

FY 2019 Results

February 27, 2020



Highlights

FULL-YEAR 2019 RESULTS

Clear improvement in 2019 results, notably driven by France and Latin America

- › **Acceleration to +3.1% LFL sales growth**
- › **ROI of €2,088m, up +€145m (+7.4%) at constant-FX and comparable accounting standards vs 2018***
- › **ROI in France up by +16%**
- › **Adjusted net income of €905m, up by +€101m (+13%) vs 2018***
- › **Free cash-flow up +17% excluding exceptional items to €1,301m vs €1,115 M€ in 2018***
- › **Net financial debt reduced by c.€1bn at constant-FX to €2.6bn at end-2019**

AMBITIONS REVISED UPWARDS

Building on the first successes of its transformation plan, Carrefour is completing and revising upwards its targets

- › **Improvement in the Group's Net Promoter Score® (NPS®) of +15 points over 2020-2022, or +23 points since the launch of the plan**
- › **Cost savings plan raised to €2.8bn (vs €2.6bn) on an annual basis by end-2020. €2.0bn achieved to date (€1,030m in 2019). Continued momentum beyond 2020**
- › **New target of €300m in additional disposals of non-strategic real estate assets by 2022**
- › **All other targets confirmed**



◀▶ 01

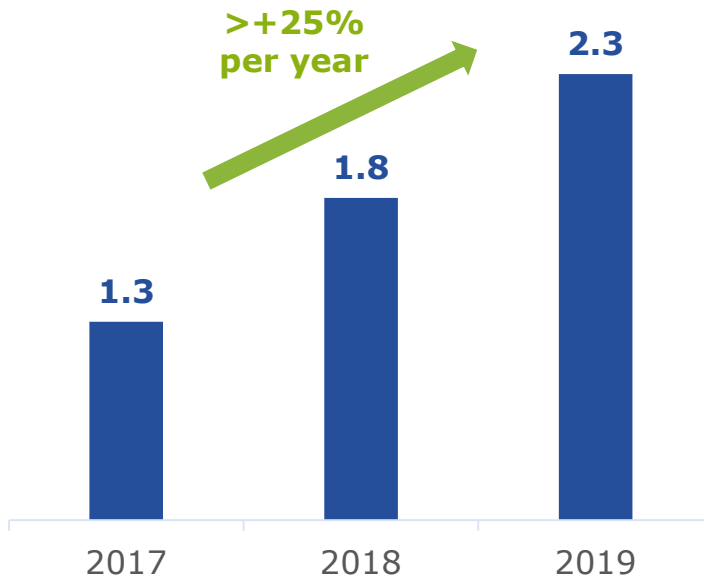
Carrefour 2022 Recent initiatives



Leader in the food transition for all



Organic product sales (€bn)



› FOOD QUALITY

- Expansion of blockchain technology: 28 products from Carrefour Quality Lines (FQC) or national brands
- Reformulation of 2,300 Carrefour-branded products since the start of the plan

› DEVELOPMENT OF THE ORGANIC OFFER

- Deployment of Carrefour's own organic assortment with more than 1,000 SKUs

› PRODUCT LINES

- Organic farming support: Target achieved one year ahead of schedule with 540 contracts signed since 2018 (+330 in 2019)
- Partnership signed to support milk, beef and pork sectors in France

› PLASTIC AND WASTE REDUCTION

- Partnership signed with Loop, offering everyday products in sustainable and returnable packaging
- Deployment of the Too Good To Go application against food waste in Europe

› ANIMAL WELFARE

- In-ovo sexing technique to avoid killing of male chicks

› CLIMATE CHANGE

- CO2 emission reduction of 36% since 2010, well on track to achieve 40% target by 2025

2019 "CSR and Food Transition" index of 114%



Construction of a sustainable and profitable growth model (1/2)



Customer satisfaction



Carrefour-branded products

› PRIORITY TO CUSTOMER SATISFACTION

- **NPS® progression in all countries**
- NPS® progression over time contributes to the improvement in LFL
- **NPS® generalized** and incorporated into the variable remuneration scheme (since 2019)

Group NPS® up 8 points since the launch of the plan

› IMPROVEMENT IN PRICE AND NON-PRICE COMPETITIVENESS

- **France:** Repositioning on permanent prices ("Unbeatable prices"), strengthening of loyalty schemes (new fresh Market Loyalty Rewards)
- **Belgium:** Price cuts launched in November 2019 on 1,000 products
- **Italy:** Extension in Sept. of the "Prezzo Ribassato" campaign (5,000 products) to the whole country
- **Increase of private label offer** provides additional value to customers

Price positioning now satisfactory in several key countries

› SHOWCASING FOOD EXPERTISE AND ADAPTING NON-FOOD

- Reduction and simplification of **assortments: -10.1%** at end-2019
- **+2 points** in the penetration rate of **Carrefour-branded products** in 2019
- Development of the **catering** and **snacking** offer

Offer thoroughly revamped to assert food expertise



Construction of a sustainable and profitable growth model (2/2)



Beauté plurielle, France



Atacadão, Brazil

› PROFOUND REVAMP OF HYPERMARKETS

- **Reduction of underproductive non-food sales area:** c.115,000 sqm at end-2019 (o/w c.55,000 sqm in France)
- Continued **adaptation of the non-food offer**
- Roll-out of **specialist areas** (Bio Experience in organic, *Beauté Plurielle*, Darty shop-in-shop, etc.)
- **Strong contribution from hypers to LFL growth improvement in Brazil, Spain and Poland**

Good performance in some key geographies, ongoing adaptation in France

› ACCELERATION IN E-COMMERCE

- **Leader in pedestrian Drives** with 134 pick-up points in France
- **1,696 Drives** across the Group, of which 1,110 in France
- **Acquisitions of a majority stake in Dejbox and Potager City**

