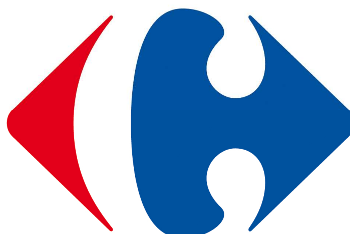

MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2012

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This is a free translation into English of the Carrefour Group's financial report for 2012 issued in French. It is provided solely for the convenience of English speaking users.

1. Sales and earnings performance

1.1 Main earnings indicators

(in € millions)	2012	2011*	% change
Net sales	**76,789**	**76,067**	**0.9%**
Recurring operating income	**2,140**	**2,197**	**(2.6%)**
Non-recurring operating income and expenses, net	(707)	(2,337)	(69.8)%
Finance costs and other financial income and expenses, net	(882)	(705)	25.1%
Income tax expense	(388)	(931)	(58.3)%
Net income/(loss) from continuing operations – Group share	**113**	**(1,865)**	
Net income from discontinued operations – Group share	1,120	2,237	
Net income – Group share	**1,233**	**371**	

The Group's 2012 performance reflected solid demand and an expanded presence in emerging markets, particularly Latin America, and resilient operating income despite a challenging economic environment in mature markets, especially southern Europe:

- Sales rose by 0.9% as reported, led by emerging markets.

- Recurring operating income stood at €2,140 million, almost stable at constant exchange rates and down 2.6% as reported; the improvement recorded in France and strong growth in Latin America almost completely offset reduced profitability in Southern Europe.

- Non-recurring items represented a net expense of €707 million, compared with a net expense of €2,337 million in 2011, which included a €1,750 mllion goodwill impairment loss in Italy. The 2012 net expense included €285 million of restructuring costs, €236 million of asset write-downs and write-offs, and €419 million in charges to provisions for contingencies and other non-recurring items, partly offset by €234 million of net disposal gains.

- Finance costs and other financial income and expenses represented a net expense of €882 million, up by €177 million because of an exceptional charge of €216 million.

- Income tax expense declined to €388 million from €931 million in 2011, due to there being fewer exceptional tax charges in 2012.

- The Group ended the year with a net income from continuing operations of €113 million, compared with a net loss of €1,865 million in 2011.

- Net income from discontinued operations – Group share amounted to €1,120 million, mainly reflecting capital gains on the sale of operations in Colombia and Malaysia, and the 2012 net income from operations in Indonesia.

- Net income – Group share came to €1,233 million, a significant improvement compared with the previous year's €371 million.

- Free cash flow increased to €279 million in 2012, with tight management of working capital requirement (especially inventory) and lower capital spending more than offsetting the decline in net cash from operating activities.

* 2011 data have been restated to reflect the reclassification of operations in Greece, Singapore, Colombia, Malaysia and Indonesia as "Discontinued operations" as from January 1, 2011 in accordance with IFRS 5.

1.2 Analysis of the main income statement items

Net sales by region

The Group's operating segments correspond to the countries in which it does business, combined by region, and "Global functions", corresponding to the holding companies and other support entites.

(in € millions)	2012	2011*	% change	% change at constant exchange rates
France	35,341	35,179	0.5%	0.5%
Rest of Europe	20,873	21,536	(3.1)%	(2.7)%
Latin America	14,174	13,551	4.6%	12.1%
Asia	6,400	5,801	10.3%	0.5%
Total	**76,789**	**76,067**	**0.9%**	**1.6%**

Net sales before loyalty program costs totaled €76,789 million, up 0.9% compared with 2011 as reported and up 1.6% at constant exchange rates.

Growth in sales (including tax) can be explained as follows:

- Same store sales grew by 1% year-on-year.
- Expansion (store openings and acquisitions, net of closures and disposals) added 0.6% to growth.
- The currency effect was a negative 0.7%, mainly due to the depreciation of the Brazilian real and the Argentine peso.

