from minorities	6	(22)
Restatement for net income of discontinued operations, Group share	(16)	(749)
Adjusted net income, Group share	310	326

Note: (1) Tax impact of restated items (non-recurring income and expenses and financial expenses) and exceptional tax items

CARREFOUR 2026: OPERATIONAL AND FINANCIAL OBJECTIVES

	End of 2022	H1 2023	2026 objective
Operational objectives			
Private labels	33% of food sales	35% of food sales (+3 points vs H1 2022)	40% of food sales
Convenience store openings	-	+295	+2,400 vs. 2022
Atacadão store openings	-	+14	>+200 vs. 2022
ESG objectives			
Sales of certified sustainable products	€5.4bn	€3.1bn	€8bn
Top 100 suppliers to adopt a 1.5°C trajectory	27%	36%	100%
Employees with disabilities	11,281	12,679	15,000
Financial objectives			
E-commerce GMV	€4.2bn	€2.4bn in H1 (+20%)	€10bn
Cost savings	€1.0bn in 2022	€490m in H1	€4bn (cumul. 2023-26)
Net Free Cash Flow ⁽¹⁾	€1,262m	+€196m vs. n-1	>€1.7bn
Investments (Capex)	€1,861m	€687m in H1	€2bn/year
Cash dividend growth	+8% (€0.56/share)	-	>+5%/year

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 108% in 2023

Carrefour's CSR and Food Transition Index assesses the Group's non-financial performance. Designed to measure Carrefour's ability to meet the trajectory defined for its main societal commitments over several years, the Index sets an annual target on different indicators for each country and for the Group. The CSR Index evolved in 2023 to take into account new objectives and to adapt the Group's ambitions within the framework of the Carrefour 2026 plan.

Category	Objective	H1 2023	Status
Products			97%
Food transition	8 billion euros in sales of certified sustainable products by 2026	€3.1bn	102%
	500 million euros in sales of plant-based proteins by 2026	€200m	91%
Raw materials	100% of sensitive productions for forest, animal welfare, soils, marine resources and human rights are covered by a risk mitigation plan by 2030	28%	104%
Packaging	Three Carrefour targets on packaging reduction, bulk and reuse, and packaging recyclability implemented by 2026		98%
	1. 20,000 tonnes of packaging saved by 2025 (cumulative since 2017)	19,241	111%
	2. €150m bulk sales and re-use in 2026 (x5 increase vs. 2022)	79	94%
	3. 100% reusable, recyclable or compostable packaging by 2025 ¹	69%	93%
Partner producers	50,000 partner producers by 2026	35,618	90%
Stores			104%
Food waste	50% reduction in food waste (vs. 2016)	n.a. ²	n.a.
Waste	100% of waste recycled by 2025	71%	93%
Climate (Scopes 1 and 2)	50% reduction in GHG emissions (Scopes 1 and 2) by 2030, and 70% reduction by 2040 (vs. 2019) ³	-40%	115%
Climate (Scope 3)	Top 100 suppliers with a 1.5°C trajectory by 2026 and 20 megatons saved by 2030	36%	103%
		266,000	106%
Customers			105%
Nutrition and health	Removal of 2,600 tons of sugar and 250 tons of salt from Carrefour-branded products by 2026 (vs. 2022)	n.a. ²	n.a.
Customer community	An active community of consumers of healthy and sustainable products in each country	2	100%
Supplier commitments	500 suppliers committed to the Food Transition Pact by 2030	233	111%
Food transition in stores	Minimum score of 75/100 for the question "Does Carrefour help you eat better?"	n.a. ²	n.a.
Employees			124%
Employees engagement	Minimum employer recommendation score of 75/100 awarded annually to Carrefour by its employees ⁴	83	132%
Gender equality	Women to account for 35% of Top 200 managers by 2025	28%	105%
Training	At least 50% of employees provided access to training every year	77%	154%
Disability	15,000 employees with a disability by 2026	12,679	107%

Notes: (1) Growing scope of consolidation. Excluding Spain and Argentina in H1 2023, target of 100% coverage at end-2023; (2) Results are not available for the first half; (3) Data excluding Brazil. Changes in scope in Brazil (acquisition of Grupo BIG) require a recalculation of the 2019 base. Brazil results will be included in the 2023 annual index.; (4) Ipsos, June 2023 - 22,238 respondents out of a representative sample of 265,000 employees surveyed

Expansion under banners - Q2 2023

Thousand of sq. m	Dec. 31 2022	March 31 2023	Openings / Store enlargements	Acquisitions	Closures / Store reductions / Disposals	Q2 2023 change	Jun. 30 2023
France	5,629	5,625	17	1	-9	9	5,633
Europe (excl. Fr)	5,965	5,813	25	-	-28	-3	5,810
Latin America	4,010	3,989	42	-	-114	-72	3,917
Others ⁽¹⁾	1,638	1,505	67	-	-11	56	1,561
Group	17,241	16,931	151	1	-162	-10	16,921

Note: (1) Asia, Africa, Middle-East, Dominican Republic

Store network under banners - Q2 2023

N° of stores	Dec. 31 2022	March 31 2023	Openings	Acquisitions	Closures / Disposals	Transfers	Total Q2 2023 change	June 30 2023
Hypermarkets	1,128	1,110	6	-	-9	-3	-6	1,104
France	253	253	-	-	-	-	-	253
Europe (excl. Fr)	455	454	1	-	-1	-	-	454
Latin America	252	234	-	-	-8	-3	-11	223
Others ⁽¹⁾	168	169	5	-	-	-	5	174
Supermarkets	3,842	3,762	60	-	-27	-1	32	3,794
France	1,039	1,038	-	-	-1	-	-1	1,037
Europe (excl. Fr)	2,088	2,011	44	-	-11	-	33	2,044
Latin America	246	245	-	-	-11	-1	-12	233
Others ⁽¹⁾	469	468	16	-	-4	-	12	480
Convenience stores	8,573	8,518	172	17	-150	-	39	8,557
France	4,472	4,450	72	17	-46	-	43	4,493
Europe (excl. Fr)	3,471	3,437	47	-	-103	-	-56	3,381
Latin America	581	582	13	-	-1	-	12	594
Others ⁽¹⁾	49	49	40	-	-	-	40	89
Cash & carry	541	564	7	-	-10	6	3	567
France	148	150	-	-	-	-	-	150
Europe (excl. Fr)	12	12	-	-	-	-	-	12
Latin America	356	372	6	-	-10	6	2	374
Others ⁽¹⁾	25	30	1	-	-	-	1	31
Soft discount	221	218	5	-	-1	-2	2	220
France	33	30	3	-	-	-	3	33
Europe (excl. Fr)	91	92	2	-	-1	-	1	93
Latin America	97	96	-	-	-	-2	-2	94
Others ⁽¹⁾	-	-	-	-	-	-	-	-
Sam's Club	43	44	-	-	-	3	3	47
France	-	-	-	-	-	-	-	-
Europe (excl. Fr)	-	-	-	-	-	-	-	-
Latin America	43	44	-	-	-	3	3	47
Others ⁽¹⁾	-	-	-	-	-	-	-	-
Group	14,348	14,216	250	17	-197	3	73	14,289
France	5,945	5,921	75	17	-47	-	45	5,966
Europe (excl. Fr)	6,117	6,006	94	-	-116	-	-22	5,984
Latin America	1,575	1,573	19	-	-30	3	-8	1,565
Others ⁽¹⁾	711	716	62	-	-4	-	58	774

Note: (1) Asia, Africa, Middle East, 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.

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.