Food e-commerce sales up more than +30% to €1.3bn in 2019

› SUCCESSFUL EXPANSION IN GROWTH FORMATS

- +16 **Supeco** in Europe (incl. +3 in France) in 2019
- +20 **Atacadão** in Brazil in 2019
- **Conversion of 22 hypermarkets to Maxi** in Argentina in 2019
- **+568 convenience stores** in 2019; significant proximity chains will join Carrefour in Italy

1,042 new convenience stores and 40 new Atacadão since start of the plan

Operational efficiency and financial discipline

CONTINUED ACTIONS TO IMPROVE OPERATIONAL PERFORMANCE AND TRANSFORM ORGANIZATIONS



› ORGANIZATIONAL TRANSFORMATION

- Collective Contractual Severance agreement finalized in **French hypers** (~3,000 people)
- In **Italy**, headcount reduction plan completed with 590 departures
- Introduction of **E-NPS** to measure employee engagement

Profound transformation and simplification of organizations well underway

› OPERATIONAL EFFICIENCY

- In France, **Envergyre** purchasing gains (Système U) are progressing
- With **Tesco**, partnerships in high-potential product categories gradually gaining momentum: 24 global agreements signed with international brand suppliers
- **Industrialized approach** for purchasing of **goods not for resale** extended to IT & Telecoms and security & cleaning services

Powerful cost reduction dynamic: €2bn since launch of the plan (€1bn in 2019)

› FINANCIAL DISCIPLINE AND RATIONALIZATION OF BUSINESS PORTFOLIO

- **Strong focus on free cash-flow generation and debt reduction**
- **Disposals of 80% of Carrefour China** and Carrefour stake in **Cargo property assets**; announced sale of **Rue du Commerce**

Solid balance sheet, further strengthened

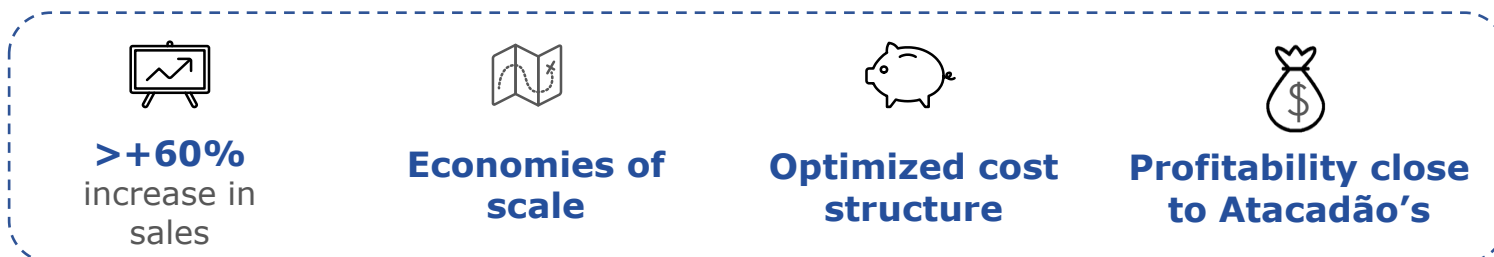


Accelerating Cash & Carry expansion with acquisition* of 30 Makro stores in Brazil for R\$ 1.95bn