Net sales by region – contribution to the consolidated total

(in %)	2012	2011*
France	46.0%	46.2%
Rest of Europe	27.2%	28.3%
Latin America	18.5%	17.8%
Asia	8.3%	7.6%
Total	**100.0%**	**100.0%**

Emerging markets (Latin America and Asia) represented 26.8% of consolidated net sales in 2012, up from 25.4% the year before.

* 2011 data have been restated to reflect the reclassification of operations in Greece, Singapore, Colombia, Malaysia and Indonesia as "Discontinued operations" as from January 1, 2011 in accordance with IFRS 5.

Recurring operating income by region

(in € millions)	2012	2011*	% change	% change at constant exchange rates
France	929	898	3.5%	3.5%
Rest of Europe	509	640	(20.6)%	(20.2)%
Latin America	608	532	14.2%	22.9%
Asia	168	187	(10.3)%	(19.0)%
Global functions(1)	(74)	(61)	19.9%	21.3%
Total	**2,140**	**2,197**	**(2.6)%**	**(1.1)%**

(1) Effective January 1, 2012, the operating income and expenses of the support entities (general administration, sourcing, purchasing etc.) are allocated to the regions using a new method. In previous periods, their results were allocated to the region where the support entities were incorporated, but they are now allocated to countries pro rata to the services provided to each one, with the unallocated amounts reported under "Global functions". Comparative information for 2011 has been adjusted accordingly.

Recurring operating income amounted to €2,140 million, representing 2.8% of sales, compared with 2.9% in 2011.

This solid performance reflected:

- Stable recurring operating margin, at 22.1% of net sales.
- A limited 1.3% rise in sales, general and administrative expenses, representing a 10-basis point increase as a percentage of revenue. Sustained action to bring sales costs under control almost entirely offset the effect of higher payroll costs in emerging markets and new costs linked to continued expansion.

Recurring operating income by region – contribution to the consolidated total

(in %)	2012	2011*
France	43.4%	40.9%
Rest of Europe	23.8%	29.2%
Latin America	28.4%	24.2%
Asia	7.8%	8.5%
Global functions	-3.4%	-2.8%
Total	**100.0%**	**100.0%**

The share of operating income generated in emerging markets (Latin America and Asia) continued to see significant growth. These markets represented 36.2% of the Group total in 2012, compared with 32.7% in 2011.

Depreciation, amortization and provisions

Depreciation, amortization and provisions amounted to €1,548 million, representing 2% of sales, a ratio largely unchanged from 2011.

Non-recurring income and expenses

Non-recurring income and expenses consist of certain material items of income and expense that are unusual in terms of their nature and frequency, such as impairment charges, restructuring costs and provision charges recorded to reflect revised estimates of risks provided for or that arose in prior periods, based on information of which the Group became aware during the reporting year.

* 2011 data have been restated to reflect the reclassification of operations in Greece, Singapore, Colombia, Malaysia and Indonesia as "Discontinued operations" as from January 1, 2011 in accordance with IFRS 5.

Non-recurring items represented a net expense of €707 million, comprising €962 million in expenses and €256 million in income.
The detailed breakdown is as follows:

(in € millions)	2012	2011*
Net gains on sales of assets	234	255
Restructuring costs	(285)	(205)
Other non-recurring items	(419)	(392)
Non-recurring income and expenses, net before asset impairments and write-offs	**(470)**	**(341)**
Asset impairments and write-offs	(236)	(1,996)
Impairments and write-offs of goodwill	*(18)*	*(1,778)*
Impairments and write-offs of property and equipment	*(219)*	*(218)*
Non-recurring income and expenses, net	**(707)**	**(2,337)**
Of which, non-recurring income	*256*	*345*
Of which, non-recurring expense	*(962)*	*(2,682)*

Net gains on sales of assets correspond to gains on the sale of the Group's 50% stake in Altis and its subsidiairies, and various other asset sales, mainly in France.

Non-recurring expenses for the year included:

- Restructuring costs (€285 million)
- Net charges to provisions for contingencies and other non-recurring items (€419 million)
- Asset impairments (€236 million)

A description of these non-recurring items is provided in Note 11 to the Consolidated Financial Statements.

