CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2013

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This is a free translation in English of the Carrefour Group's 2013 Consolidated Financial Statements issued in the French language, provided solely for the convenience of English speaking users.

The 2012 comparative information presented in this report has been restated to reflect the reclassification of certain operations in accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations,* and the retrospective application of IAS 19R – *Employee Benefits*. These restatements are described in Note 4.

The consolidated financial statements are presented in millions of euros, rounded to the nearest million. As a result, there may be rounding differences between the amounts reported in the various statements.

CONSOLIDATED INCOME STATEMENT

(in € millions)	Notes	2013	2012(1)	% change
Net sales	6	74,888	75,673	(1.0%)
Loyalty program costs		(588)	(653)	(9.9%)
Net sales net of loyalty program costs		**74,299**	**75,021**	**(1.0%)**
Other revenue	7	2,375	2,309	2.9%
Total revenue		**76,675**	**77,330**	**(0.8%)**
Cost of sales	8	(59,828)	(60,659)	(1.4%)
Gross margin from recurring operations		**16,847**	**16,671**	**1.1%**
Sales, general and administrative expenses	9	(13,178)	(13,028)	1.1%
Depreciation, amortization and provisions	10	(1,432)	(1,518)	(5.7%)
Recurring operating income		**2,238**	**2,124**	**5.3%**
Non-recurring income and expenses, net	11	144	(660)	-
Operating income		**2,382**	**1,465**	**62.6%**
Finance costs and other financial income and expenses, net	12	(722)	(883)	(18.3%)
Finance costs, net		*(428)*	*(488)*	*(12.4%)*
Other financial income and expenses, net		*(294)*	*(395)*	*(25.5%)*
Income before taxes		**1,660**	**581**	**185.5%**
Income tax expense	13	(631)	(380)	65.9%
Net income from companies accounted for by the equity method		30	72	(58.8%)
Net income from continuing operations		**1,058**	**273**	**287.7%**
Net income from discontinued operations	14	306	1,069	(71.4%)
Net income for the year		**1,364**	**1,342**	**1.7%**
Group share		**1,263**	**1,259**	**0.3%**
of which net income from continuing operations		949	150	531.7%
of which net income from discontinued operations		314	1,109	(71.6%)
Attributable to non-controlling interests		**101**	**83**	**21.6%**

(1) Restated, see Note 4

Basic earnings/(loss) per share, in €	2013	2012 (1)	% change
Earnings/(loss) from continuing operations per share	1.37	0.22	na
Earnings from discontinued operations per share	0.45	1.62	na
Basic earnings per share – Group share	1.82	1.84	(1.4%)

Diluted earnings/(loss) per share, in €	2013	2012 (1)	% change
Diluted earnings/(loss) from continuing operations per share	1.37	0.22	na
Diluted earnings from discontinued operations per share	0.45	1.62	na
Diluted earnings per share – Group share	1.82	1.84	(1.4%)

(1) Restated

Calculation details are provided in Note 15.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € millions)	2013	2012 [(1)]
Net income for the year	**1,364**	**1,342**
Effective portion of changes in the fair value of cash flow hedges [(2)]	39	6
Changes in the fair value of available-for-sale financial assets[(2)]	5	7
Exchange differences on translating foreign operations[(3)]	(455)	(192)
Items that may be reclassified subsequently to profit or loss	**(411)**	**(180)**
Unrecognized actuarial gains and losses on defined benefit plans[(2)]	25	(168)
Items that will not be reclassified to profit or loss	**25**	**(168)**
Other comprehensive income	**(386)**	**(348)**
Total comprehensive income	**979**	**994**
Group share	914	923
Attributable to non-controlling interests	64	72

(1) Restated, see Note 4.
(2) Presented net of the tax effect (see Note 16 for details).
(3) The change in exchange differences on translating foreign operations mainly reflects the decline in the Brazilian and Argentine currencies.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

(in € millions)	Notes	December 31, 2013	December 31, 2012 [1]
Goodwill	17	8,277	8,608
Other intangible assets	17	767	801
Property and equipment	18	11,109	11,509
Investment property	19	313	513
Investments in companies accounted for by the equity method	20	496	384
Other non-current financial assets	20	1,146	1,125
Consumer credit granted by the financial services companies – long t	33	2,381	2,360
Deferred tax assets	21	931	919
Non-current assets		**25,419**	**26,219**
Inventories	22	5,738	5,658
Trade receivables	23	2,213	2,144
Consumer credit granted by the financial services companies – short	33	3,221	3,286
Other current financial assets	24	359	352
Tax receivables		715	520
Other assets	25	841	789
Cash and cash equivalents	26	4,757	6,573
Assets held for sale [2]		301	465
Current assets		**18,145**	**19,787**
TOTAL ASSETS		**43,564**	**46,006**

SHAREHOLDERS' EQUITY AND LIABILITIES

(in € millions)	Notes	December 31, 2013	December 31, 2012 [1]
Share capital	27	1,810	1,773
Consolidated reserves and income for the year		6,034	5,408
Shareholders' equity – Group share		**7,844**	**7,181**
Shareholders' equity attributable to non-controlling interests		754	866
Total shareholders' equity		**8,597**	**8,047**
Long-term borrowings	32	7,550	8,983
Provisions	29	3,618	4,475
Consumer credit financing – long-term	33	1,765	1,966
Deferred tax liabilities	21	521	580
Non-current liabilities		**13,454**	**16,003**
Short-term borrowings	32	1,683	2,263
Suppliers and other creditors	34	12,854	12,925
Consumer credit financing – short-term	33	3,145	3,032
Tax payables		1,045	1,040
Other payables	35	2,763	2,422
Liabilities related to assets held for sale [2]		24	273
Current liabilities		**21,513**	**21,955**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**43,564**	**46,006**

(1) Restated, see Note 4.

(2) Assets held for sale and related liabilities correspond:
- At December 31, 2012, to the assets and liabilities associated with operations in Indonesia and Singapore, and certain assets in France and Italy.
- At December 31, 2013, essentially to the assets concerned by the real estate transaction described in Note 3.6.

Carrefour

CONSOLIDATED STATEMENT OF CASH FLOWS

(in € millions)	2013	2012 [1]
INCOME BEFORE TAXES	**1,660**	**581**
CASH FLOWS FROM OPERATING ACTIVITIES		
Taxes	(1,039)	(543)
Depreciation and amortization expense	1,483	1,580
Capital (gains)/losses on sales of assets	(384)	(187)
Change in provisions and impairment	(140)	695
Finance costs, net	428	488
Dividends received from companies accounted for by the equity method	30	30
Impact of discontinued operations	1	65
Cash flow from operations	**2,039**	**2,708**
Change in working capital requirement [2]	(284)	(29)
Impact of discontinued operations	(27)	(226)
Net cash from operating activities (excluding financial services companies)	**1,728**	**2,453**
Change in consumer credit granted by the financial services companies	(52)	7
Impact of discontinued operations	0	0
Net cash from operating activities	**1,675**	**2,459**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of property and equipment and intangible assets	(2,159)	(1,504)
Acquisitions of financial assets [3]	(157)	(34)
Acquisitions of subsidiaries [4]	(33)	(175)
Proceeds from the disposal of subsidiaries [5]	526	154
Proceeds from the disposal of property and equipment and intangible assets	117	232
Proceeds from the disposal of investments in non-consolidated companies	16	5
Change in amounts receivable from and due to suppliers of fixed assets	371	(171)
Investments net of disposals	**(1,319)**	**(1,493)**
Other cash flows from investing activities	2	33
Impact of discontinued operations [6]	462	1,797
Net cash from/(used in) investing activities	**(855)**	**337**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issues to non-controlling interests	3	6
Acquisitions and disposals of investments without any change of control	(11)	(9)
Dividends paid by Carrefour (parent company)	(108)	(137)
Dividends paid by consolidated companies to non-controlling interests	(101)	(121)
Change in treasury stock and other equity instruments	0	0
Change in current financial assets	(47)	687
Issuance of bonds	1,000	1,250
Repayments of bonds	(2,519)	(996)
Net interests paid	(487)	(499)
Other changes in borrowings	(274)	(241)
Impact of discontinued operations	54	119
Net cash from/(used in) financing activities	**(2,489)**	**60**
Net change in cash and cash equivalents before the effect of changes in exchange rates	**(1,669)**	**2,856**
Effect of changes in exchange rates	(147)	(132)
Net change in cash and cash equivalents	**(1,816)**	**2,724**
Cash and cash equivalents at beginning of year	**6,573**	**3,849**
Cash and cash equivalents at end of year	**4,757**	**6,573**

(1) Restated, see Note 4.
(2) See Note 38 for details.
(3) The change in this item is due to the introduction of new regulations governing shopping cards in China, which led to the exclusion from cash and cash equivalents of compulsory bank deposits corresponding to part of the shopping card receivables.
(4) At December 31, 2012, this item included the impact of the Guyenne & Gascogne tender offer (cost of additional shares giving the Group control of the business) for €96 million.
(5) Disposals of subsidiaries correspond in 2013 to the sale of Majid Al Futtaim Hypermarkets shares for €526 million and in 2012 to the sale of Altis shares for €153 million.
(6) Including, in 2012, the proceeds from the sale of operations in Colombia and Malaysia, for a total of €2,053 million. In 2013, this item mainly includes the proceeds from the sale of operations in Indonesia.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in € millions)	Share capital	Translation reserve	Fair value reserve (1)	Other consolidated reserves and net income for the year	Shareholders' equity – Group share	Non-controlling interests	Total shareholders' equity
Shareholers' equity at December 31, 2011		**458**		**4,521**	**6,617**	**1,009**	**7,627**
Application of IAS 19R				(166)	(166)	(5)	(172)
Shareholders' equity at January 1, 2012	**1,698**	**458**	**(61)**	**4,355**	**6,451**	**1,004**	**7,455**
Net income for the year (2)				1,259	1,259	83	1,342
Other comprehensive income after tax (2)		(365)	12	(165)	(518)	(11)	(529)
Total comprehensive income	**0**	**(365)**	**12**	**1,094**	**741**	**72**	**813**
Share-based payments				9	9		9
Treasury stock (net of tax)	0				0		0
2011 divident payment (3)	41			(178)	(137)	(121)	(257)
Change in capital and additional paid-in capital (4)	33			155	188	6	194
Effect of changes in scope of consolidation and other movements (5)				(72)	(72)	(95)	(167)
Shareholders' equity at December 31, 2012	**1,773**	**93**	**(49)**	**5,364**	**7,181**	**866**	**8,047**
Net income for the year				1,263	1,263	101	1,364
Other comprehensive income after tax		(407)	37	22	(349)	(37)	(386)
Total comprehensive income	**0**	**(407)**	**37**	**1,285**	**914**	**64**	**979**
Share-based payments				2	2		2
Treasury stock (net of tax)				0	0		0
2012 dividend payment (6)	37			(145)	(108)	(101)	(209)
Change in capital and additional paid-in capital					0	3	3
Effect of changes in scope of consolidation and other movements (7)				(146)	(146)	(79)	(225)
Shareholders' equity at December 31, 2013	**1,810**	**(314)**	**(13)**	**6,360**	**7,844**	**754**	**8,597**

(1) This item comprises:
- The effective portion of changes in the fair value of cash flow hedges.
- Cumulative changes in the fair value of available-for-sale financial assets.

(2) Restated to take into account the effect of the change of method resulting from application of IAS 19R (see Note 4.2)

(3) The 2011 dividend totaling €348 million was paid in cash for €137 million and in new shares for €211 million (corresponding to the aggregate par value of the new shares for €41 million and premiums for €170 millon).

(4) The cash offer for Guyenne & Gascogne with a stock alternative led to the issue of 13.3 million new shares for a total of €188 million including premiums.

(5) This line includes the effect of:

(a) The buyout of non-controlling interests in Sogara and Centros Comerciales Carrefour in connection with the Guyenne & Gascogne acquisition, for a negative €263 million.
(b) The buyout of the Group's partner in Brazil, followed by the sale of an interest in this business to Itaù Unibanco, for a positive €112 million.