Transaction scope



Expected benefits



Expected growth equivalent to 1.5 years of expansion



Strong geographic complementarity



◀▶ 02

Financial analysis



Key financial highlights

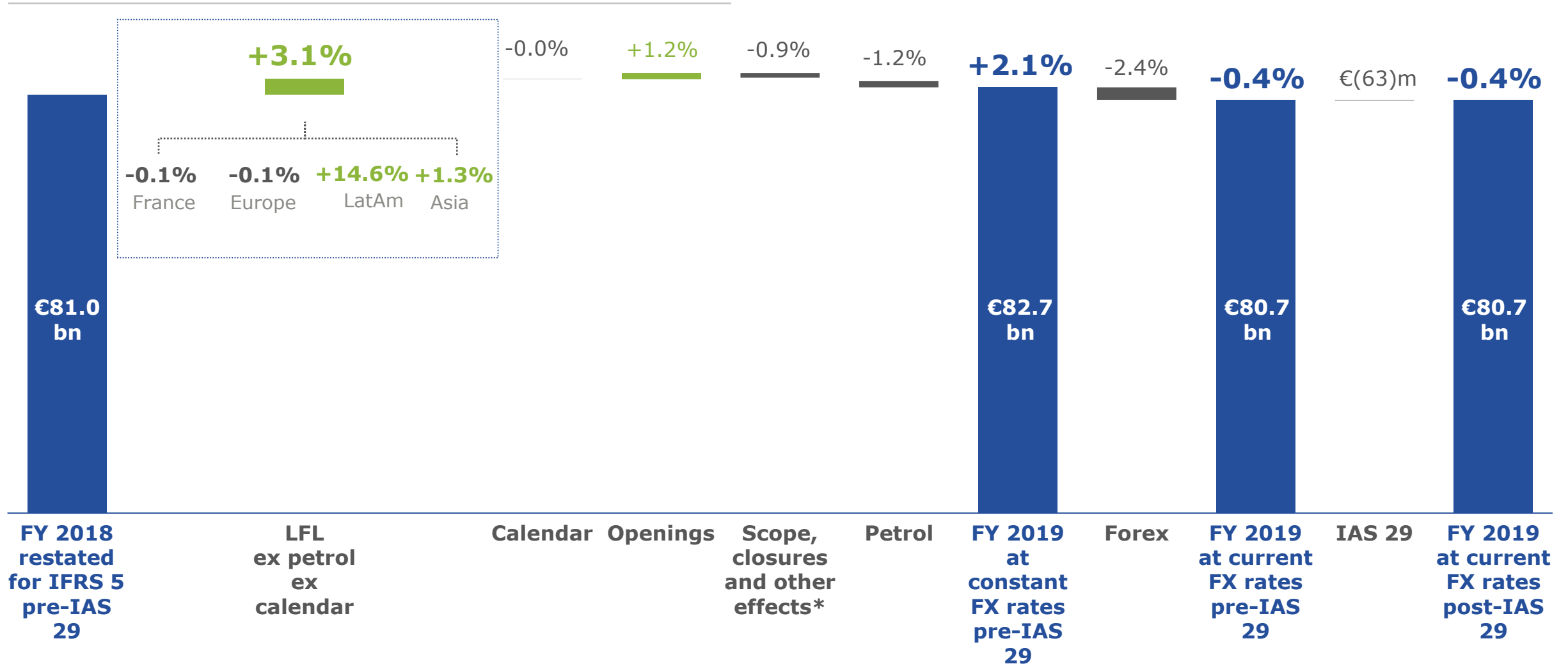
POWERFUL TRANSFORMATION MOMENTUM TRANSLATING IN NUMBERS

- › Acceleration of LFL sales growth
- › Turnaround in profitability trend with growing ROI
- › Significant reduction in net financial debt
- › **Back to a profitable growth trajectory**

	2017 reported		2019 pre-IAS 29 pre-IFRS 16
LFL	+1.6%	↗	+3.1%
ROI EVOLUTION at constant exchange rate vs previous year	-€403m -17.2%	↘	+€145m +7.4%
NET FINANCIAL DEBT	€3,743m	↘	€2,615m



FY 2019 sales: Accelerating growth, +3.1% LFL



Results impacted by FX

CURRENCY	2019 Evolution
Brazilian Real	-2.4%
Argentine Peso	-38.8%
Polish Zloty	-0.8%
Romanian Leu	-1.9%
Taiwanese Dollar	+2.8%

-2.4%
**negative FX impact on
2019 Gross Sales**

-€36m
**negative FX impact on
2019 ROI***



2019 ROI growth of +7.4% (at constant exchange rates)

<i>in €m</i>	2018 IFRS 5 pre-IAS 29 pre-IFRS 16	2019 IFRS 5 pre-IAS 29 pre-IFRS 16	Evolution at constant FX (€m / %)	2018 IFRS 5 post-IAS 29 pre-IFRS 16	2019 IFRS 5 post-IAS 29 post-IFRS 16
Net sales	72,553	72,450	+3.1% LFL	72,355	72,397
Gross margin from recurring operations as a % of net sales	22.4%	22.3%		22.3%	22.2%
Total distribution costs⁽¹⁾	(12,872)	(12,700)		(12,821)	(11,906)
<i>As a % of net sales</i>	(17.7%)	(17.5%)		(17.7%)	(16.4%)
<i>Depreciation and amortization as a % of net sales</i>	(1.9%)	(1.9%)		(1.9%)	(2.9%)
Recurring operating income (ROI)	1,971	2,080	+€145m / +7.4%	1,937	2,088
<i>As a % of net sales</i>	2.7%	2.9%		2.7%	2.9%

- **Gross margin** down 9bp, due to price investments, offset by purchasing gains, lower logistics costs and the better performance of financial services
- **Distribution costs** benefited from the cost reduction plan and include costs related to new stores and new customer services, notably in digital



Cost-reduction program ahead of plan with €1,030m in 2019 after €930m in 2018



COGS	Distribution costs
<p>✓ ✓</p> <ul style="list-style-type: none"> › First gains recorded from joint purchasing across Carrefour geographies › First benefits of purchasing alliances (Tesco, Système U, etc.) 	<p>✓ ✓</p> <ul style="list-style-type: none"> › Simplified and agile organisations › Efficiency measures implemented on SG&A › Know-how developed with recruitment of experts in purchasing protocols and process simplification

Costs savings now part of daily operations, momentum will continue beyond 2020



France

Strong growth in ROI up +15.6%

<i>in €m</i>	2018 IFRS 5 pre-IFRS 16	2019 IFRS 5 pre-IFRS 16	% change	2019 IFRS 5 post-IFRS 16
Net sales	35,615	34,765	-2.4%	34,765
LFL ex. petrol ex. calendar			-0.1%	
ROI	466	539	+15.6%	547
ROI margin	1.3%	1.6%	+24bp	1.6%

› **France** 2019 ROI at €539m, up +€73m (+15.6%)

› Increase in operating margin to 1.6% (vs 1.3% in 2018) reflecting:

- Dynamics of lower costs, transformation of organizations and improvement of purchasing conditions
- Investments in price competitiveness and in the attractiveness of the offer, services and digital



Other European countries

Intensification of the transformation plan

<i>in €m</i>	2018 IFRS 5 pre-IFRS 16	2019 IFRS 5 pre-IFRS 16	% change at current FX	% change at constant FX	2019 IFRS 5 post-IFRS 16
Net sales	21,076	20,999	-0.4%	-0.1%	20,999
LFL ex. petrol ex. calendar				-0.1%	
ROI	664	647	-2.7%	-2.5%	657
ROI margin	3.2%	3.1%	-7bp	-7bp	3.1%

- › **Europe** 2019 ROI stood at €647m (vs €664m in 2018)
- › Solid performance in Spain and Eastern Europe, where the commercial model confirms its attractiveness
- › Sluggish growth in Italy and Belgium and substantial investment in competitiveness, partly offset by more significant cost reductions in H2 with the completion of departure plans