Operating income

The Group reported operating income of €1,434 million for 2012, as opposed to a €140 million loss the year before that was attributable to the €1,750 million impairment loss recorded on Italian goodwill.

Finance costs and other financial income and expenses

Finance costs and other financial income and expenses represented a net expense of €882 million, corresponding to 1.1% of sales compared with 0.9% in 2011.

(in € millions)	2012	2011*
Finance costs, net	(486)	(462)
Other financial income and expenses, net	(396)	(243)
Finance costs and other financial income and expenses, net	**(882)**	**(705)**

The 25.1% increase in finance costs was largely due to an exceptional charge of €216 million linked to the Group's interest rate management.

* 2011 data have been restated to reflect the reclassification of operations in Greece, Singapore, Colombia, Malaysia and Indonesia as "Discontinued operations" as from January 1, 2011 in accordance with IFRS 5.

Income taxes

Income taxes amounted to €388 million in 2012, compared with €931 million in 2011.
The effective tax rate was 70.4%, due to exceptional items and the inclusion in income tax expense of the CVAE local business tax in France. Excluding exceptional items, the effective tax rate was 35.7%, compared to 32.6% in 2011.

Net income from companies accounted for by the equity method

Net income from companies accounted for by the equity method totaled €72 million compared with €64 million in 2011.

Non-controlling interests

Net income attributable to non-controlling interests came to €83 million versus €33 million in 2011.

Net income/(loss) from continuing operations – Group share

The Group ended the year with net income from continuing operations of €113 million, representing a very significant improvement from the net loss of €1,865 million reported in 2011.

Net income from discontinued operations – Group share

Net income from discontinued operations totaled €1,120 million, compared with €2,237 million in 2011. The 2012 figure includes:

- The gain on disposal of operations in Colombia and Malaysia, and the net income contribution for 2012 from these countries and the Group's operations in Indonesia, for a total of €1,343 million.
- The €207 million cost arising from restructuring our partnership in Greece, which was completed in August 2012.

Net income from discontinued operations in 2011 mainly comprised gains on disposal of the Group's operations in Thailand and Dia entities.

1.3 Performance by region

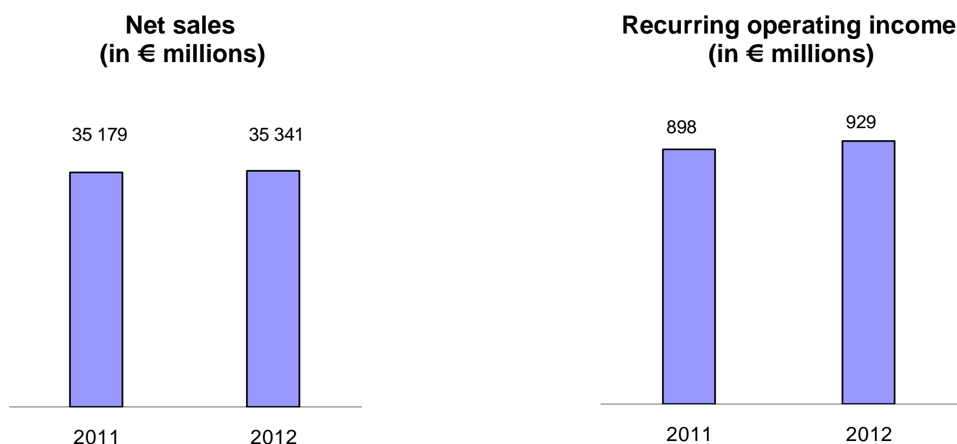
France

At December 31, 2012, the consolidated store base in France broke down as follows:

Hypermarkets	Supermarkets	Other stores	Total
212	550	5	767

In 2012, the consolidated store base increased by seven hypermarkets, with one new hypermarket opened (Lyon Confluence) and six Guyenne & Gascogne stores added to the base. In addition, five Cash&Carry stores were converted from franchise operations to owned and managed stores.