(6) The 2012 dividend totaling €398 million was paid in cash for €108 million and in new shares for €290 million (corresponding to the aggregate par value of the new shares for €37 million and premiums for €253 millon).

(7) Changes in scope of consolidation and other movements correspond primarily to the buyout of non-controlling interests in Indonesia (€72 million) and in France (€112 million).

NOTE 1: BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

1.1 Accounting principles and statement of compliance

The consolidated financial statements for the year ended December 31, 2013 were approved for publication by the Board of Directors on March 4, 2014. They will be submitted to shareholders for final approval at the Annual General Meeting on April 15, 2014.

Carrefour (the "Company") is domiciled in France. The consolidated financial statements for the year ended December 31, 2013 comprise the financial statements of the Company and its subsidiaries (together the "Group") and the Group's share of the profits and losses, assets and liabilities of associated and jointly controlled companies. The presentation currency of the consolidated financial statements is the euro, which is the Company's functional currency.

In accordance with European Regulation (EC) 1606/2002 dated July 19, 2002, the 2013 consolidated financial statements have been prepared in compliance with the international accounting standards adopted for use in the European Union as of December 31, 2013 and applicable at that date, with 2012 comparative information prepared using the same standards.

International accounting standards comprise International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs), International Financial Reporting Standards Interpretation Committee (IFRIC) Interpretations and Standing Interpretations Committee (SIC) Interpretations.

All of the standards and interpretations adopted for use in the European Union are available on the European Commission's website, http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

At December 31, 2013, the standards and interpretations adopted for use in the European Union were the same as those published by the IASB and applicable at that date, except for:

- IAS 39, which had been only partly adopted; the unadopted provisions of IAS 39 have no impact on the Group's consolidated financial statements.
- IFRS 10 – *Consolidated Financial Statements,* IFRS 11 – *Joint Arrangements,* IFRS 12 – *Disclosure of Interests in Other Entities,* IAS 27R – *Separate Financial Statements* and IAS 28R – *Investments in Associates and Joint Ventures.* These new and revised standards have been adopted for use in the European Union for annual periods beginning on or after January 1, 2014. The Group has decided not to early adopt them and will therefore apply them as from that date. These new and revised standards will not have any material impact on the consolidated financial statements

1.2 IFRSs and interpretations applied by the Group

The accounting and calculation methods used to prepare the 2013 consolidated financial statements are the same as those used in 2012, except for:

- Amendments to IAS 19 – *Employee Benefits*. One of the main amendments eliminates the use of the corridor method previously applied by the Group. Under IAS 19R, changes in actuarial gains and losses are recognized systematically in "Other comprehensive income" and past service costs are recognized in full in profit or loss. The impact of retrospectively applying IAS 19R to comparative information is presented in Notes 4.2 and 4.4.
- IFRS 13 – *Fair Value Measurement*. This standard provides a single IFRS framework for measuring fair value that is applicable to all IFRSs that require or permit fair value measurements or disclosures. Its application had no material impact on the Group's published consolidated financial statements.
- Amendment to IAS 1 – *Presentation of Other Comprehensive Income*, which notably requires items that may be reclassified subsequently to profit or loss to be presented separately from items that will not be reclassified.
- Amendment to IAS 12 – *Deferred Tax: Recovery of Underlying Assets.*
- Amendment to IFRS 7 – *Disclosures: Offsetting Financial Assets and Financial Liabilities.*

- 2009-2011 annual improvements.

The Group decided not to early adopt the following standards and interpretations that were not applicable as of January 1, 2013:

Adopted for use in the European Union:

- Standards dealing with consolidation (IFRS 10 – *Consolidated Financial Statements*, IFRS 11 – *Joint Arrangements*, IFRS 12 – *Disclosure of Interests in Other Entities*), their amended transition guidance, and the resulting revisions to IAS 27 and IAS 28 (applicable for annual periods beginning on or after January 1, 2014).
  Application of IFRS 11, which eliminates proportionate consolidation as a method of accounting for jointly controlled entities, should not have any impact on the consolidated financial statements as the Group already uses the equity method to account for these entities.

- Amendment to IAS 32 – *Offsetting Financial Assets and Financial Liabilities*

Not yet adopted for use in the European Union:

- IFRS 9 – *Financial Instruments: Classification and Measurement of Assets and Liabilities.*
- IFRIC 21 – *Levies, an Interpretation on the accounting for levies imposed by governments*
- 2010-2012 and 2011-2013 annual improvements

The possible impact on the consolidated financial statements of applying these new and amended standards is currently being assessed.

1.3 Use of estimates

Preparation of consolidated financial statements involves the use of management estimates and assumptions that may affect the reported amounts of certain assets, liabilities, income and expenses, as well as the disclosures contained in the notes. These estimates and assumptions are reviewed at regular intervals to ensure that they are reasonable in light of past experience and the current economic situation. Actual results may differ from current estimates.

The main management estimates used in the preparation of the consolidated financial statements concern the useful lives of operating assets, the recoverable amount of goodwill and other intangible assets (Note 17) and property and equipment (Note 18), and the amount of provisions for contingencies and other business-related provisions (Note 29). The main assumptions concern pension and other post-employment benefit obligations (Note 30) and recognized deferred taxes (Note 21).

IAS 32 requires the recognition of a financial liability for put options written over non-controlling interests (“NCI puts”). The Group has chosen to apply a differentiated treatment depending on whether the puts were written before or after the first-time adoption of IAS 27R on January 1, 2010, as explained in Note 2 – Summary of significant accounting policies (paragraph “Put options written over non-controlling interests”).

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies described below have been applied consistently in all periods presented in the consolidated financial statements and by all Group entities.

2.1 Basis of consolidation

Companies over which the Group exercises exclusive control, directly or indirectly, are fully consolidated. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effects of potential voting rights that are currently exercisable or convertible are considered when assessing whether control exists.

Investments in associates – defined as entities over which the Group has significant influence – and joint ventures are accounted for by the equity method. This method consists of recognizing in the consolidated financial statements the Group's share of the total profits and losses recorded by the associate or joint venture as adjusted to comply with Group accounting policies, for the period from the date when significant influence or joint control is acquired until the date when it is lost.

Investments in companies where the Group does not exercise control or significant influence over financial and operating policy decisions are reported under "Non-current financial assets". The accounting treatment of these investments is described in the paragraph "Financial assets and liabilities".

Control over special purpose entities (SPEs), as defined in SIC 12, is determined based on an assessment of whether the Group obtains the majority of the benefits of the SPE and therefore may be exposed to risks incident to the SPE's activities.
An SPE is consolidated when the substance of the relationship between the Group and the SPE indicates that the SPE is controlled by the Group. This is considered to be the case, for example, when:

- In substance, the activities of the SPE are being conducted on behalf of the Group according to its specific business needs so that the Group obtains benefits from the SPE's operations.
- In substance, the Group has the decision-making powers to obtain the majority of the benefits of the SPE's activities or, by setting up an "autopilot" mechanism, the Group has delegated these decision-making powers.
- In substance, the Group has rights to obtain the majority of the benefits of the SPE and therefore may be exposed to risks incident to the SPE's activities.
- In substance, the Group retains the majority of the residual or ownership risks related to the SPE or its assets in order to obtain benefits from its activities.

2.2 Segment information

IFRS 8 – *Operating Segments* requires the disclosure of information about an entity's operating segments extracted from the internal reporting system and used by the entity's chief operating decision-maker to make decisions about resources to be allocated to the segment and assess its performance. The Carrefour Group's operating segments consist of the countries in which it conducts its business through consolidated stores, as each country's results are reviewed monthly by the Group's Chief Executive Officer who is the chief operating decision-maker within the meaning of IFRS 8.

Countries located in the same region are considered as having similar characteristics and have been combined to create four geographical segments, as allowed by IFRS 8.

- France
- Rest of Europe: Spain, Italy, Belgium, Poland and Romania
- Latin America: Brazil and Argentina
- Asia: China and Taiwan

Effective January 1, 2012, the income and expenses of certain support entities are allocated to the various countries proportionately to the services provided to each, with any unallocated revenue and expenses reported under “Global functions”. In prior periods, these entities were allocated to the geographical segment corresponding to the country where they were located.

2.3 Business combinations

At the IFRS transition date, the Group elected not to apply IFRS 3 to business combinations carried out prior to that date, in line with the option available to first-time adopters under IFRS 1.

Whenever the Group acquires control of an entity or group of entities, the identifiable assets acquired and liabilities assumed are recognized and measured at fair value. The difference between the consideration transferred (i.e. the acquisition cost) and the fair value of the identifiable assets acquired, net of the liabilities and contingent liabilities assumed, is recognized as goodwill. Goodwill is recorded directly in the statement of financial position of the acquired entity, in the entity's functional currency. Its recoverable amount is subsequently monitored at the level of the cash-generating unit to which the entity belongs.

Since the adoption of IFRS 3 (revised) on January 1, 2010, the Group applies the following principles:

- Transaction costs are recorded directly as an operating expense for the period in which they are incurred.
- For each business combination, the Group determines whether to apply the full goodwill or partial goodwill method:
  - The full goodwill method consists of measuring non-controlling interests in the acquiree at fair value and allocating to these interests part of the goodwill recognized at the time of the business combination.
  - Under the partial goodwill method, non-controlling interests are measured at their proportionate share of the acquiree’s identifiable net assets and no goodwill is allocated to these interests.
- Any contingent consideration is measured at its acquisition-date fair value. Any subsequent change in fair value during the 12-month measurement period is recognized by adjusting goodwill only if it results from additional information about facts and circumstances that existed at the acquisition date. If this criterion is not met or the change in fair value arises after the measurement period, it is recorded in other comprehensive income.
- For a business combination achieved in stages (step acquisition), when control is acquired the previously held equity interest is remeasured at fair value through profit. In the case of a reduction in the Group’s equity interest resulting in a loss of control, the remaining interest is also remeasured at fair value through profit.
- In the case of a bargain purchase, the gain is recognized immediately in profit.
- Any acquisition or disposal of equity interests that does not result in control being acquired or lost is treated as a transaction between owners and recognized directly in shareholders’ equity in accordance with IAS 27R.

For entities or additional equity interests acquired during the year, the Group’s share or increased share of the entity’s profit or loss for the period from the transaction date is recognized in the consolidated income statement. For entities sold or or for which control was lost during the year, the Group’s share of the entity’s profit or loss for the period up to the transaction date is recognized in the consolidated income statement.

2.4 Translation of the financial statements of foreign operations

The consolidated financial statements are presented in euros.

An entity's functional currency is the currency of the primary economic environment in which the entity operates. The functional currency of Group entities is the currency of their home country.

The financial statements of entities whose functional currency is not the euro and is not the currency of a hyperinflationary economy are translated into euros as follows:

- Assets and liabilities are translated at the period-end closing rate.
- Income and expenses are translated at the weighted average exchange rate for the period.
- All resulting exchange differences are recognized in other comprehensive income and are taken into account in the calculation of any gain or loss realized on the subsequent disposal of the foreign operation.
- Items in the statement of cash flows are translated at the average rate for the period unless the rate on the transaction date is materially different.

No Group companies operated in a hyperinflationary economy in either 2013 or 2012.

2.5 Translation of foreign currency transactions

Transactions by Group entities in a currency other than their functional currency are initially translated at the exchange rate on the transaction date.

At each period-end, monetary assets and liabilities denominated in foreign currency are translated at the period-end closing rate and the resulting exchange gain or loss is recorded in the income statement.

Intra-group loans to certain foreign operations are treated as part of the net investment in that operation if settlement of the loan is neither planned nor likely to occur. The gains or losses arising from translation of the loan at each successive period-end are recorded directly in other comprehensive income in accordance with IAS 21.

2.6 Intangible assets and property and equipment

2.6.1 Goodwill

In accordance with IAS 36 – *Impairment of Assets*, goodwill recognized on business combinations is not amortized but is tested for impairment every year, at December 31. Additional tests are performed at interim period-ends when there is an indication that it may be impaired.