Latin America

Solid ROI improvement driven by sales growth

<i>in €m</i>	2018 IFRS 5 pre-IAS 29 pre-IFRS 16	2019 IFRS 5 pre-IAS 29 pre-IFRS 16	% change at current FX	% change at constant FX	2018 IFRS 5 post-IAS 29 pre-IFRS 16	2019 IFRS 5 post-IAS 29 post-IFRS 16
Net sales	14,007	14,718	+5.1%	+16.8%	13,809	14,665
LFL ex. petrol ex. calendar				+14.6%		
ROI	800	844	+5.4%	+10.0%	767	833
ROI margin	5.7%	5.7%	+2bp	-33bp	5.6%	5.7%

- ▶ **Latin America** 2019 ROI at €844m, up +10.0% at constant exchange rates
- ▶ In Brazil, with strong sales growth, ROI up by +6.5% at constant exchange rates
- ▶ ROI is growing and is now positive in Argentina, confirming the turnaround initiated in 2018



Asia (Taiwan)

Continued growth in profitability

<i>in €m</i>	2018 IFRS 5 pre-IFRS 16	2019 IFRS 5 pre-IFRS 16	% change at current FX	% change at constant FX	2019 IFRS 5 post-IFRS 16
Net sales	1,855	1,968	+6.1%	+3.2%	1,968
LFL ex. petrol ex. calendar				+1,3%	
ROI	77	85	+11.0%	+8.0%	83
ROI margin	4.2%	4.3%	+19bp	+19bp	4.2%

- › **Taiwan** 2019 ROI up +8.0% at constant exchange rates
- › ROI of €85m, i.e. an increase in operating margin to 4.3% vs 4.2% in 2018
- › Good growth momentum, expansion and tight cost control

Increase in adjusted net income, Group share, from continuing operations to €905m

<i>in €m</i>	2018 IFRS 5 pre-IAS 29 pre-IFRS 16	2019 IFRS 5 pre-IAS 29 pre-IFRS 16
Recurring operating income	1,971	2,080
Net income from associates and JV's	14	2
Non-recurring income and expenses, net	(1,127)	(920)
EBIT	858	1,162
Net financial expenses	(314)	(271)
Income before taxes	544	891
Income tax expense	(527)	(505)
<i>Normative tax rate</i>	31.3%	31.2%
Net income from discontinued operations	(380)	1,122
Consolidated Net income	(363)	1,508
Net income, Group share	(582)	1,314
<i>Net income from continuing operations, Group share</i>	(208)	193
<i>Net income from discontinued operations, Group share</i>	(373)	1,121
Non-controlling interests	219	194
<i>Net income from continuing operations, Non-controlling interests</i>	225	194
<i>Net income from discontinued operations, Non-controlling interests</i>	(7)	0
Adjusted net income, Group share, from continuing operations	804	905

Mainly related to Carrefour 2022 transformation initiatives and provision for tax litigation in Brazil booked in H1

Slight decrease in normative tax rate thanks to lower tax rate in banking activities in Brazil

Mainly includes capital gain from China disposal (and ex-Dia in 2018)

+€101m



Improvement of +€186m in free cash-flow generation (excl. exceptional items and discontinued operations)

<i>in €m</i>	2018 IFRS 5 pre-IAS 29 pre-IFRS 16	2019 IFRS 5 pre-IAS 29 pre-IFRS 16	Variation
EBITDA	3,415	3,485	69
Income tax paid	(505)	(499)	6
Financial result (excl. cost of debt and interest related to leases obligations)	(86)	(33)	52
Others (incl. cash impact of restructuring items)	(620)	(614)	6
Gross cash-flow (excl. discontinued)	2,204	2,338	134
Change in working capital	(35)	(135)	(100)
Discontinued operations	(59)	(67)	(8)
Operating cash-flow (incl. exceptional items and discontinued)	2,110	2,136	26
Capital expenditure	(1,565)	(1,725)	(160)
Change in net payables to fixed asset suppliers	(46)	106	152
Net asset disposals (business-related)	192	98	(94)
Discontinued operations	(57)	(33)	23
Free cash-flow	636	582	(54)
Free cash-flow from continuing operations, excl. exceptional items	1,115	1,301	186
<i>Exceptional items and discontinued operations⁽¹⁾</i>	<i>(478)</i>	<i>(719)</i>	<i>(241)</i>
Operating leases payment (incl. interests) (finance lease IAS 17) – Excl. China	(42)	(42)	(0)
Operating leases payment (incl. interests) net of financial sub-lease payment received – Excl. China	n.a.	n.a.	n.a.
Operating leases payment (incl. interests) - China	(3)	(2)	1
Cost of debt	(228)	(221)	7
Net free cash-flow	363	317	(46)
Net free cash-flow from continuing operations, excl. exceptional items	844	1,038	194