* 2011 data have been restated to reflect the reclassification of operations in Greece, Singapore, Colombia, Malaysia and Indonesia as "Discontinued operations" as from January 1, 2011 in accordance with IFRS 5.



Sales rose by 0.5%, reflecting robust food sales.

The Group's improved price positioning had a limited impact on sales margin, because of the decision to reduce investment in loyalty programs and promotional offers. Sales, general and administrative expenses declined both in absolute value and as a percentage of sales. As a result, recurring operating income rose 3.5% to €929 million.

Capital expenditure was reduced by €291 million to €602 million, representing 1.7% of sales.

Rest of Europe

At December 31, 2012, the consolidated store base in the rest of Europe broke down as follows:

Hypermarkets	Supermarkets	Other stores	Total
392	817	190	1,399

In 2012, the consolidated store base increased by one hypermarket and three convenience stores. The number of supermarkets remained stable, with 24 openings in Romania offset by closures and transfers to franchisees, mainly in Poland, Italy and Spain.

Net sales contracted by 2.7% at constant exchange rates and 3.1% as reported. The decline reflected the economic downturn in Italy and Spain. Belgium continued to show improvement, in line with the trend established in 2011.

Recurring operating income for the region stood at €509 million, down 20.2% at constant exchange rates. This was mainly due to declines in Spain and Italy, where consumer spending fell as a result of the recession, although the impact was partly offset by a reduction in distribution costs.

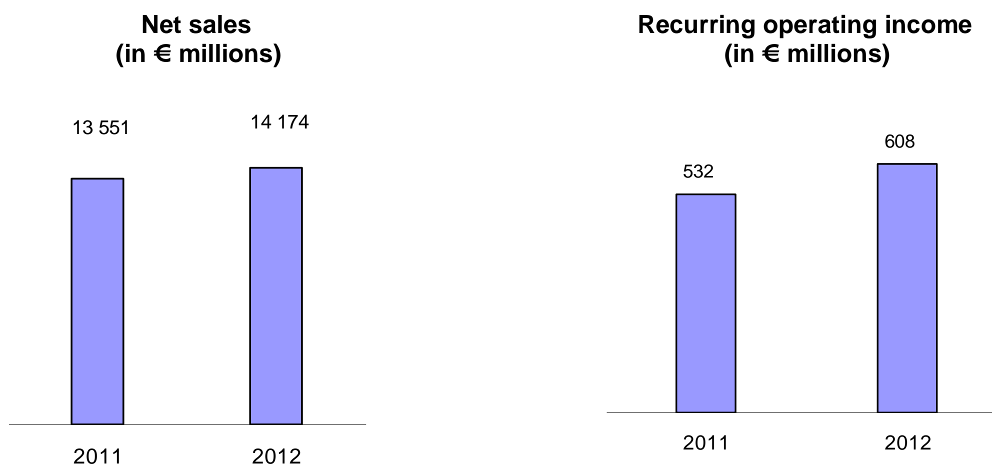
Capital expenditure was reduced by 44% to €345 million, representing 1.7% of sales.

Latin America

At December 31, 2012, the consolidated store base in Latin America broke down as follows:

Hypermarkets	Supermarkets	Other stores	Total
272	168	235	675

In 2012, 12 hypermarkets (10 in Brazil and two in Argentina), 18 supermarkets (representing most of the 19 supermarkets previously operated by EKI in Argentina), and 157 convenience stores (56 new stores in Argentina and 110 former EKI stores) were added to the base.



In Latin America, sales continued to expand at a rapid pace, rising by 12.1% at constant exchange rates. Growth was led by higher same-store sales in Argentina and Brazil, and significant expansion in both countries.

Recurring operating income in Latin America came to €608 million, an increase of 22.9% at constant exchange rates that reflected profitability improvements in Brazil.

Capital expenditure totaled €308 million, representing 2.2% of sales, compared to 2.8% in 2011. Priority was given to expansion programs.