The main impairment indicators used by the Group are as follows:

- Internal indicator: a material deterioration in the ratio of recurring operating income before depreciation, amortization and provision expense to net revenues excluding gasoline between the budget and the most recent forecast.
- External indicators: a material increase in the discount rate and/or a severe downgrade in the IMF's GDP growth forecast.

Impairment losses recognized on goodwill are irreversible, including those recorded at an interim period-end.

Impairment methods are described in Note 2.6.4 "Impairment tests".

2.6.2 Other intangible assets

Other intangible assets consist mainly of software, which is amortized over periods ranging from one to eight years.

2.6.3 Property and equipment

In accordance with IAS 16 – *Property, Plant and Equipment*, land, buildings and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (defined in

IAS 23 – *Borrowing Costs* as an asset that necessarily takes a substantial period of time to get ready for its intended use or sale), are capitalized as part of the cost of the asset.

Assets under construction are recognized at cost less any identified impairment losses.

Depreciation of property and equipment begins when the asset is available for use and ends when the asset is sold, scrapped or reclassified as held for sale in accordance with IFRS 5.

Property and equipment, or each significant part of an item of property or equipment, are depreciated by the straight-line method over the following estimated useful lives:

Buildings	
➢ Building	40 years
➢ Site improvements	10 years
➢ Car parks	6 years
Equipment, fixtures and fittings	6 to 8 years
Other	4 to 10 years

In light of the nature of its business, the Group considers that its property and equipment have no residual value.

Depreciation methods and periods are reviewed at each period-end and, where appropriate, adjusted prospectively.

New long-term leases – particularly property leases – are analyzed to determine whether they represent operating leases or finance leases, i.e. leases that transfer substantially all the risks and rewards incidental to ownership of the asset to the lessee. For property leases, the analysis is performed separately for the land on the one hand and the building on the other.

Finance leases are accounted for as follows:

- The leased assets are recognized in the statement of financial position at fair value or, if lower, the present value of the minimum lease payments. They are depreciated over their useful life, in the same way as assets owned outright, or, if shorter, over the lease term.
- The liability for the future lease payments is recognized in the statement of financial position under liabilities.
- Lease payments are apportioned between the finance charge and the reduction of the outstanding liability.

2.6.4 Impairment tests

In accordance with IAS 36 – *Impairment of Assets*, intangible assets and property and equipment are tested for impairment whenever events or changes in the market environment indicate that the recoverable amount of an individual asset and/or a cash-generating unit (CGU) may be less than its carrying amount. For assets with an indefinite useful life – mainly goodwill in the case of the Carrefour Group – the test is performed at least once a year.

Individual assets or groups of assets are tested for impairment by comparing their carrying amount to their recoverable amount, defined as the higher of their fair value less costs of disposal and their value in use. Value in use is the present value of the future cash flows expected to be derived from the asset.

If the recoverable amount is less than the carrying amount, an impairment loss is recognized for the difference. Impairment losses on property and equipment and intangible assets (other than goodwill) may be reversed in future periods provided that the asset's increased carrying amount attributable to

the reversal does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized for the asset in prior years.

2.6.4.1 Impairment of intangible assets other than goodwill and property and equipment

Impairment tests on property and equipment are performed at the level of the individual stores, for all formats.

In accordance with IAS 36, intangible assets (other than goodwill) and property and equipment are tested for impairment whenever there is an indication that their recoverable amount may be less than their carrying amount. All stores that report a recurring operating loss before depreciation and amortization in two consecutive years (after the start-up period) are tested. Intangible assets with an indefinite useful life such as brands are tested at least once a year.

Value in use is considered as being equal to the store's discounted future cash flows over a period of up to five years plus a terminal value. Fair value is estimated based on the prices of recent transactions, industry practice, independent valuations or the estimated price at which the store could be sold to a competitor.

The discount rate applied is the same as for impairment tests on goodwill.

2.6.4.2 Impairment of goodwill

IAS 36 – *Impairment of Assets* requires impairment tests to be performed annually at the level of each CGU or group of CGUs to which the goodwill is allocated.

According to the standard, goodwill is allocated to the CGU or group of CGUs that is expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is so allocated should represent the lowest level within the entity at which the goodwill is monitored for internal management purposes and should not be larger than an operating segment as defined in IFRS 8 before aggregation.

For the purpose of analyzing the recoverable amount of goodwill, each individual country is considered as representing a separate CGU. The choice of this level is based on a combination of organizational and strategic criteria:

- Operations within each country (hypermarkets, supermarkets, etc.) use shared resources (country-level centralized purchasing organization, marketing systems, headquarters functions, etc.) that represent an essential source of synergies between the various operations.
- Decisions to dispose of business portfolios are generally made at country level and it is rare for just a single store to be sold.

Value in use is considered as corresponding to the sum of discounted future cash flows for a period generally not exceeding five years, plus a terminal value calculated by projecting data for the final year to perpetuity at a perpetual growth rate. A specific discount rate by country is used for the calculation. Future cash flows are estimated based on the 3-year business plan drawn up by country management and approved by Group management.

The discount rate for each country corresponds to the weighted average cost of equity and debt, determined using the median gearing rate for the sector. Each country's cost of equity is determined based on local parameters (risk-free interest rate and market premium). The cost of debt is determined by applying the same logic.

The main assumptions used for impairment testing purposes are presented in Note 17.

2.7 Financial assets and liabilities (excluding banking activities)

2.7.1. Non-derivative financial assets

2.7.1.1 Accounting policy

In accordance with IAS 39, the main financial assets are classified in one of the following four categories:

- Financial assets at fair value through profit or loss
- Loans and receivables
- Held-to-maturity investments
- Available-for-sale financial assets.

The classification of these assets determines their accounting treatment. Classification is determined by the Group upon initial recognition, based on the type of asset and the purpose for which it was acquired. Purchases and sales of financial assets are recognized on the trade date, defined as the date on which the Group is committed to buying or selling the asset.

Financial assets at fair value through profit or loss
These are financial assets held for trading, i.e. assets acquired principally for the purpose of selling them at a profit in the short term, or financial assets designated at the outset as at fair value through profit or loss.
They are measured at fair value with changes in fair value recognized in the income statement, under financial income or expense.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that do not meet the criteria for classification as either held for trading or available for sale.
They are initially recognized at fair value and are subsequently measured at amortized cost by the effective interest method. For short-term receivables with no specified interest rate, fair value is considered as being equal to the original invoice amount.
These assets are tested for impairment when there is an indication that their recoverable amount may be less than their carrying amount. If this is found to be the case, an impairment loss is recorded.
This category includes receivables from non-consolidated companies, other loans and receivables and trade receivables. They are reported under “Other financial assets” or “Trade receivables”.

Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets other than loans and receivables with fixed or determinable payments and a fixed maturity that the Group has the positive intention and ability to hold to maturity. They are initially recognized at fair value and are subsequently measured at amortized cost by the effective interest method.
These assets are tested for impairment when there is an indication that their recoverable amount may be less than their carrying amount. If this is found to be the case, an impairment loss is recorded.
Held-to-maturity investments are reported under “Other financial assets”.
The Group did not hold any assets classified as held-to-maturity at December 31, 2013 or December 31, 2012.

Available-for-sale financial assets
Available-for-sale financial assets are financial assets that do not meet the criteria for classification in any of the other three categories. They consist mainly of shares in non-consolidated companies.

Available-for-sale financial assets are measured at fair value, with changes in fair value recognized in other comprehensive income, under “Changes in the fair value of available-for-sale financial assets”. When the assets are sold, the gains and losses accumulated in shareholders’ equity are reclassified to the income statement.

However, in the event of a prolonged or significant fall in value of an equity instrument or a decline in estimated cash flows from a debt instrument, an impairment loss is recognized in the income statement. If, in a subsequent period, the impairment loss decreases, the previously recognized impairment loss is released:

- For equity instruments (equities and other): through other comprehensive income.
- For debt instruments (bonds, notes and other) where an increase is observed in estimated future cash flows: through profit or loss for an amount not exceeding the previously recognized impairment loss.

The fair value of listed securities corresponds to their market price. For unlisted securities, fair value is determined by reference to recent transactions or by using valuation techniques based on reliable and observable market data. When it is impossible to obtain a reasonable estimate of an asset's fair value, it is measured at historical cost.

2.7.1.2 Non-derivative financial assets held by the Group

The main non-derivative financial assets held by the Group are as follows:

Non-current financial assets
This line item mainly comprises investments in non-consolidated companies and long-term loans.

Trade receivables
Trade receivables include amounts receivable from suppliers and franchisees and rent receivable from tenants of shopping mall units. Impairment losses are recognized where necessary, based on an estimate of the debtor's ability to pay the amount due and the age of the receivable.

Current financial assets
Current financial assets consist mainly of available-for-sale financial assets, measured at fair value, and short-term loans and deposits.

Cash and cash equivalents
Cash equivalents are highly liquid investments with an original maturity of less than three months that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.
Cash includes cash on hand and demand deposits.

2.7.2. Non-derivative financial liabilities

2.7.2.1 Accounting policy

Non-derivative financial liabilities are initially recognized at fair value plus transaction costs and premiums directly attributable to their issue. They are subsequently measured at amortized cost.

2.7.2.2 Non-derivative financial liabilities held by the Group

The main financial liabilities held by the Group are as follows:

Borrowings
"Long-term borrowings" and "Short-term borrowings" include bonds and notes issued by the Group, finance lease liabilities, other bank loans, financial liabilities for put options written over non-controlling interests in subsidiaries, and financial liabilities related to securitized receivables for which the credit risk is retained by the Group.

Suppliers and other creditors
This line corresponds to trade payables.

Other payables
Other payables classified in current liabilities correspond to all other operating payables (mainly accrued employee benefits expense and amounts due to suppliers of non-current assets) and miscellaneous liabilities.

2.7.2.3 Put options written over non-controlling interests in subsidiaries ("NCI puts")

The Group has written put options over certain non-controlling interests in fully consolidated subsidiaries. The option exercise price may be fixed or it may be determined according to a predefined formula, and the options may be exercisable at any time or on a fixed date.

IAS 27R, which has been applied by the Group since January 1, 2010, describes the accounting treatment of purchases of additional shares in controlled subsidiaries. The Group has decided to apply two different accounting methods to these puts, depending on whether they were written before or after first-time adoption of the amended standard.

NCI puts written prior to January 1, 2010: continued application of the partial goodwill method

- A financial liability was recognized for NCI puts.
- The liability, initially recognized at the present value of the exercise price, is remeasured at each period-end at the fair value of the shares that would be purchased if the exercise price were to be based on fair value.
- The initial liability was recognized by recording a deduction from non-controlling interests and, if necessary, goodwill.
- Subsequent changes in the value of the liability are recognized by adjusting non-controlling interests and goodwill (except for discounting adjustments, which are recognized in financial income and expense).
- "Income – Group share" continues to be calculated based on the Group's percent interest in the subsidiary, without taking into account the percent interest represented by the NCI puts.

NCI puts written since January 1, 2010:

IAS 27R stipulates that transactions in equity instruments with non-controlling interest shareholders that do not result in a change of control should be recognized by adjusting shareholders' equity. The Group therefore considers that the NCI puts written after the date of first-time adoption of the amended standard should only affect consolidated shareholders' equity. Accordingly:

- A financial liability is recognized for NCI puts.
- The liability is initially recognized at the present value of the exercise price and is subsequently measured at each period-end at the fair value of the shares that would be purchased if the exercise price were to be based on fair value.
- The initial liability is recognized by recording a deduction from non-controlling interests and, if necessary, "Shareholders' equity – Group share".
- Subsequent changes in the value of the liability are recognized by adjusting non-controlling interests and "Shareholders' equity – Group share" (except for discounting adjustments, which are recognized in financial income and expense).
- "Income – Group share" continues to be calculated based on the Group's percent interest in the subsidiary, without taking into account the percent interest represented by the NCI puts.

2.7.3 Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to risks arising in the course of business, mainly currency and interest rate risks. Exceptionally, the risk of changes in the prices of certain commodities – mainly diesel – may also be hedged.

Derivatives are initially recognized at fair value. They are subsequently measured at fair value with the resulting unrealized gains and losses recorded as explained below.