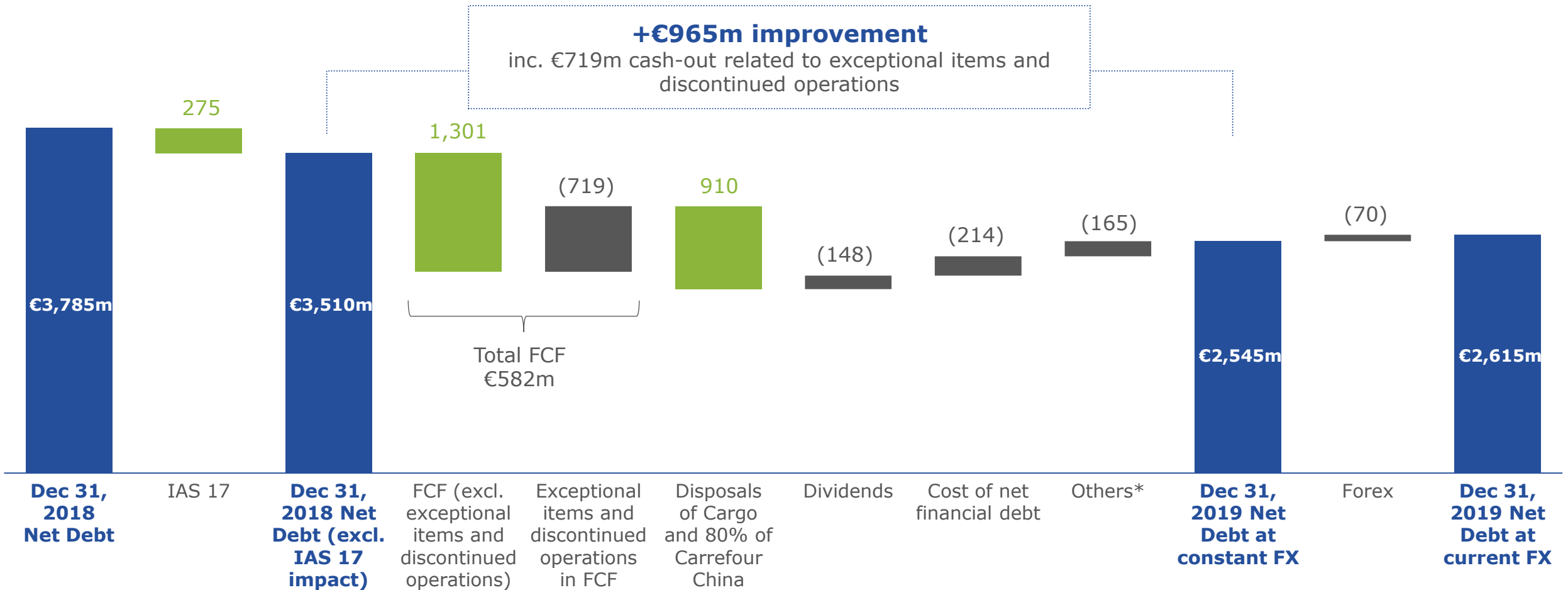
Mainly related to cash-out of Carrefour 2022 transformation initiatives

Temporary rise of inventories at year-end, increase in trade payables and lower other payables (incl. social)

Increased investments after low point in 2018

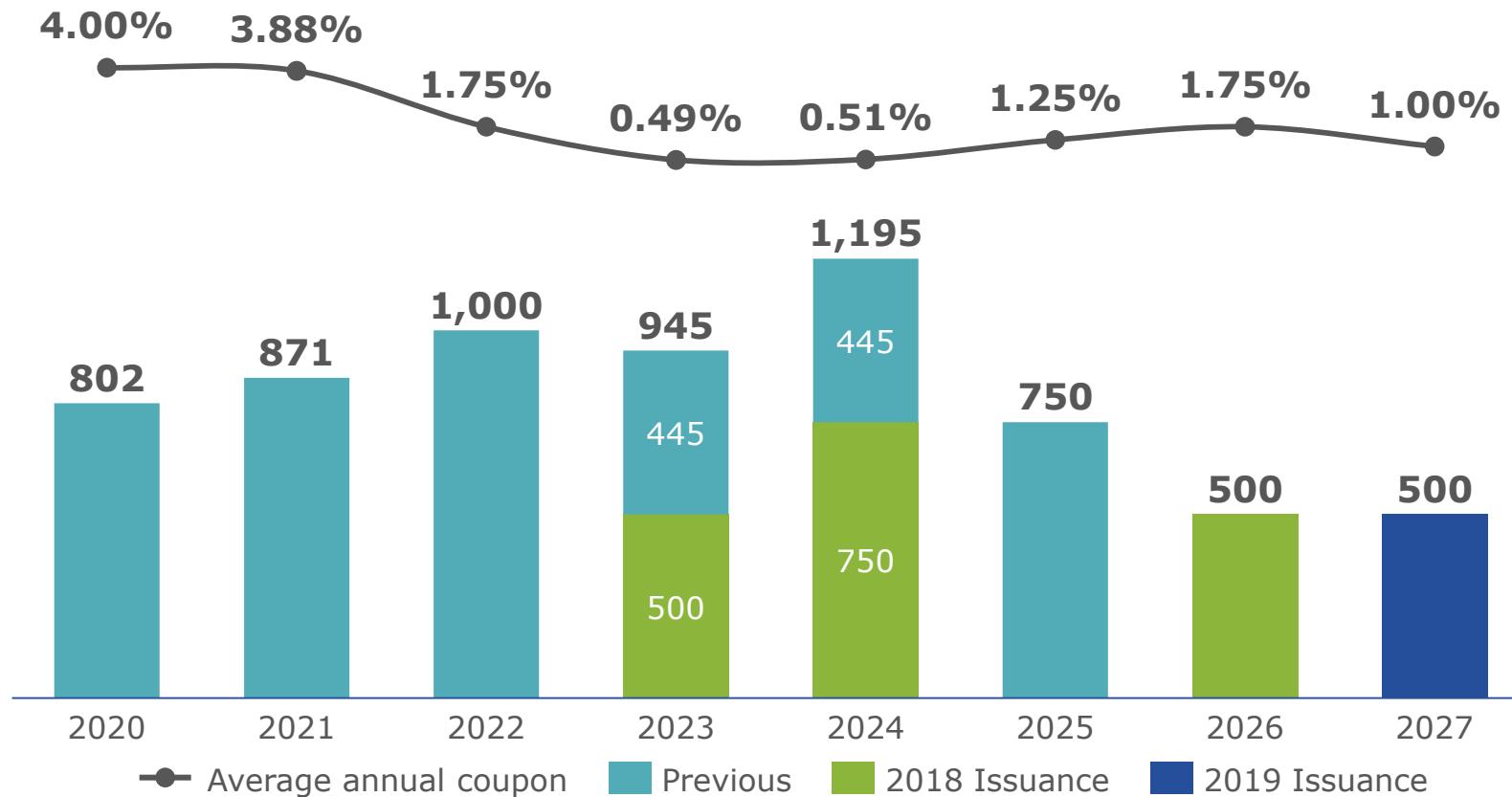


Net debt reduction of c.€1bn (at constant exchange rates)