Asia

At December 31, 2012, the consolidated store base in Asia broke down as follows:

Hypermarkets	Supermarkets	Other stores	Total
279	3	4	286

Note: excluding Indonesia

In 2012, 17 hypermarkets were added to the store base, largely as a result of expansion in China, where there were 18 openings. In India, two Cash&Carry stores opened at the end of the year.

Sales in China and Taiwan grew 0.5% overall at constant exchange rates. At current exchange rates, total sales in the region were up 10.3%.

Commercial margin held up well. Ongoing productivity improvements only partly offset the increase in distribution costs linked to expansion and wage inflation in China. Recurring operating income contracted 10.3% to €168 million.

Capital expenditure in Asia stood at €257 million, representing 4% of sales, compared to €193 million in 2011, when they represented 3.3% of sales.

2. Financial position

2.1 Shareholders' equity

At December 31, 2012, shareholders' equity stood at €8,361 million, an increase of €734 million compared with €7,627 million at the previous year-end.

This increase reflected:

- Income for the year of €1,316 million.
- Dividend payments of €469 million, including €348 million paid to Carrefour shareholders (of which €211 million paid in shares) and €121 million to non-controlling interests.
- The €188 million capital increase from the issuance of shares to Guyenne & Gascogne shareholders who took part in the tender offer.
- The buyout of non-controlling interests in Guyenne & Gascogne subsidiaries previously part-owned by the Group, and the purchase and subsequent resale of non-controlling interests in connection with the reorganisation of our financial services partnership in Brazil, leading to a net reduction in shareholders' equity of €150 million.
- The €374 million reduction in the translation reserve, including €182 million in cumulative translation adjustments recognized in the income statement following the sale of operations in Colombia and Malaysia.

2.2 Net debt

The Group's net debt was reduced by €2,591 million from €6,911 million at December 31, 2011 to €4,320 million at the end of 2012, mainly due to the recognition of the proceeds from the sale of the Group's operations in Colombia and Malaysia, and the deconsolidation of their external bank borrowings.

Net debt breaks down as follows:

(in € millions)	2012	2011
Bonds and notes	8,992	8,545
Other borrowings	1,516	1,894
Commercial paper	-	250
Finance lease liabilities	420	492
Total borrowings before derivative instruments recorded in liabilities	10,928	11,180
Derivative instruments recorded in liabilities	318	492
Total long and short-term borrowings	11,246	11,672
Of which, long-term borrowings	8,983	9,513
Of which, short-term borrowings	2,263	2,159
Other current financial assets	352	911
Cash and cash equivalents	6,573	3,849
Total current financial assets	6,925	4,760
Net debt	**4,320**	**6,911**

Long and short-term borrowings (excluding derivatives) mature at different dates through 2021 for the longest tranche of bond debt, leading to balanced repayment obligations in the coming years as shown below:

(in € millions)	2012	2011
Due within one year	2,263	2,159
In 1 to 3 years	1,773	1,700
Due in 3 to 5 years	4,067	4,136
Due beyond 5 years	2,824	3,184
Total	**10,928**	**11,180**

The Group carried out two bond issues in 2012: a €500 million issue due 2016 in January (including €250 million allocated to refinancing the consumer credit companies' loan assets) and a €1,000 million issue due 2017 in December.

The Group has ample liquid resources, in the shape of €4.35 billion in committed syndicated lines of credit with no drawing restrictions that expire in 2015 and 2016, of which €1.1 billion obtained during the first half of 2012.

2.3 Cash flows for the year and cash and cash equivalents at December 31, 2012

Cash and cash equivalents totaled €6,573 million at December 31, 2012, compared with €3,849 million one year earlier, an increase of €2,724 million.