2.7.3.1 Derivatives designated as hedging instruments

Hedge accounting is applied if, and only if, the following conditions are met:

- At the inception of the hedge, there is formal designation and documentation of the hedging relationship.
- The effectiveness of the hedge is demonstrated at inception.

The derivatives used by the Group may be qualified as either cash flow hedges or fair value hedges. The Group does not currently hedge its net investment in foreign operations.

Cash flow hedges

For instruments qualified as cash flow hedges, the portion of the change in fair value determined to be an effective hedge is recognized directly in other comprehensive income and accumulated in shareholders' equity until the hedged transaction affects profit. The ineffective portion of the change in fair value is recognized in the income statement, under "Financial income and expense".

The main cash flow hedges consist of interest rate swaps that convert variable rate debt to fixed rate, and forward purchases of foreign currencies that hedge future goods purchases in foreign currency.

Fair value hedges

Changes in fair value of instruments qualified as fair value hedges are recognized in the income statement, with the effective portion offsetting changes in the fair value of the hedged item.

Examples of fair value hedges include swaps set up at the time of issue of fixed rate bonds and notes. The hedged portion of the underlying financial liability is remeasured at fair value. Changes in fair value are recognized in the income statement and are offset by the effective portion of symmetrical changes in the fair value of the interest rate swaps.

2.7.3.2 Other derivative instruments

Other derivative instruments are measured at fair value, with changes in fair value recognized in profit or loss. Hedging instruments used by the Group include interest rate swaps and vanilla interest rate options.

2.7.4 Fair value calculation method

The fair values of currency and interest rate instruments are determined using market-recognized pricing models or prices quoted by external financial institutions.

Values estimated using pricing models are based on discounted future cash flows for futures and forward contracts or, for options, the Black & Scholes option pricing model. The models are calibrated using market data such as yield curves and exchange rates obtained from recognized financial data services.

The fair value of long-term borrowings is estimated based on the quoted market price for bonds and notes or the value of future cash flows discounted at the interest rate for similar instruments (in terms of currency, maturity, interest rate and other characteristics).

Fair value measurements of derivative financial instruments incorporate counterparty risk in the case of instruments with a positive fair value, and own credit risk for instruments with a negative fair value. Credit risk is measured using the mathematical models commonly used by market analysts. At December 31, 2013, the effect of incorporating these two types of risk was not material.

2.8 Banking activities

To support its core retailing business, the Group offers banking and insurance services to customers through Carrefour Banque and other subsidiaries.

Due to its specific financial structure, this secondary business is presented separately in the consolidated financial statements:

- Consumer credit granted by the financial services companies (payment card receivables, personal loans, etc.) is presented in the statement of financial position under “Consumer credit granted by the financial services companies - long-term” and “Consumer credit granted by the financial services companies - short-term”, as appropriate.
- Financing for these loans is presented under “Consumer credit financing – long-term” and “Consumer credit financing – short-term”, as appropriate.
- The other assets and liabilities of the banking activities (property and equipment, intangible assets, cash and cash equivalents, accrued taxes and payroll costs, etc.) are presented on the corresponding lines of the statement of financial position.
- Revenues from banking activities are reported in the income statement under “Other revenue”.
- Cash flows generated by banking activities are reported in the statement of cash flows under “Change in consumer credit granted by the financial services companies”.

2.9 Investment property

IAS 40 defines investment property as property (land or a building or both) held to earn rentals or for capital appreciation or both. Based on this definition, investment property held by the Group consists of shopping malls (retail and service units located behind the stores’ check-out area) that are exclusively or jointly owned and represent a surface area of at least 2,500 square meters.

Investment property is recognized at cost and is depreciated over the same period as owner-occupied property.

The properties’ fair value is measured twice a year:

- by applying a multiple that is a function of (i) each shopping mall’s profitability and (ii) a country-specific capitalization rate, to the gross annualized rental revenue generated by each property, or
- based on independent valuations performed using two methods, the discounted cash flows method and the yield method. Valuers generally also compare the results of applying these methods to market values per square meter and to recent transaction values.

In view of the limited external data available, particularly concerning capitalization rates, the complexity of the property valuation process and the fact that valuations are based on passing rents for the Group’s own properties, the fair value of investment property is considered as being determined on the basis of level 3 inputs.

The fair value of investment property is presented in Note 19.

2.10 Inventories

In accordance with IAS 2 – *Inventories*, goods inventories are measured at the lower of cost and net realizable value.

Cost corresponds to the latest purchase price plus all related expenses. This method is appropriate given the rapid inventory turnover, and the resulting values are close to those obtained by the FIFO method. The cost of inventories includes all components of the purchase cost of goods sold (with the exception of exchange gains and losses) and takes into account the purchasing terms negotiated with suppliers.

Net realizable value corresponds to the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

2.11 Provisions

In accordance with IAS 37 - *Provisions, Contingent Liabilities and Contingent Assets*, a provision is recorded when, at the period-end, the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount of the provision is estimated based on the nature of the obligation and the most probable assumptions. Provisions are discounted when the effect of the time value of money is material.

2.12 Employee benefits

Group employees receive short-term benefits (such as paid vacation, paid sick leave, statutory profit-sharing bonuses), long-term benefits (such as long-service awards, seniority bonuses) and post-employment benefits (such as length-of-service awards and supplementary pension benefits). Post-employment benefits may be paid under defined contribution or defined benefit plans.

a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into a separate entity that is responsible for the plan's administrative and financial management as well as for the payment of benefits, such that the Group has no obligation to pay further contributions if the plan assets are insufficient. Examples include government-sponsored pension schemes, defined contribution supplementary pension plans and defined contribution pension funds.

The contributions are recorded as an expense for the period in which they become due.

b) Defined benefit and long-term benefit plans

A liability is recognized for defined benefit obligations that are determined by reference to the plan participants' years of service with the Group.

The defined benefit obligation is calculated annually using the projected unit credit method, taking into account actuarial assumptions concerning future salary levels, retirement age, mortality and staff turnover rates.

The discount rate corresponds to the interest rate observed at the period-end for investment grade corporate bonds with a maturity close to that of the defined benefit obligation. The calculations are performed by a qualified actuary.

c) Share-based payments

Two types of share-based payment plans have been set up for management and selected employees – stock option plans and stock grant plans.

As allowed under IFRS 1, upon first-time adoption of IFRS the Group elected to apply IFRS 2 – *Share-based Payment* only to equity-settled stock options granted after November 7, 2002 that had not yet vested as of January 1, 2004. This had no impact on opening shareholders' equity at January 1, 2004.

All subsequent share-based payment plans have been accounted for in accordance with IFRS 2. As the plans are equity-settled, the benefit represented by the share-based payment is recorded in employee benefits expense with a corresponding increase in shareholders' equity. The amount recorded in employee benefits expense corresponds to the recognition over the vesting period of the benefit's fair value. Fair value is the value determined using the Black & Scholes option pricing model at the grant date in the case of options or the share price at the grant date in the case of stock grants. In accordance with IFRS 2, performance conditions that are not market conditions are not taken into account to estimate the fair value of stock grants and stock options at the measurement date.

2.13 Income tax expense

Income tax expense includes current taxes and deferred taxes.

Deferred taxes are calculated on all temporary differences between the carrying amount of assets and liabilities and their tax basis (except in the specific cases referred to in IAS 12).
They are measured at the tax rates that are expected to apply to the period when the asset will be realized or the liability will be settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.
Deferred tax assets and liabilities are not discounted and are classified in the statement of financial position under "Non-current assets" and "Non-current liabilities".

The recoverability of deferred tax assets is assessed separately for each tax entity, based on business plan estimates of future taxable profits and the amount of deferred tax liabilities at the period-end. A valuation allowance is recorded to write down deferred tax assets whose recovery is not considered probable

The CVAE local business tax in France, which is assessed on the basis of the value-added generated by the business, is reported under income tax expense because the Group considers that it meets the definition of a tax on income contained in IAS 12.

2.14 Treasury stock

Treasury stock is recorded as a deduction from shareholders' equity, at cost. Gains and losses from sales of treasury stock (and the related tax effect) are recorded directly in shareholders' equity without affecting income for the period.

2.15 Non-current assets and disposal groups held for sale and discontinued operations

A discontinued operation is a component of an entity that has been either disposed of or classified as held for sale, and:

- represents a separate major line of business or geographical area of operations, and
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or
- is a subsidiary acquired exclusively with a view to resale.

It is classified as a discontinued operation at the time of sale or earlier if its assets and liabilities meet the criteria for classification as "held for sale". When a component of an entity is classified as a discontinued operation, comparative income statement and cash flow information are restated as if the

entity had met the criteria for classification as a discontinued operation on the first day of the comparative period.
In addition, all the assets and liabilities of the discontinued operation are presented on separate lines on each side of the statement of financial position, for the amounts at which they would be reported at the time of sale after eliminating intra-group items.

2.16 Net sales net of loyalty program costs

Net sales correspond exclusively to sales realized in the Group's stores and cash and carry outlets.

In accordance with IFRIC 13 – *Customer Loyalty Programmes*, which describes the accounting treatment of loyalty award credits granted to customers as part of a sales transaction, award credits are considered as a separately identifiable component of the sales transaction and are deducted from the amount of the sale at fair value.

2.17 Other revenue

Other revenue, corresponding mainly to sales of financial services and travel, rental revenues and franchise fees, is reported on a separate line below "Net sales" in the income statement.

Financial services revenues correspond mainly to bank card fees and arranging fees for traditional and revolving credit facilities, which are recognized over the life of the contract.

2.18 Gross margin from recurring operations

Gross margin from recurring operations corresponds to the sum of net sales and other revenue less cost of sales as defined in Note 8.

2.19 Recurring operating income

Recurring operating income corresponds to gross margin from recurring operations less sales, general and administrative expenses and depreciation, amortization and provisions.

2.20 Non-recurring income and expenses

In accordance with the recommendation of the French accounting authorities (Autorité des Normes Comptables recommendation 2013-03 dated November 7, 2013), non-recurring income and expenses are reported on a separate line of the income statement. Non-recurring items are defined as “items that are limited in number, clearly identifiable and non-recurring that have a material impact on consolidated results”.

This classification is applied to 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 that came to the Group's attention during the reporting year.

They are presented separately in the income statement to “help users of the financial statements to better understand the Group's underlying operating performance and provide them with useful information to assess the earnings outlook”.

2.21 Earnings per share

Basic earnings per share is calculated by dividing consolidated income – Group share by the weighted average number of shares outstanding during the period. Treasury stock is not considered as being outstanding and is therefore deducted from the number of shares used for the calculation. Contingently

issuable shares are treated as outstanding and included in the calculation only from the date when all necessary conditions are satisfied.

Diluted earnings per share is calculated by adjusting consolidated income – Group share and the weighted average number of shares outstanding for the effects of all dilutive potential ordinary shares (if any). Dilutive potential ordinary shares correspond mainly to convertible bonds and employee stock options. Stock options are considered as potentially dilutive if they are in the money (based on the sum of the exercise price and the fair value of the services rendered by the grantee, in accordance with IFRS 2 – *Share-based Payment*). Stock grants are considered as potentially dilutive if the vesting conditions have been fulfilled.

NOTE 3: SIGNIFICANT EVENTS OF THE YEAR

3.1 Reorganization of the partnership in Turkey

On April 30, 2013, Carrefour announced that it had reached an agreement with its Turkish partner Sabanci Holding to reorganize the governance of their joint venture, CarrefourSA.
Under the terms of the agreement, Sabanci Holding will become the majority shareholder by acquiring an additional 12% of the capital of CarrefourSA from Carrefour Group for a total consideration of TRY 141 million (approximately €60 million), while Carrefour will retain a 46.2% stake, allowing it to exercise significant influence over the joint venture.

Following the lifting of all the conditions precedent, including approval of CarrefourSA's new bylaws by Turkey's securities regulator (CMB) on July 2, 2013, the sale of part of Carrefour's stake in CarrefourSA was completed on July 25, 2013.