Enhanced liquidity and solid balance sheet

Debt redemption schedule (in €m)



- › **Successful operation** in May 2019: **issuance of €500m bonds** with a maturity of 8 years and 1.00% coupon
- › Successful **bond redemption for €327m** in November 2019
- › At end-December 2019, debt maturity is at **3.5 years**
- › Successful amendment and extension of the **2 credit facilities for €3.9bn**, incorporating an **innovative CSR component** in June 2019
- › Credit Rating as of December 31, 2019: **BBB stable outlook (S&P) and Baa1 negative outlook (Moody's)**



Stable dividend

Dividend of €0.46 (stable vs 2018)

Representing a
total amount of c.€367m
proposed to the
General shareholders' meeting
on May 29, 2020

Payment in **shares**
or in **cash**

5% discount for dividend
payment in **shares**
(vs. 10% last year)

2020 focus and new ambitions

› 2020 focus: **Customer satisfaction**

› Operational targets

- **NEW: Group NPS up +15 points over 2020-22 period**
- Reduction of 350,000 sqm hypermarket sales area worldwide by 2022
- -15% reduction in assortments by 2020
- Carrefour-branded products accounting for one-third of sales in 2022
- 2,700 convenience stores openings by 2022

FINANCIAL OUTLOOK

NEW: €2.8bn cost reduction plan (vs €2.6bn)
on an annual basis by 2020

€4.2bn of food e-commerce sales
in 2022

€4.8bn sales in organic products
in 2022

NEW: €300m additional disposals of non-strategic real estate assets
by 2022





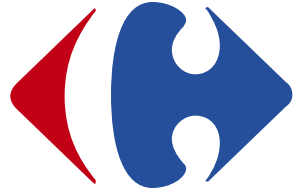
H1 2020 agenda

During the week of March 30, 2020
Carrefour Brazil Investor Day
in Sao Paulo

April 28, 2020
First-quarter 2020 sales

May 29, 2020
General Shareholders' Meeting

June 25, 2020
Thematic event on customer satisfaction
in Madrid



Appendix

February 27, 2020



Full year 2019 gross sales

	Gross sales (in €m)	Change at current exch. rates inc. petrol	Change at constant exch. rates inc. petrol	LFL ex. petrol ex. calendar	Organic growth ex. petrol ex. calendar
France	38,861	-2.6%	-2.6%	-0.1%	-1.4%
Hypermarkets	20,021	-3.6%	-3.6%	-2.1%	-2.6%
Supermarkets	12,818	-1.5%	-1.5%	+1.9%	-0.9%
Others, inc. convenience	6,022	-1.7%	-1.7%	+2.2%	+2.0%
Other European countries	23,358	-0.5%	-0.2%	-0.1%	-0.4%
Spain	9,723	+0.4%	+0.4%	+0.1%	+0.0%
Italy	5,049	-4.1%	-4.1%	-2.6%	-4.3%
Belgium	4,152	-2.9%	-2.9%	-1.5%	-2.8%
Poland	2,189	+3.6%	+4.4%	+4.9%	+4.6%
Romania	2,246	+5.3%	+7.5%	+3.6%	+7.5%
Latin America (pre-IAS 29)	16,463	+4.8%	+17.3%	+14.6%	+18.1%
Brazil	14,084	+7.5%	+10.4%	+6.5%	+11.0%
Argentina (pre-IAS 29)	2,379	-9.1%	+52.3%	+54.4%	+52.2%
Asia	2,054	+6.1%	+3.2%	+1.3%	+3.1%
Taiwan	2,054	+6.1%	+3.2%	+1.3%	+3.1%
Group total (pre-IAS 29)	80,735	-0.4%	+2.1%	+3.1%	+3.1%
IAS 29 impact	(63)				
Group total (post-IAS 29)	80,672				



Net sales and recurring operating income per region

in €m	NET SALES				RECURRING OPERATING INCOME			
	2018 IFRS 5 pre-IAS 29 pre-IFRS 16	2019 IFRS 5 pre-IAS 29 pre-IFRS 16	Variation at constant exch. rates	Variation at current exch. rates	2018 IFRS 5 pre-IAS 29 pre-IFRS 16	2019 IFRS 5 pre-IAS 29 pre-IFRS 16	Variation at constant exch. rates	Variation at current exch. rates
France	35,615	34,765	-2.4%	-2.4%	466	539	+15.6%	+15.6%
Other European countries	21,076	20,999	-0.1%	-0.4%	664	647	-2.5%	-2.7%
Latin America	14,007	14,718	+16.8%	+5.1%	800	844	+10.0%	+5.4%
Asia	1,855	1,968	+3.2%	+6.1%	77	85	+8.0%	+11.0%
International	36,938	37,686	+6.5%	+2.0%	1,542	1,576	+4.5%	+2.2%
Global functions	-	-	-	-	(38)	(35)	-5.6%	-7.2%
TOTAL	72,553	72,450	+2.1%	-0.1%	1,971	2,080	+7.4%	+5.6%