This year-on-year change breaks down as follows:

(in € millions)	2012	2011*
Cash flow from operations (excluding discontinued operations)	2,180	2,381
Change in working capital requirement (excluding discontinued operations)	(42)	(240)
Change in consumer credit granted by financial services companies (excluding discontinued operations)	7	(233)
Impact of discontinued operations	(171)	210
Net cash from operating activities	**1,973**	**2,118**
(Acquisitions)/disposals of property and equipment and intangible assets, net	(1,480)	(1,440)
Other cash flows from investing activities	(16)	(104)
Impact of discontinued operations	1,833	1,146
Net cash from/(used in) investing activities	**337**	**(398)**
Dividends paid	(257)	(807)
Change in treasury stock	0	(126)
Net change in borrowings and current financial assets	685	(359)
Other cash flows from financing activities	(4)	(1)
Impact of discontinued operations	122	123
Net cash from/(used in) financing activities	**546**	**(1,170)**
Effect of changes in exchange rates	(132)	27
Net change in cash and cash equivalents	**2,724**	**578**
Cash and cash equivalents at beginning of year	3,849	3,271
Cash and cash equivalents at end of year	6,573	3,849

Cash flow from operations and working capital requirement

Gross cash flow from operations (excluding discontinued operations) totaled €2,180 millions, down 8.4% compared with the €2,381 million in 2011. The decrease reflected cash outflows for litigation settlements and restructuring measures.

The change in working capital requirement was a negative €42 million in 2012 versus a negative €240 million in 2011, reflecting an improvement in trade working capital requirement that was attributable to a sharp reduction in inventories.

Capital expenditure

After taking into account the proceeds from operating asset disposals for the period, net cash used for acquisitions of property and equipment and intangible assets amounted to €1,480 million, compared with €1,440 million in 2011. The main changes for the year were as follows:

- A €572 million reduction in acquisitions of property and equipment and intangible assets, reflecting lower store remodelling expenditure (down €317 million) and routine capital expenditure on stores and IT systems (down €278 million).
- A €166 million decline in amounts due to suppliers of assets versus a €191 million increase in 2011, representing a negative change of €357 million. This was due to the early-2012 payments for work delivered in late 2011, mainly for the deployment of the new Carrefour Planet hypermarket format.
- A €255 million decrease in proceeds from asset disposals.

* 2011 data have been restated to reflect the reclassification of operations in Greece, Singapore, Colombia, Malaysia and Indonesia as "Discontinued operations" as from January 1, 2011 in accordance with IFRS 5.

In all, net cash used in investing activities (excluding discontinued operations) amounted to €1,496 million in 2012 versus €1,544 million the year before.

The proceeds from the sale of the Group's operations in Malaysia (on October 31, 2012) and Colombia (on November 30, 2012) represented €2,053 million in total.

2.4 Financing and liquid resources

Corporate Treasury and Financing's liquidity management strategy consists of:

- Promoting conservative financing strategies in order to ensure that the Group's credit rating allows it to raise funds on the bond and commercial paper markets.
- Maintaining a presence in the debt market by conducting regular bond issues, mainly in euros, in order to preserve a balanced maturity profile. The Group's issuance capacity under its EMTN program totals €12 billion.
- Using the €5 billion commercial paper program listed on NYSE Euronext Paris.
- Maintaining undrawn medium-term bank facilities that can be drawn down at any time according to the Group's needs. At December 31, 2012, the Group had three undrawn syndicated lines of credit obtained from a pool of leading banks for a total of €4.35 billion, expiring in 2015 and 2016. Group policy consists of keeping these facilities on stand-by to cover any problems that may be encountered with the commercial paper program. The loan agreements for the syndicated lines of credit include the usual clauses.

The Group considers that its liquidity position was strong at December 31, 2012 especially since, at that date, it had €4.35 billion in committed syndicated lines of credit expiring in the medium term, with no drawing restrictions, and sufficient cash reserves to meet its medium- and long-term debt repayment obligations for 2013.

The Group's debt profile is balanced, with no peak in refinancing needs across the remaining life of bond debt, which averages 3 years and 11 months.

At December 31, 2012 Carrefour was rated BBB/A-2, outlook stable, and Carrefour Banque was rated BBB+/A-2, outlook stable, by S&P.

2.5 Restrictions on the use of capital resources

For its international operations, Carrefour is not affected by any restrictions likely to have a significant effect on the capital of its subsidiaries at the end of 2012. This point is discussed in Note 26 to the consolidated financial statements.