In accordance with IAS 27, as the transaction resulted in the loss of control of CarrefourSA, it has been treated in the consolidated financial statements as the sale of the total pre-transaction interest (58.2%) followed by the purchase of the post-transaction interest (46.2%), accounted for at fair value by the equity method.

After taking into account the €81 million in negative cumulative exchange differences recycled to the income statement, the loss of control led to the recognition of a loss of approximately €41 million in the income statement, on the line "Net income from discontinued operations".

In accordance with IFRS 5, the following reclassifications have been made in the financial statements at December 31, 2013:

- CarrefourSA's results up to the date when control was lost have been presented under "Net income from discontinued operations" with the portion attributable to non-controlling interests shown separately in accordance with IAS 27. To permit period-on-period comparisons, CarrefourSA's 2012 results have been presented on the same basis.
- In the statement of cash flows, all of the Turkish entity's cash flows for 2013 are presented on the lines "Impact of discontinued operations", with 2012 cash flows reclassified accordingly.

3.2 Reorganization of the partnership with Majid Al Futtaim

On May 22, 2013, Carrefour announced that it was selling its 25% stake in Majid Al Futtaim Hypermarkets to its partner, Majid Al Futtaim Holding, for €530 million. At the same time, the exclusive partnership agreement with the Carrefour Group is being rolled over until 2025 and extended to include new formats and new countries.

The transaction was completed on June 23, 2013, after being approved by the relevant authorities, leading to the recognition of a €426 million disposal gain in non-recurring income. Majid Al Futtaim Hypermarkets was accounted for by the equity method up to the completion date.

3.3 Bond buybacks

On June 5, 2013, Carrefour announced that it was launching a €1,350 million bond buyback program. The three issues concerned were as follows:

- €1,500 million 5.125% issue due October 2014
- €1,000 million 5.375% issue due June 2015
- €1,100 million 4.375% issue due November 2016

The offer closed on June 12 and on June 18, the Group bought back €1,293.7 million worth of bonds (excluding accrued interest), as follows:

- €601 million worth of 5.125% bonds due October 2014
- €356.1 million worth of 5.375% bonds due June 2015
- €336.6 million worth of 4.375% bonds due November 2016.

The cost of the buyback program, reported in financial expense, amounted to €119 million.

3.4 Disposal of operations in Indonesia

At the end of November 2012, Carrefour 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. The sale was agreed at a price of €525 million.
The transaction was completed on January 16, 2013 and the €396 million capital gain has therefore been reported in the 2013 income statement, on the line "Net income from discontinued operations".

3.5 2012 dividend reinvestment option

At the Annual General Meeting held on April 23, 2013, shareholders decided to set the 2012 dividend at €0.58 per share with an option to receive the dividend in shares.

The issue price of the new shares was set at €19.62 per share, representing 95% of the average of the opening prices quoted on NYSE Euronext Paris during the 20 trading days preceding the date of the Annual General Meeting, less the net amount of the dividend of €0.58 per share and rounded up to the nearest euro cent.

The option period was open from May 2 to 23, 2013. At the end of this period, shareholders owning 72.06% of Carrefour's shares had elected to reinvest their 2012 dividends.

June 7, 2013 was set as the date for:

- Settlement/delivery of the 14,769,539 new shares corresponding to reinvested dividends, leading to a total capital increase of €290 million.
- Payment of the cash dividend to shareholders who chose not to reinvest their dividends, representing a total payout of €108 million.

3.6 Creation of a company for shopping malls adjoining the Group's hypermarkets in Europe

On December 16, 2013, Carrefour announced that it had signed a memorandum of understanding with Klépierre for the purchase of 127 shopping malls.
The project will lead to the creation of a company that will include 172 shopping malls originating from:

- Firstly, the acquisition from Klepierre for €2.0 billion of 127 sites in France, Spain and Italy with gross annual rental income of around €135 million.
- Secondly, the contribution by Carrefour of 45 shopping malls in France with a value of €0.7 billion and gross annual rental income of around €45 million.

The company will be financed through €1.8 billion in equity, 42% held by Carrefour with the remainder held by institutional investors, as well as through €900 million in debt.

The parties reached a final agreement on January 24, 2014. The transaction is still subject to the approval of the relevant regulatory authorities. It will be submitted for consultation to employee representative bodies and should close in the first half of 2014.

At December 31, 2013, the properties at the 45 sites concerned were reclassified as held for sale, in accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations.*

In 2014, in application of the consolidation standards applicable as from that year (IFRS 10, IFRS 11 and IAS 28R), the new company will be accounted for by the equity method as it will be jointly controlled by Carrefour and its co-investors.

NOTE 4: RESTATEMENT OF COMPARATIVE INFORMATION

4.1 Reorganisation of operations

Details of the reorganization of operations in Turkey and its impact on the consolidated financial statements at December 31, 2013 are presented in Note 3.1.

In India, the Group has entered into discussions with a potential partner.

Key consolidated figures for entities classified as held for sale in 2013 and 2012 in accordance with IFRS 5 are as follows:

(in € millions)	2013 (1)	2012
Net sales	620	1,115
Gross margin from recurring operations	145	266
Recurring operating loss	(20)	(6)
Operating loss	(35)	(9)
Loss before taxes	(36)	(12)
Income taxes	3	0
Net loss	(34)	(12)

(1) The 2013 amounts include results in Turkey up to July 25, 2013, the date on which control was lost.

4.2 Effect of applying IAS 19R

The amendments to IAS 19 – *Employee Benefits* are applicable for annual periods beginning on or after January 1, 2013 and, in accordance with IAS 19R's transitional provisions, retrospectively to all periods presented. Restated financial statements and notes have therefore been prepared at December 31, 2012 and for the year then ended.

The main effects of retrospectively applying IAS 19R resulted from the elimination of the corridor method and the fact that it is no longer possible to defer recognition of past service costs. They consisted primarily of a reduction in shareholders' equity (€172 million at January 1, 2012 and €314 million at December 31, 2012, net of the deferred tax credit), due for the most part to an increase in provisions for pensions and length-of-service awards payable to employees on retirement (€266 million at January 1, 2012 and €475 million at December 31, 2012).

4.3 Reclassification in the consolidated statement of cash flows

Up to now, finance cost, net was reported under "Cash flows from operating activities". IAS 7 (paragraph 33) offers the alternative of classifying the components of finance cost, net as financing cash flows, in the same way as the issuance and repayment of bonds and other changes in borrowings.
The Group considers that this presentation is more appropriate in view of the nature of these cash flows. Consequently, finance cost, net has been reclassified as "Cash flows from financing activities" in the statement of cash flows for both 2013 and 2012.

4.4 Impact on the 2012 financial statements

4.4.1 Impact on the 2012 income statement and 2012 statement of cash flows

Income Statement for the year ended December 31, 2012

(in € millions)	2012 reported	IFRS 5 reclassifications	IAS 19R	2012 restated
Net sales	76,789	(1,115)	0	75,673
Loyalty program costs	(662)	10	0	(653)
Net sales net of loyalty program costs	**76,127**	**(1,106)**	0	**75,021**
Other revenue	2,333	(24)	0	2,309
Total revenue	**78,460**	**(1,130)**	0	**77,330**
Cost of sales	(61,523)	864	0	(60,659)
Gross margin from recurring operations	**16,937**	**(266)**	0	**16,671**
Sales, general and administrative expenses	(13,249)	242	(22)	(13,028)
Depreciation, amortization and provisions	(1,548)	30	0	(1,518)
Recurring operating income	**2,140**	**6**	(22)	**2,124**
Non-recurring income and expenses, net	(707)	2	45	(660)
Operating income	**1,434**	**9**	23	**1,465**
Finance costs and other financial income and expenses, net	(882)	4	(5)	(883)
Income before taxes	**552**	**12**	18	**581**
Income tax expense	(388)	(0)	8	(380)
Net income from companies accounted for by the equity method	72	0	0	72
Net income from continuing operations	**235**	**12**	26	**273**
Net income from discontinued operations	1,081	(12)	0	1,069
Net income for the year	**1,316**	**0**	26	**1,342**
Group share	**1,233**	**0**	26	**1,259**
of which net income from continuing operations	113	11	26	150
of which net income from discontinued operations	1,120	(11)	0	1,109
Attributable to non-controlling interests	**83**	**0**	**(0)**	**83**
Net income for the year	**1,316**	**0**	**26**	**1,342**
Effective portion of changes in the fair value of cash flow hedges	6			6
Changes in the fair value of available-for-sale financial assets	7			7
Exchange differences on translating foreign operations	(192)			(192)
Items that may be reclassified subsequently to profit or loss	**(180)**	**0**	**0**	**(180)**
Unrecognized actuarial gains and losses on defined benefit plans	0		(168)	(168)
Items that will not be reclassified to profit or loss	**0**	**0**	**(168)**	**(168)**
Total comprehensive income	**1,136**	**0**	**(142)**	**994**
Group share	1,061		(139)	923
Attributable to non-controlling interests	75		(3)	72

Statement of Cash Flows for the year ended December 31, 2012

(in € millions)	2012 reported	IFRS 5 reclas-sifications	IAS 19R	2012 restated
INCOME BEFORE TAXES	**552**	**12**	**18**	**581**
CASH FLOWS FROM OPERATING ACTIVITIES				
Taxes	(543)	0	0	(543)
Depreciation and amortization expense	1,610	(30)	0	1,580
Capital (gains)/losses on sales of assets	(186)	(1)	0	(187)
Change in provisions and impairment	719	(1)	(24)	695
Finance costs, net	486	2	0	488
Dividends received from companies accounted for by the equity method	30	0	0	30
Impact of discontinued operations	48	17	0	65
Cash flow from operations	**2,714**	**0**	**(6)**	**2,708**
Change in working capital requirement	(42)	7	6	(29)
Impact of discontinued operations	(219)	(7)	0	(226)
Net cash from operating activities (excluding financial services companies)	**2,453**	**0**	**0**	**2,453**
Change in consumer credit granted by the financial services companies	7	0	0	7
Impact of discontinued operations	0	0	0	0
Net cash from operating activities	**2,459**	**0**	**0**	**2,459**
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of property and equipment and intangible assets	(1,547)	43	0	(1,504)
Acquisitions of financial assets	(34)	0	0	(34)
Acquisitions of subsidiaries	(175)	0	0	(175)
Proceeds from the disposal of subsidiaries	154	0	0	154
Proceeds from the disposal of property and equipment and intangible assets	234	(1)	0	232
Proceeds from the disposal of investments in non-consolidated companies	5	0	0	5
Change in amounts receivable from and due to suppliers of fixed assets	(166)	(4)	0	(171)
Investments net of disposals	**(1,530)**	**38**	**0**	**(1,493)**
Other cash flows from investing activities	34	(1)	0	33
Impact of discontinued operations	1,833	(36)	0	1,797
Net cash from investing activities	**337**	**0**	**0**	**337**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from share issues	6	0	0	6
Acquisitions and disposals of investments without any change of control	(9)	0	0	(9)
Dividends paid by Carrefour (parent company)	(137)	0	0	(137)
Dividends paid by consolidated companies to non-controlling interests	(121)	0	0	(121)
Change in treasury stock and other equity instruments	0	0	0	0
Change in current financial assets	687	0	0	687
Issuance of bonds	1,250	0	0	1,250
Repayments of bonds	(996)	0	0	(996)
Net interests paid	(497)	(2)	0	(499)
Other changes in borrowings	(245)	4	0	(241)
Impact of discontinued operations	122	(2)	0	119
Net cash from financing activities	**60**	**0**	**0**	**60**
Net change in cash and cash equivalents before the effect of changes in exchange rates	2,856	0	0	2,856
Effect of changes in exchange rates	(132)	0	0	(132)
Net change in cash and cash equivalents	**2,724**	**0**	**0**	**2,724**
Cash and cash equivalents at beginning of year	**3,849**			**3,849**
Cash and cash equivalents at end of year	**6,573**			**6,573**