Net sales and recurring operating income per region

in €m	NET SALES				RECURRING OPERATING INCOME			
	2018 IFRS 5 post-IAS 29 pre-IFRS 16	2019 IFRS 5 post-IAS 29 post-IFRS 16	Variation at constant exch. rates	Variation at current exch. rates	2018 IFRS 5 post-IAS 29 pre-IFRS 16	2019 IFRS 5 post-IAS 29 post-IFRS 16	Variation at constant exch. rates	Variation at current exch. rates
France	35,615	34,765	-2.4%	-2.4%	466	547	+17.3%	+17.3%
Other European countries	21,076	20,999	-0.1%	-0.4%	664	657	-0.9%	-1.1%
Latin America	13,809	14,665	+23.4%	+6.2%	767	833	+11.4%	+8.6%
Asia	1,855	1,968	+3.2%	+6.1%	77	83	+4.9%	+7.8%
International	36,740	37,632	+8.9%	+2.4%	1,509	1,573	+5.7%	+4.3%
Global functions	-	-	-	-	(38)	(32)	-13.8%	-15.3%
TOTAL	72,355	72,397	+3.3%	+0.1%	1,937	2,088	+8.8%	+7.8%



2019 income statement

<i>in €m</i>	2018 IFRS 5 pre-IAS 29 pre-IFRS 16	2019 IFRS 5 pre-IAS 29 pre-IFRS 16	IFRS 16 impact	IAS 29 impact	2019 IFRS 5 post-IAS 29 post-IFRS 16
Net Sales	72,553	72,450	-	(53)	72,397
Net sales, net of loyalty program costs	71,926	71,705	-	(53)	71,651
Other revenue	2,439	2,525	(34)	0	2,491
Total revenue	74,366	74,230	(34)	(53)	74,142
Cost of goods sold	(58,148)	(58,098)	10	34	(58,054)
Gross margin	16,218	16,131	(25)	(19)	16,088
SG&A	(12,872)	(12,700)	786	8	(11,906)
Recurring operating income before D&A (EBITDA)	3,415	3,485	942	(10)	4,417
Depreciation and amortization	(1,376)	(1,351)	(722)	(21)	(2,093)
Recurring operating income (ROI)	1,971	2,080	40	(31)	2,088
Recurring operating income including income from associates and joint ventures	1,985	2,082	40	(31)	2,090
Non-recurring income and expenses	(1,127)	(920)	(106)	(4)	(1,030)
EBIT	858	1,162	(66)	(35)	1,060
Financial expense	(314)	(271)	(115)	47	(338)
Income before taxes	544	891	(181)	12	722
Income tax expense	(527)	(505)	5	(4)	(504)
Net income from continuing operations, Group share	(208)	193	(170)	9	32
Net income from discontinued operations, Group share	(373)	1,121	(24)	-	1,097
Net income, Group share	(582)	1,314	(194)	9	1,129
Adjusted net income, Group share	804	905	(42)	(2)	861
Depreciation from supply chain (in COGS)	(69)	(54)	(181)	(0)	(235)



Key restructuring initiatives underpin powerful cost reduction momentum

	Key initiatives	Initiatives' status (all completed)	Savings recognition	
DIA	<ul style="list-style-type: none"> 273 ex-Dia stores to be removed from Group scope 	<ul style="list-style-type: none"> All stores sold or closed at end July 2018 	<ul style="list-style-type: none"> Ex-Dia scope discontinued from January 1st, 2018 	Finalized
HQ France	<ul style="list-style-type: none"> Voluntary departure plan (c.2,400 FTE) 	<ul style="list-style-type: none"> Completed ahead of schedule in September 2018 	<ul style="list-style-type: none"> Started in H2 2018 and completed in H1 2019 	Finalized
Argentina	<ul style="list-style-type: none"> Voluntary departure plan (c.1,000 FTE) 	<ul style="list-style-type: none"> Completed in 2018 	<ul style="list-style-type: none"> Started in H2 2018 and completed in H1 2019 	Finalized
Belgium	<ul style="list-style-type: none"> Voluntary departure plan (c.1,000 FTE) 	<ul style="list-style-type: none"> Completed mid-2019 	<ul style="list-style-type: none"> Started end-2018 and completed in 2019 	Finalized
Italy	<ul style="list-style-type: none"> Headcount voluntary departure plan, both HQ and stores (c.600 FTE) 	<ul style="list-style-type: none"> Completed end-2019 	<ul style="list-style-type: none"> Started in H2 2019 	Underway
Hypers France	<ul style="list-style-type: none"> Implementation of the Collective Contractual Severance (RCC) agreement (c.3,000 FTE) 	<ul style="list-style-type: none"> Completed end-2019 	<ul style="list-style-type: none"> Started in H2 2019 	Underway

Non-recurring income and expenses

<i>in €m</i>	2018 IFRS 5 pre-IAS 29 pre-IFRS 16	2019 IFRS 5 pre-IAS 29 pre-IFRS 16	
Restructuring costs	(710)	(550)	• Related to Carrefour 2022 transformation initiatives, notably in France and Italy
Impairment and asset write-offs	(185)	(194)	• Incl. RueDuCommerce, Showroomprivé
Results from asset disposals	57	131	• Mainly related to Cargo
Other non-current items	(289)	(308)	• Mainly related to tax litigations in Brazil
Non-recurring income and expenses, net	(1,127)	(920)	

➤ **Around €400m+ restructuring expenses to be cashed-out** in years to come relating to plans accounted for as of end 2019