2.6 Expected sources of funding

To meet its commitments, Carrefour can use its free cash flow and raise debt capital using its EMTN and commercial paper programs, as well as its credit lines.

3. Outlook for 2013

The Group has set the following priorities for 2013:

- Continuing its multilocal, multiformat development.
    - France: continuing action plans across all formats, giving priority to improving the offer and pricing image, refurbishing stores, and developing drive-throughs and a multi-channel approach.
    - Europe: aligning the offer and cost base with the challenging economic environment.
    - Emerging markets: continuing expansion in Latin America and Asia.
    - Giving new momentum to the development of property assets.

- Maintaining strict financial discipline:
    - Applying a stable dividend policy.
    - Limiting growth in capital expenditure (budgeted at between €2.2 and €2.3 billion in 2013).
    - Containing working capital requirement.

- Decentralizing and empowering:
    - Simplifying decision-making structures and processes.
    - Handing back power to stores and allowing them to take the initiative.
    - Putting the customer at the heart of the business.

4. Other information

4.1 Accounting principles

Carrefour's consolidated financial statements for 2012 were prepared in accordance with IFRS international accounting standards.

The accounting and calculation methods used to prepare the consolidated financial statements for 2012 are the same as those used for the 2011 consolidated financial statements. No new accounting standards or interpretations were adopted for use in the European Union as from January 1, 2012 that would have a material impact on the consolidated financial statements.

The 2011 income statement and cash flow statement are provided for purposes of comparison. The comparative information presented in this document has been restated to reflect the reclassification of certain operations in accordance with IFRS 5.

4.2 Changes in the scope of consolidation

Restructuring of operations in Greece

On June 15, 2012, Carrefour announced that an agreement had been reached with its Greek partner, the Marinopoulos Brothers Group, for the restructuring of their joint subsidiary, Carrefour Marinopoulos. The agreement provided for the implementation of various measures designed to strengthen the financial position of Carrefour Marinopoulos and its subsidiaries, the sale of Carrefour's stake to Marinopoulos Brothers, and the signature of a brand license allowing Carrefour Marinopoulos to continue to operate under the Carrefour banner. It also included an earn-out clause.

The transaction was completed on August 8, 2012, after anti-trust approval had been obtained in Cyprus, Greece and Bulgaria and the various other conditions precedent had been met.

In accordance with IFRS 5, the following reclassifications have been made in the financial statements at December 31, 2012:

- Carrefour Marinopoulos's net income up to the sale date is presented under "Net income from discontinued operations" with the portion attributable to non-controlling interests shown separately in accordance with IAS 27. To permit year-on-year comparisons, Carrefour Marinopoulos's net income for 2011 has been presented on the same basis.
- In the statement of cash flows, all of the Greek entities' cash flows are presented on the lines "Impact of discontinued operations", with 2011 cash flows reclassified accordingly.

The net loss on the sale is reported on the line "Net income from discontinued operations – Group share".

Tender offer for Guyenne & Gascogne

On February 14, 2012, the Group announced that it had filed a cash offer with a stock alternative for Guyenne & Gascogne, its historical partner in southwestern France. The offer was cleared by France's securities regulator, Autorité des Marchés Financiers (AMF), on February 28, 2012 and the Offer Document prepared by Carrefour was approved under AMF visa no. 12-095.

The Offer terms were as follows:

- One Guyenne & Gascogne share (cum dividend, after taking into account the payment of a special dividend of €7.0 per share) for €74.25 in cash.
- Alternative stock offer: one Guyenne & Gascogne share for 3.90 Carrefour shares (cum dividend) (offer limited to 4,986,786 Guyenne & Gascogne shares).

The Offer ran from March 22 to May 30, 2012. The planned business combination between Carrefour and Guyenne & Gascogne was cleared by France's anti-trust authorities on May 9, 2012, and the results of the Offer were announced by the AMF on June 4, 2012. In all, 6,423,906 shares were tendered – of which 3,005,637 shares to the cash offer and 3,418,269 shares to the alternative stock offer – giving Carrefour 96.61% of Guyenne & Gascogne's capital. As stated in the section of the Offer Document describing its intentions, Carrefour decided to implement a squeeze-out procedure in order to acquire the remaining Guyenne & Gascogne shares at the cash offer price of €74.25 per share. The procedure was implemented on June 13, 2012.