4.4.2 Effect on consolidated financial position at December 31, 2012

Assets (in € millions)	**December 31, 2012 reported**	**IAS 19R**	**December 31, 2012 restated**
Goodwill	8,608		8,608
Other intangible assets	801		801
Property and equipment	11,509		11,509
Investment property	513		513
Investments in companies accounted for by the equity method	384		384
Other non-current financial assets	1,125		1,125
Consumer credit granted by the financial services companies – long term	2,360		2,360
Deferred tax assets	752	167	919
Non-current assets	**26,052**	**167**	**26,219**
Inventories	5,658		5,658
Trade receivables	2,144		2,144
Consumer credit granted by the financial services companies – short-term	3,286		3,286
Other current financial assets	352		352
Tax receivables	520		520
Other assets	795	(6)	789
Cash and cash equivalents	6,573		6,573
Assets held for sale	465		465
Current assets	**19,793**	**(6)**	**19,787**
TOTAL ASSETS	**45,844**	**161**	**46,006**

Shareholders' equity and liabilities (in € millions)	**December 31, 2012 reported**	**IAS 19R**	**December 31, 2012 restated**
Share capital	1,773		1,773
Consolidated reserves and income for the year	5,714	(305)	5,408
Shareholders’ equity – Group share	**7,487**	**(305)**	**7,181**
Shareholders’ equity attributable to non-controlling interests	874	(8)	866
Total shareholders' equity	**8,361**	**(314)**	**8,047**
Long-term borrowings	8,983		8,983
Provisions	4,000	475	4,475
Consumer credit financing – long-term	1,966		1,966
Deferred tax liabilities	580		580
Non-current liabilities	**15,528**	**475**	**16,003**
Short-term borrowings	2,263		2,263
Suppliers and other creditors	12,925		12,925
Consumer credit financing – short-term	3,032		3,032
Tax payables	1,040		1,040
Other payables	2,422		2,422
Liabilities related to assets held for sale	273		273
Current liabilities	**21,955**	**0**	**21,955**
TOTAL SHAREHOLDERS’ EQUITY AND LIABILITIES	**45,844**	**161**	**46,006**

4.4.3 Effect on consolidated financial position at January 1, 2012

Assets (in € millions)	**December 31, 2011 reported**	**IAS 19R**	**January 1, 2012 restated**
Goodwill	8,740		8,740
Other intangible assets	966		966
Property and equipment	13,771		13,771
Investment property	507		507
Investments in companies accounted for by the equity method	280		280
Other non-current financial assets	1,433		1,433
Consumer credit granted by the financial services companies – long term	2,236		2,236
Deferred tax assets	745	94	839
Non-current assets	**28,676**	**94**	**28,771**
Inventories	6,848		6,848
Trade receivables	2,782		2,782
Consumer credit granted by the financial services companies – short-term	3,384		3,384
Other current financial assets	911		911
Tax receivables	468		468
Other assets	969		969
Cash and cash equivalents	3,849		3,849
Assets held for sale	44		44
Current assets	**19,254**	0	**19,254**
TOTAL ASSETS	**47,931**	**94**	**48,025**

Shareholders' equity and liabilities (in € millions)	**December 31, 2011 reported**	**IAS 19R**	**January 1, 2012 restated**
Share capital	1,698		1,698
Consolidated reserves and income for the year	4,919	(166)	4,753
Shareholders' equity – Group share	**6,617**	(166)	**6,451**
Shareholders' equity attributable to non-controlling interests	1,009	(5)	1,004
Total shareholders' equity	**7,627**	**(172)**	**7,455**
Long-term borrowings	9,513		9,513
Provisions	3,680	266	3,945
Consumer credit financing – long-term	419		419
Deferred tax liabilities	586		586
Non-current liabilities	**14,198**	266	**14,464**
Short-term borrowings	2,159		2,159
Suppliers and other creditors	15,362		15,362
Consumer credit financing – short-term	4,482		4,482
Tax payables	1,319		1,319
Other payables	2,785		2,785
Liabilities related to assets held for sale	0		0
Current liabilities	**26,106**	**0**	**26,106**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**47,931**	**94**	**48,025**

NOTE 5: SEGMENT INFORMATION

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

5.1 Segment results

2013

(in € millions)	Total	France	Europe	Latin America	Asia	Global Functions
Net sales	74,888	35,438	19,220	13,786	6,443	
Other revenue	2,375	968	555	520	267	65
Recurring operating income	**2,238**	**1,198**	**388**	**627**	**131**	**(106)**
Operating income	**2,382**					
Finance costs and other financial income and expenses, net	**(722)**					
Income before taxes	**1,660**					
Net income for the year	**1,364**					
Capital expenditure (1)	2,159	997	409	457	261	35
Depreciation and amortization expense	(1,426)	(622)	(393)	(187)	(184)	(39)

2012

(in € millions)	Total	France	Europe	Latin America	Asia	Global Functions
Net sales	75,673	35,341	19,786	14,174	6,373	
Other revenue	2,309	911	539	528	262	69
Recurring operating income	**2,124**	**922**	**503**	**608**	**179**	**(87)**
Operating income	**1,465**					
Finance costs and other financial income and expenses, net	**(883)**					
Income before taxes	**581**					
Net income for the year	**1,342**					
Capital expenditure (1)	1,504	602	309	308	251	35
Depreciation and amortization expense	(1,494)	(620)	(428)	(219)	(185)	(43)

(1) Capital expenditure corresponds to the acquisitions of property and equipment and intangible assets reported in the statement of cash flows.

5.2 Segment assets and liabilities

December 31, 2013

(in € millions)	Total	France	Europe	Latin America	Asia	Global functions
ASSETS						
Goodwill	8,277	4,394	3,082	705	95	1
Other intangible assets	767	307	288	90	9	73
Property and equipment	11,109	4,357	3,485	2,082	1,151	34
Investment property	313	8	207	43	54	
Other segment assets (2)	15,311	6,962	4,226	2,695	907	521
Total segment assets	35,777	16,028	11,288	5,616	2,216	629
Unallocated assets	7,990					
Total assets	43,766					
LIABILITIES (excluding equity)						
Segment liabilities (3)	21,774	10,782	4,913	3,295	2,227	558
Unallocated liabilities	13,395					
Total	35,169					

December 31, 2012

(in € millions)	Total	France	Europe	Latin America	Asia	Global functions
ACTIF						
Goodwill	8,608	4,337	3,256	880	99	35
Other intangible assets	801	314	289	118	8	73
Property and equipment	11,509	4,203	3,820	2,306	1,142	37
Investment property	513	145	280	33	54	
Other segment assets (2)	14,756	6,424	4,188	2,884	817	444
Total segment assets	36,187	15,422	11,833	6,222	2,120	590
Unallocated assets	9,819					
Total assets	46,006					
LIABILITIES (excluding equity)						
Segment liabilities (3)	21,385	9,998	5,236	3,578	2,083	490
Unallocated liabilities	16,574					
Total	37,958					

(2) Other segment assets consist of inventories, trade receivables, consumer credit granted by the financial services companies and other receivables.
(3) Segment liabilities comprise suppliers and other creditors, consumer credit financing and other payables.

NOTE 6: NET SALES

Excluding the currency effect, 2013 net sales amounted to €77,214 million versus €75,673 million the previous year, an increase of 2.0%.

Changes in exchange rates reduced net sales by €2,326 million in 2013, reflecting negative effects of €2,232 million in the Latin America segment and €96million in Asia, partly offset by a positive effect of €2 million in the Rest of Europe segment.

(in € millions)	2013	2012	% change
Net sales	74,888	75,673	-1.0%

NET SALES BY COUNTRY

(in € millions)	2013	2012
France	**35,438**	**35,341**
Rest of Europe	**19,220**	**19,786**
Spain	7,798	7,975
Italy	4,771	5,103
Belgium	3,968	3,913
Poland	1,677	1,809
Romania	1,006	986

(in € millions)	2013	2012
Latin America	**13,786**	**14,174**
Brazil	10,855	11,273
Argentina	2,930	2,901
Asia	**6,443**	**6,373**
China	4,990	4,838
Taiwan	1,453	1,535

NOTE 7: OTHER REVENUE BY NATURE

(in € millions)	2013	2012	% change
Financing fees and commissions (1)	1,384	1,331	4.0%
Rental revenue	247	245	0.5%
Revenue from sub-leases	235	232	1.1%
Other revenue	510	500	2.0%
Total	**2,375**	**2,309**	**2.9%**

(1) Revenue generated by the financial services companies

The amounts reported on the line "Other revenue" in the above table correspond mainly to franchise fees, business lease fees and related revenue.

NOTE 8: COST OF SALES

Cost of sales comprises purchase costs, changes in inventory, the cost of products sold by the financial services companies, discounting revenue and exchange gains and losses on goods purchases.

NOTE 9: SALES, GENERAL AND ADMINISTRATIVE EXPENSES

(in € millions)	2013	2012	% change
Employee benefits expense	(7,679)	(7,475)	2.7%
Property rentals	(905)	(893)	1.4%
Maintenance and repair costs	(697)	(693)	0.6%
Fees	(771)	(788)	(2.1%)
Advertising expense	(856)	(887)	(3.4%)
Taxes other than on income	(545)	(512)	6.5%
Energy and electricity	(631)	(642)	(1.7%)
Other	(1,093)	(1,139)	(4.1%)
Total	**(13,178)**	**(13,028)**	**1.1%**

NOTE 10: DEPRECIATION AND AMORTIZATION

(in € millions)	2013	2012	% change
Depreciation	(1,199)	(1,245)	(3.7%)
Amortization	(180)	(202)	(10.9%)
Depreciation – finance leases	(30)	(33)	(7.4%)
Depreciation – investment property	(17)	(15)	8.4%
Provision expense, net	(6)	(24)	(73.5%)
Total	**(1,432)**	**(1,518)**	**(5.7%)**

NOTE 11: NON-RECURRING INCOME AND EXPENSES

Non-recurring income and expenses correspond to certain material items 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 that came to the Group's attention during the reporting year.

(in € millions)	2013	2012
Net gains on sales of assets	425	234
Restructuring costs	(52)	(287)
Other non-recurring income and expenses	(101)	(374)
Non-recurring income and expenses, net before asset impairments and write-offs	**272**	**(427)**
Asset impairments and write-offs	(128)	(233)
Impairments and write-offs of goodwill	*(16)*	*(18)*
Impairments and write-offs of property and equipment	*(112)*	*(215)*
Non-recurring income and expenses, net	**144**	**(660)**
of which:		
Non-recurring income	*566*	*286*
Non-recurring expense	*(422)*	*(946)*

Net gains on sales of assets

In 2013, the Group sold its 25% interest in Majid Al Futtaim Hypermarkets, realizing a capital gain of €426 million.

In 2012, the Group sold its 50% interest in Altis (and its subsidiaries) to Eroski, realizing a pre-tax gain of €111 million. Other asset sales during the period, mainly in France, generated total gains of €123 million.

Restructuring costs:

The final cost of the voluntary separation plan carried out between January and July 2013 to reduce support staff numbers in France was less than the related provision, as a higher-than-expected number of employees were transferred within the organization.

Restructuring costs recorded in 2012 mainly concerned reorganization plans in Europe, including the voluntary separation plan announced during the year to reduce support staff numbers in France.

Other non-recurring income and expenses

In 2013, the Group revised its estimates of the potential costs associated with certain risks provided for in prior periods, based on information that came to the Group's attention during the year.

Other non-recurring income and expenses for 2012 included various special taxes introduced in France's amended Finance Act for a total of €51 million, including a €36 million retroactive levy on the value of gasoline inventories held in the fourth quarter of 2011.

Impairment losses and asset write-offs

Impairment losses of €60 million were recorded in 2013, mainly in Spain and Italy, and assets totaling €43 million were written off.

In 2012, an €18 million impairment loss was recorded on Polish goodwill following the decision to close the Group's stores in that country to which the goodwill was allocated.

Impairment losses recorded on property and equipment in 2012 totaled €155 million. The write-downs mainly concerned Spain, Italy and France and reflected the fall in value of certain assets used in environments that were severely affected by the economic crisis.