Tax expense

<i>in €m</i>	2018 IFRS 5 pre-IAS 29 pre-IFRS 16	2019 IFRS 5 pre-IAS 29 pre-IFRS 16
Income before taxes	544	891
Non-recurring income and expenses, net	1,127	920
Income before taxes (excl. non-recurring income and expense)	1,671	1,811
Full-year normative tax rate ⁽¹⁾	31.3%	31.2%
Normative tax expense	(523)	(566)
<i>Non income-based taxes (incl. CVAE ⁽²⁾)</i>	<i>(51)</i>	<i>(61)</i>
<i>Others ⁽³⁾</i>	<i>47</i>	<i>122</i>
Total tax expense	(527)	(505)
Effective tax rate ⁽⁴⁾	(96.9%)	(56.6%)

Mainly reflects a reduction in income tax rate in Brazil (bank activity)

Strongly affected by a high level of non-current expenses in pre-tax income and the major part of DTA is depreciated

(1) Full-year normative tax rate:

- Reflects Carrefour's geographic footprint and the relative weighting of each country
- Calculation based on local corporate income tax rate applied to pre-tax income excluding non-current items

(2) CVAE: local business tax in France assessed on the basis of the value-added generated by the business, recorded as corporate income tax.

(3) The major part of DTA generated by non-current expenses in December 2019 are depreciated.

(4) The difference between the effective tax rate of 69.7% and the effective tax rate published of 56.6% is mainly explained by the impact of IAS 29 and IFRS 16.



Earnings per share

	2018 IFRS 5 pre-IAS 29 pre-IFRS 16	2019 IFRS 5 pre-IAS 29 pre-IFRS 16	2018 IFRS 5 post-IAS 29 pre-IFRS 16	2019 IFRS 5 post-IAS 29 post-IFRS 16
(€ per share)				
Net income from continuing operations, Group share	(0.27)	(0.24)	(0.24)	0.04
Net income from discontinued operations, Group share	(0.48)	1.42	(0.48)	1.39
Net income, Group share	(0.75)	1.66	(0.72)	1.43
Adjusted net income, Group share	1.04	1.14	1.07	1.09
Weighted average number of shares pre-dilution (in millions) ⁽¹⁾	775.1 ⁽²⁾	791.5	775.1 ⁽²⁾	791.5

(1) Non significant dilutive impact

(2) In accordance with IAS 33, the weighted average number of shares used to calculate 2018 EPS was adjusted to take into account the effect of the 2018 dividends paid in shares on July 11 2019 (retrospective adjustment on the effect of the 10% discount on shares issued in payment of dividends, determined by the treasury stock method)



Free cash-flow generation

<i>in €m</i>	2018 IFRS 5 pre-IAS 29 pre-IFRS 16	2019 IFRS 5 pre-IAS 29 pre-IFRS 16	Variation	IFRS 16 impact	IAS 29 impact	2019 IFRS 5 post-IAS 29 post-IFRS 16
EBITDA	3,415	3,485	69	942	(10)	4,417
Income tax paid	(505)	(499)	6	-	0	(499)
Financial result (excl. cost of debt and interest related to leases obligations)	(86)	(33)	52	(8)	25	(17)
Others (incl. cash impact of restructuring items)	(620)	(614)	6	-	-	(614)
Gross cash-flow (excl. discontinued)	2,204	2,338	134	934	14	3,286
Change in working capital	(35)	(135)	(100)	1	(14)	(149)
Discontinued operations	(59)	(67)	(8)	176	-	109
Operating cash-flow (incl. exceptional items and discontinued)	2,110	2,136	26	1,111	-	3,247
Capital expenditure	(1,565)	(1,725)	(160)	-	-	(1,725)
Change in net payables to fixed asset suppliers	(46)	106	152	(7)	-	99
Net asset disposals (business-related)	192	98	(94)	-	-	98
Discontinued operations	(57)	(33)	23	-	-	(33)
Free cash-flow	636	582	(54)	1,103	-	1,686
Free cash-flow from continuing operations, excl. exceptional items	1,115	1,301	186	927	-	2,229
Operating leases payment (incl. interests) (finance lease IAS 17) – excl. China	(42)	(42)	(0)	-	-	(42)
Operating leases payment (incl. interests) net of financial sub-lease payment received - excl. China	-	-	-	(927)	-	(927)
Operating leases payment (incl. interests) - China	(3)	(2)	1	(176)	-	(178)
Cost of debt	(228)	(221)	7	-	7	(214)
Net free cash-flow	363	317	(46)	-	7	324
Net free cash-flow from continuing operations, excl. exceptional items	844	1,038	194	-	7	1,045

China disposal

› Bridge EqV / EV

Enterprise Value	€1,435m
Operating debt related to shopping cards	€(456)m
Value of minorities interest	€(229)m
Net financial cash/debt	€24m
Equity Value	€774m

› Cash impact in 2019

Purchase price for 80%, net of fees	€612m
Net financial cash/debt	€(13)m
Cash impact	€599m

› Capital gain in 2019

Purchase price for 100%, net of fees	c.€770m
- Net book value sold, Group share	c.€(360)m
+ Others	c.€20m
Capital gain	c.€1.15bn



Stores under banners at end-2019

(#)	Hypermarkets	Supermarkets	Convenience	Cash & Carry	Total
France	248	1,071	3,959	146	5,424
Other European countries	455	1,798	2,646	60	4,959
Spain	205	111	810	23	1,149
Italy	51	417	608	13	1,089
Belgium	40	441	308	0	789
Poland	89	153	664	0	906
Romania	37	266	44	24	371
Others	33	410	212	0	655
Latin America	188	150	530	193	1,061
Argentina	88	97	405	7	597
Brazil	100	53	125	186	464
Asia	175	77	0	0	252
Taiwan	69	68	0	0	137
Others	106	9	0	0	115
Others⁽¹⁾	141	316	58	14	529
Total	1,207	3,412	7,193	413	12,225

(1) Africa, Middle-East and Dominican Republic





Disclaimer

This presentation 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 Annual Report (Document de Référence). These documents are also available in the English language 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.