In accordance with the terms of the Offer, the Guyenne & Gascogne acquisition led to:

- The issue by Carrefour of 13,331,250 new €2.50 par value shares at a premium per share of €11.63, for a total of €188 million.
- Cash payments totaling €239 million to the Guyenne & Gascogne shareholders who tendered their shares to the cash offer or sold them under the squeeze-out procedure.

The total acquisition cost was therefore €428 million.

In accounting terms, the transaction consisted of:

- The acquisition of the stores operated directly by Guyenne & Gascogne (six hypermarkets operated as Carrefour franchise outlets and 28 supermarkets operated as Carrefour Market franchise outlets), accounted for in accordance with IFRS 3.
- The acquisition of non-controlling interests, consisting of Guyenne & Gascogne's 50.0% interest in Sogara (a company that was already controlled by Carrefour) and Sogara's 8.2% interest in Centros Comerciales Carrefour ("Carrefour Spain"). These acquisitions have been treated as transactions with owners and accounted for directly in shareholders' equity in accordance with IAS 27.

The first-time consolidation of Guyenne & Gascogne led to the recognition of goodwill in the amount of €35 million and to a €143 million reduction in shareholders' equity – Group share, corresponding to the difference between the acquisition price of the non-controlling interests and their carrying amount in the Group accounts. Taking into account the share issue carried out in conjunction with the Offer, the net impact on shareholders' equity – Group share was an increase of €45 million.

New financial services partnership in Brazil

During the first half of 2011, Carrefour signed an agreement making Itaù Unibanco its new partner in BSF Holding, its financial services and insurance subsidiary, in place of its former partner.

Once the transaction had been cleared by Brazil's central bank, Carrefour Brazil purchased the 40% interest in BSF Holding from its former partner and then sold 49% of BSF Holding to Itaù Unibanco.

In accordance with IAS 27, the operation was treated as two successive transactions with owners without a change of control. Consequently, it led to an increase in shareholders' equity – Group share, as reflected in the statement of changes in shareholders' equity.

Sale of the Group's interest in Altis and its subsidiaries

In line with the commitment given in December 2011, during the first half of 2012 the Group sold to Eroski its 50% stake in Altis (and its subsidiaries), which was accounted for by the equity method up to the date of sale.

Acquisition of the Eki stores in Argentina

On June 14, 2012, Carrefour announced that it had acquired 129 Eki stores (110 convenience stores and 19 supermarkets), located mainly in and around the Argentine capital, Buenos Aires.

In accordance with IFRS 3 (revised), the first-time consolidation of Eki led to the recognition of goodwill of €21 million.

Sale of the Group's operations in Colombia, Malaysia and Indonesia

On October 18, 2012, the Group announced the signature of an agreement with Chile's Cencosud Group for the sale of its operations in Colombia for an enterprise value of €2 billion. The transaction was completed on November 30, 2012.

On October 31, 2012, the Group announced the sale, with immediate effect, of its operations in Malaysia to the Aeon Group, a major Japanese retailer, for an enterprise value of €250 million.

On November 20, 2012, the Group announced the sale of its 60% stake in Carrefour Indonesia to its local partner, CT Corp, which has become Carrefour's exclusive franchisee in this country, for €525 million.

The total income recorded in "Net income from discontinued operations" in 2012 for these three operations amounted to €1,359 million, including their results for the period to the sale date and cumulative translation adjustment recognized in the income statement.

The gain on the sale of operations in Indonesia will be reported in 2013 under "Net income from discontinued operations".

4.3 Subsequent events

The sale of the Group's operations in Indonesia was completed on January 16, 2013, after the necessary approvals had been obtained from the Indonesian authorities.

No other post balance sheet event is likely to have a significant impact on the Group's 2012 financial statement.

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