NOTE 12: FINANCE COSTS AND OTHER FINANCIAL INCOME AND EXPENSES

This item breaks down as follows:

(in € millions)	2013	2012
Interest income from loans and cash equivalents	**49**	**49**
Interest income from bank deposits	40	46
Interest income from loans	10	3
Finance costs	**(477)**	**(537)**
Interest expense on financial liabilities measured at amortized cost, adjusted for income and expenses from interest rate instruments	(446)	(500)
Interest expense on finance lease liabilities	(30)	(32)
Change in fair value of interest rate instruments held for trading	0	(5)
Ineffective portion of fair value hedges of borrowings	0	0
Finance costs, net	**(428)**	**(488)**
Other financial income and expenses, net	**(294)**	**(395)**
Actualisation cost on defined employee benefit debt	(39)	(50)
Interest income on pension plan assets	6	9
Financial transaction tax	(41)	(43)
Late interest due in connection with tax reassessments and employee-related litigaation	(70)	(84)
Dividends received on available-for-sale financial assets	1	6
Proceeds from the sale of available-for-sale financial assets measured at fair value through equity	16	14
Cost of sold available-for-sale financial assets measured at fair value through equity	(12)	(7)
Exchange gains and losses	(20)	(9)
Cost of bond buybacks (see Note 3.3)	(119)	0
Impact of withdrawal from a financing structure and declassification of the related hedging instruments [(1)]	0	(216)
Other	(16)	(15)
Finance costs and other financial income and expenses, net	**(722)**	**(884)**
Financial expenses	*(794)*	*(961)*
Financial income	*72*	*78*

(1) Non-recurring cost arising from the Group's interest rate position management (early termination of a structured finance arrangement and reclassification of interest rate hedging instruments previously eligible for hedge accounting, in connection with the Group's indebtedness reduction).

NOTE 13: INCOME TAX EXPENSE

(in € millions)	2013	2012
Income tax payable (including provisions)	(723)	(543)
Deferred taxes	92	163
Total income tax expenses	**(631)**	**(380)**

In 2013, income tax expense included a €30 million one-off charge arising from the settlement of an old tax dispute in Brazil following an amnesty. The Group also revised its deferred tax positions based on its new results forecasts.

In 2012, income tax expense included the €114 million positive impact of recognizing deferred tax assets for prior years' tax losses in Belgium and Argentina due to the improved likelihood of these assets being recovered. In Italy, the publication in 2012 of enabling legislation for a 2011 tax law led to the conversion into tax credits of previously unrecognized deferred tax assets, with a €79 million positive impact on income tax expense for the year.

Tax proof

Theoretical income tax for 2013, calculated by multiplying consolidated income before tax by the standard French corporate income tax rate (including the 10.7% "contribution exceptionnelle" surtax applicable until December 30, 2015), represented an expense of €631 million, compared with actual net income tax expense of €631 million. These two amounts can be reconciled as follows:

(in € millions)	2013	2012
Income before taxes	1,660	581
Standard French corporate income tax rate	*38.0%*	*36.10%*
Theoretical income tax	(631)	(210)
Tax effect of untaxed income and income taxed at a different rate [1]	236	114
Taxes with no tax base (provisions recorded solely for tax purposes, withholding taxes, etc.) [2]	(221)	(179)
Impact of non-deductible impairment losses on goodwill	(5)	(7)
Tax effect of other permanent differences	4	(45)
Valuation allowances on deferred tax assets [3]	(69)	(51)
Deferred tax assets not recognized during the year	(123)	(252)
Deferred tax assets recognized in prior years [4]	233	195
Other	(54)	58
Total income tax expense	**(631)**	**(380)**
Effective tax rate	38.0%	65.4%

(1) In 2013, this item corresponds, for €131 million, to a capital gain taxed at a reduce rate and, for the balance, to the taxation of income generated outside France at rates that are below the French statutory rate.

(2) The reported amount of taxes with no tax base includes provisions for tax risks. Since 2010, the CVAE local business tax in France, which is assessed on the basis of the value-added generated by the business, is reported under income tax expense. This tax amounted to €69 million in 2013 (2012: €55 million).

(3) Valuation allowances recorded on deferred tax assets mainly concerned Italy in 2013 (€69 million) and Brazil in 2012 (€44 million).

(4) Deferred tax assets recognized in on prior years' tax losses primarily concerned Spain and Belgium in 2013 and Belgium, Argentina and Italy in 2012.

NOTE 14: NET INCOME FROM DISCONTINUED OPERATIONS

(in € millions)	2013	2012
Net income from discontinued operations – Group share	314	1,109
Net income from discontinued operations attributable to non-controlling interests	(8)	(40)
Total	**306**	**1,069**

In 2013, net income from discontinued operations mainly reflected the €396 million profit on sale of the Group's interest in Carrefour Indonesia, partly offset by the €65 million loss recognized on the loss of control of the Turkish subsidiary.

Net income from discontinued operations in 2012 included:

- The result from operations in Greece for the period up to the date of sale and the impact of Carrefour Greece reorganization measures, for a total of €(262) million.
- The net gain on disposal of operations in Colombia, plus the result generated by the business in the period up to the disposal date, plus cumulative currency translation adjustments related to these operations recognized in the income statement, for a total of €1,267 million.
- The net gain on disposal of operations in Malaysia, plus the result generated by the business in the period up to the disposal date, plus cumulative currency translation adjustments related to these operations recognized in the income statement, for a total of €46 million.
- The income from operations in Indonesia during the period.

NOTE 15: EARNINGS PER SHARE (Group share)

Basic earnings per share	2013	2012
Net income from continuing operations	949	150
Net income from discontinued operations	314	1,109
Net income for the year	1,263	1,259
Weighted average number of shares outstanding(1)	694,878,802	682,639,812
Basic earnings from continuing operations per share (in €)	**1.37**	**0.22**
Basic earnings from discontinued operations per share (in €)	**0.45**	**1.62**
Basic earnings per share (in €)	**1.82**	**1.84**

(1) In accordance with IAS 33, the weighted average number of shares used to calculate 2012 earnings per share was adjusted to take into account 2012 dividends paid in shares on June 7, 2013.

Treasury stock and shares held indirectly through the equity swap described in Note 27.3.2 are not considered as outstanding shares for earnings per share calculations.

Diluted earnings per share	2013	2012
Net income from continuing operations	949	150
Net income from discontinued operations	314	1,109
Net income for the year	1,263	1,259
Weighted average number of shares outstanding, before dilution	694,878,802	682,639,812
Potential dilutive shares	0	408,928
Stock grants	*0*	*408,928*
Stock options	*0*	*0*
Diluted weighted average number of shares outstanding	694,878,802	683,048,740
Diluted earnings from continuing operations per share (in €)	**1.37**	**0.22**
Diluted earnings from discontinued operations per share (in €)	**0.45**	**1.62**
Diluted earnings per share (in €)	**1.82**	**1.84**

All of the stock options granted by the Group were out of the money (i.e. their exercise price was greater than the average Carrefour share price) in both 2013 and 2012 and were therefore not dilutive. No stock grants were outstanding at December 31, 2013 (see Note 28.2).

NOTE 16: OTHER COMPREHENSIVE INCOME

(in € millions)

Group share	2013			2012		
	Pre-tax	Tax	Net	Pre-tax	Tax	Net
Effective portion of changes in the fair value of cash flow hedges	39	(11)	28	19	(8)	11
Changes in the fair value of available-for-sale financial assets	7	1	8	2	(2)	1
Exchange differences on translating foreign operations	(407)		(407)	(184)		(184)
Items that may be reclassified subsequently to profit or loss	**(360)**	**(11)**	**(371)**	**(163)**	**(9)**	**(172)**
Unrecognized actuarial gains and losses on defined benefit plans	27	(5)	22	(228)	63	(165)
Items that will not be reclassified to profit or loss	**27**	**(5)**	**22**	**(228)**	**63**	**(165)**
Total comprehensive income - Group share	**(333)**	**(15)**	**(349)**	**(391)**	**54**	**(337)**

Non-controlling interests	2013			2012		
	Pre-tax	Tax	Net	Pre-tax	Tax	Net
Effective portion of changes in the fair value of cash flow hedges	17	(5)	11	(8)	3	(6)
Changes in the fair value of available-for-sale financial assets	(5)	2	(3)	10	(3)	6
Exchange differences on translating foreign operations	(48)		(48)	(9)		(9)
Items that may be reclassified subsequently to profit or loss	**(36)**	**(4)**	**(40)**	**(8)**	**(1)**	**(8)**
Unrecognized actuarial gains and losses on defined benefit plans	5	(2)	3	(4)	1	(3)
Items that will not be reclassified to profit or loss	**5**	**(2)**	**3**	**(4)**	**1**	**(3)**
Total comprehensive income - non-controlling interests	**(31)**	**(6)**	**(37)**	**(12)**	**1**	**(11)**

NOTE 17: INTANGIBLE ASSETS

Goodwill, which constitutes the main intangible asset, is reported on a separate line of the statement of financial position from other intangible assets.

(in € millions)	December 31, 2013	December 31, 2012
Goodwill, net	8,277	8,608
Other intangible assets	767	801
Intangible assets, net	**9,044**	**9,409**

17.1 Changes in goodwill

The recoverable amount of goodwill is monitored at the level of the cash-generating units (CGUs) represented by the countries in which the Group conducts its business.

The €331 million decrease in net goodwill in 2013 was due mainly to the loss of control of operations in Turkey (see Note 3.1) and to the currency effect in Brazil and Argentina.

(in € millions)	Net goodwill at December 31, 2012	Acquisitions	Disposals	Impairment	Other movements	Translation adjustment	Net goodwill at December 31, 2013
France	4,371	31			(8)		4,394
Italy	898				0		899
Belgium	955	3					959
Spain	862						862
Brazil	745			(11)		(127)	606
Poland	253	5				(5)	253
Turkey	176				(176)		0
Argentina	136				0	(38)	98
Other countries	211					(5)	206
Total	**8,608**	**39**	**0**	**(11)**	**(184)**	**(174)**	**8,277**

In 2012, the total carrying amount of goodwill was reduced by €132 million, due mainly to the disposal of operations in Colombia and Malaysia (€99 million), the reclassification as "Assets held for sale" of goodwill on operations in Indonesia (€31 million) and the impact of changes in exchange rates in Brazil.

(in € millions)	Net goodwill at December 31, 2011	Acquisitions	Disposals	Impairment	Other movements[1]	Translation adjustment	Net goodwill at December 31, 2012
France	4,292	85	(7)				4,371
Italy	898						898
Belgium	948	1			6		955
Spain	810				52		862
Brazil	923				(80)	(99)	745
Poland	248			(18)		23	253
Turkey	143				29	5	176
Argentina	134	21				(19)	136
Other countries	343				(129)	(2)	211
Total	**8,740**	**107**	**(7)**	**(18)**	**(122)**	**(92)**	**8,608**

(1) Corresponding mainly to the effect of changes in scope of consolidation (deconsolidation of operations in Colombia and Malays

17.2 Other intangible assets

(in € millions)	December 31, 2013	December 31, 2012
Other intangible assets, at cost	2,911	2,864
Amortization	(2,035)	(1,959)
Impairment	(244)	(234)
Intangible assets in progress	134	131
Other intangible assets, net	**767**	**801**

(in € millions)	Cost	Amortization and impairment	Net
At December 31, 2011	**3,166**	**(2,200)**	**966**
Acquisitions	165	0	165
Disposals	(150)	129	(21)
Translation adjustment	(54)	36	(17)
Amortization	0	(206)	(206)
Impairment	0	(24)	(24)
Changes in scope of consolidation, transfers and other movements	(132)	71	(61)
At December 31, 2012	**2,995**	**(2,194)**	**801**
Acquisitions	211		211
Disposals	(65)	33	(32)
Translation adjustment	(82)	61	(21)
Amortization		(185)	(185)
Impairment		(15)	(15)
Changes in scope of consolidation, transfers and other movements	(15)	23	8
At December 31, 2013	**3,044**	**(2,277)**	**767**

17.3 Impairment of goodwill and sensitivity analysis

Asset impairment policies are described in Note 2 – Summary of Significant Accounting Policies.

The impairment tests performed on goodwill and other intangible assets in 2012 in accordance with IAS 36 did not lead to the recognition of any impairment losses on these assets.

The perpetual growth rates and discount rates (corresponding to the weighted average cost of capital – WACC) applied for impairment testing purposes in 2013 and 2012 are presented below by CGU:

Country	2013		2012	
	After-tax discount rate	Perpetual growth rate	After-tax discount rate	Perpetual growth rate
France	6.2%	2.0%	5.3%	1.5%
Spain	7.6%	2.0%	7.0%	1.5%
Italy	7.3%	1.8%	7.1%	1.5%
Belgium	6.4%	2.0%	5.1%	1.5%
Poland	7.8%	2.3%	6.7%	1.5%
Turkey	na	na	11.4%	4.5%
Romania	9.2%	2.3%	8.3%	1.5%
Brazil	10.3%	3.5%	7.9%	2.0%
Argentina	20.7%	6.2%	21.0%	9.0%
China	9.2%	3.0%	6.5%	2.0%
Taiwan	6.9%	2.0%	5.4%	2.0%

17.3.1 CGUs for which the recoverable amount of goodwill was close to the carrying amount

The tests carried out at December 31, 2013 did not reveal any impairments of goodwill. For the Italy CGU, the recoverable amount of goodwill was found to be close to – but still greater than – the carrying amount.

Sensitivity analyses were performed to determine the changes in the main assumptions that would lead to an impairment loss being recognized. The amounts shown below correspond to the difference between the recoverable amount and the carrying amount; the minus sign denotes scenarios that would lead to the recognition of an impairment loss for the amount indicated.

- Italy

Sensitivity to changes in WACC and perpetual growth rate

Perpetual growth (%) \ WACC (%)	-0.50%	-0.25%	**0.00%**	0.25%	0.50%
-0.50%	110	23	-57	-130	-198
-0.25%	193	98	11	-68	-141
0.00%	284	180	**86**	-0	-79
0.25%	385	270	167	74	-12
0.50%	497	370	257	154	62

Sensitivity to changes in net sales and EBITDA margin growth rates

EBITDA margin growth (%)* \ Net sales growth (%)*	-1.00%	-0.50%	**0.00%**	0.50%	1.00%
-0.50%	-299	-263	-226	-187	-148
-0.25%	-152	-111	-70	-28	16
0.00%	-4	40	**86**	132	180
0.25%	144	192	241	292	344
0.50%	291	343	397	451	507

* Adjustment variable for each of the five years covered by the business plan

17.3.2 Other countries

For the other countries where the Group conducts business, the analysis of sensitivity to a simultaneous change in the key parameters based on reasonably possible assumptions did not reveal any probable scenario according to which the recoverable amount of any of the CGUs would be less than its carrying amount.

NOTE 18: PROPERTY AND EQUIPMENT

Property and equipment correspond mainly to the retail space managed by the Group.

(in € millions)	December 31, 2013	December 31, 2012
Land	2,380	2,518
Buildings	8,856	9,298
Equipment, fixtures and fittings	13,173	13,567
Other	423	424
Assets under construction	583	408
Finance leases – land	449	450
Finance leases – buildings	1,177	1,213
Finance leases – equipment, fixtures and fittings	83	88
Finance leases – other	0	(0)
Property and equipment at cost	**27,124**	**27,965**
Depreciation	(14,552)	(14,962)
Depreciation of assets under finance leases	(919)	(936)
Impairment	(544)	(558)
Property and equipment, net	**11,109**	**11,509**

Changes in property and equipment

(in € millions)	Cost	Depreciation and impairment	Net
At December 31, 2011	**30,867**	**(17,096)**	**13,771**
Acquisitions	1,262	0	1,262
Disposals	(1,010)	897	(113)
Depreciation	0	(1,317)	(1,317)
Impairment	0	(122)	(122)
Translation adjustment	(371)	148	(223)
Changes in scope of consolidation, transfers and other movements (a)	(2,782)	1,034	(1,748)
At December 31, 2012	**27,965**	**(16,456)**	**11,509**
Acquisitions	1,882		1,882
Disposals	(1,144)	1,028	(116)
Depreciation		(1,266)	(1,266)
Impairment		(52)	(52)
Translation adjustment	(966)	456	(510)
Changes in scope of consolidation, transfers and other movements (b)	(612)	275	(337)
At December 31, 2013	**27,124**	**(16,015)**	**11,109**

(a) The net decrease of €1,748 million was primarily due to the disposal of operations in Colombia, Greece and Malaysia, and the reclassification as “Assets held for sale” of the property and equipment associated with operations in Indonesia.

(b) The net decrease of €317 million was due for the most part to the loss of control of operations in Turkey.

Leases

All property leases have been reviewed. Where the criteria for classification as finance leases are met, the properties are recognized in the statement of financial position. All other leases are classified as operating leases.

Lease commitments at December 31, 2013

Lease commitments at December 31, 2013

Finance leases (in € millions)	Total	Within one year	In one to five years	Beyond five years
Minimum future lease payments	736	60	206	471
Discounted present value	447	56	163	228

Operating leases (in € millions)	Total	Within one year	In one to five years	Beyond five years
Minimum future lease payments	3,217	886	1,446	885
Discounted present value	2,551	826	1,136	587

Lease financial impact related to 2013

Finance leases (in € millions)	Total
Minimum revenue receivable from sub-leases	11
Minimum lease payments made during the period	52
Contingent rentals	14
Revenue from sub-leases	16

Operating leases (in € millions)	Total
Minimum revenue receivable from sub-leases	26
Minimum lease payments made during the period	913
Contingent rentals	34
Revenue from sub-leases	274

Lease commitments at December 31, 2012

Finance leases (in € millions)	Total	Within one year	In one to five years	Beyond five years
Minimum future lease payments	786	66	213	507
Discounted present value	486	62	172	252

Operating leases (in € millions)	Total	Within one year	In one to five years	Beyond five years
Minimum future lease payments	4,116	948	1,888	1,280
Discounted present value	3,119	885	1,479	755

Lease financial impact related to 2012

Finance leases (in € millions)	Total
Minimum revenue receivable from sub-leases	11
Minimum lease payments made during the period	58
Contingent rentals	18
Revenue from sub-leases	17

Operating leases (in € millions)	Total
Minimum revenue receivable from sub-leases	40
Minimum lease payments made during the period	929
Contingent rentals	55
Revenue from sub-leases	276

NOTE 19: INVESTMENT PROPERTY

Investment property consists mainly of shopping malls located adjacent to the Group's stores.

(in € millions)	December 31, 2013	December 31, 2012
Investment property at cost	501	766
Depreciation and impairment	(188)	(253)
Total	**313**	**513**

Changes in investment property

At December 31, 2011	**507**
Depreciation for the period	(39)
Translation adjustment	10
Acquisitions for the period	81
Disposals for the period	(4)
Transfers	27
Other movements (a)	(70)
At December 31, 2012	**513**
Depreciation for the period	(28)
Translation adjustment	(11)
Acquisitions for the period	112
Disposals for the period	(0)
Transfers (b)	(162)
Other movements (c)	(111)
At December 31, 2013	**313**

(a) Deconsolidation of operations in Malaysia and Colombia.
(b) Including investment property concerned by the real estate transaction described in Note 3.6 reclassified as "Assets held for sale"
(c) Effect of the loss of control of operations in Turkey following reorganization of the local partnership (see Note 3.1).

Rental revenue generated by investment property, reported in the income statement under "Other revenue", totaled €60.5 million in 2013 (2012: €94.6 million). Operating costs directly attributable to the properties amounted to €5.5 million (2012: €13.1million).
The estimated fair value of investment property was €833 million at December 31, 2013 (December 31, 2012: €1,356 million).
The decreases in carrying amount and fair value between these two dates were due for the most part to the Group's loss of control of its Turkish subsidiary and to the reclassification at December 31, 2013 of investment property concerned by the real estate transaction descried in Note 3.6 as "Assets held for sale".

NOTE 20: INVESTMENTS IN COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD AND OTHER NON-CURRENT FINANCIAL ASSETS

20.1 Investments in companies accounted for by the equity method

Changes in this item can be analyzed as follows:

At December 31, 2011	**280**
Translation adjustment	(2)
Equity in net income	72
Dividends received	(27)
Other(a)	61
At December 31, 2012	**384**
Translation adjustment	(29)
Equity in net income	30
Dividends received	(30)
Other(b)	141
At December 31, 2013	**496**

(a) Including a €68 million increase following the use of the equity method to account for 90 new entities in France previously accounted for at cost, and a €22 million decrease following the disposal of operations in Greece (Balkans joint venture).
(b) The year-on-year change is mainly due to the use of the equity method to account for CarrefourSA following reorganization of the partnership with Sabanci Holding in Turkey (see Note 3.1).

The main 2013 financial indicators for companies accounted for by the equity method are presented below:

		On a 100% basis, including consolidation adjustments [(1)]				
(in € millions)	% interest	Total assets	Shareholders' equity	Non-current assets	Net sales	Net income/(loss)
TOTAL						
Of which:						
- CarrefourSA (Turkey) [(2)]	46%	602	327	391	481	(9)
- Provencia SA	50%	376	213	191	790	24
- Iper Orio	50%	99	26	83	127	(7)
- Mestdagh	25%	204	85	63	591	(7)
- As Cancelas S.XXI,S.L.	50%	90	46	86	8	1
- Costasol	34%	61	31	47	74	1
- Iliturgitana de Hyper, S.L.	34%	46	16	21	103	0
- Ploesti Shopping City S.R.L.	50%	31	1	66	6	(5)
- Other companies [(3)]		694	271	461	1,287	31

(1) Source: financial statements available when the Group's consolidated financial statements were drawn up.
(2) The "net sales" and "net income" figures for CarrefourSA concern the period from the date of first-time application of the equity method.
(3) Corresponding to a total of 141 companies, none of which is individually material.

20.2 Other non-current financial assets

(in € millions)	December 31, 2013	December 31, 2012
Investments in non-consolidated companies	60	66
Long-term loans	4	1
Other [1]	1,081	1,058
Total other non-current financial assets	**1,146**	**1,125**

(1) Mainly deposits and other long-term receivables.

NOTE 21: DEFERRED TAXES

The Group had a net deferred tax asset of €411 million at December 31, 2013, an increase of €72 million compared with the previous year-end.

(in € millions)	December 31, 2013	December 31, 2012	Change
Deferred tax assets	931	919	12
Deferred tax liabilities	(521)	(580)	60
Net deferred tax asset	**411**	**339**	**72**

The following table shows the main sources of deferred taxes:

(in € millions)		Change			
	December 31, 2012	Income statement	Shareholder's equity (other comprehensive income)	Changes in consolidation scope, translation adjustment, other	December 31, 2013
Tax loss carryforwards	1,194	52	0	(375)	870
Property and equipment	476	(35)	(0)	(96)	344
Non-deductible provisions	912	53	(14)	(100)	851
Goodwill amortization allowed for tax purposes	60	14	0	99	173
Other intangible assets	5	0	0	0	5
Inventories	135	16	0	(16)	135
Financial instruments	70	(24)	(17)	(1)	28
Other temporary differences	513	(59)	0	11	464
Deferred tax assets before netting	**3,365**	**15**	**(32)**	**(478)**	**2,871**
Effect of netting deferred tax assets and liabilities	(466)	0	0	(29)	(495)
Deferred tax assets net of deferred tax liabilities	**2,899**	**15**	**(32)**	**(507)**	**2,375**
Valuation allowances on deferred tax assets	(1,980)	124	(1)	413	(1,444)
Net deferred tax assets	**919**	**139**	**(32)**	**(94)**	**931**
Property and equipment	(375)	(21)	0	78	(318)
Untaxed provisions	(235)	(10)	0	(3)	(248)
Goodwill amortization allowed for tax purposes	(206)	(12)	0	36	(182)
Other intangible assets	(10)	1	0	1	(8)
Inventories	(26)	(10)	0	0	(36)
Financial instruments	(16)	(23)	2	4	(32)
Other temporary differences	(178)	34	(0)	(47)	(192)
Deferred tax liabilities before netting	**(1,046)**	**(40)**	**2**	**68**	**(1,016)**
Effect of netting deferred tax assets and liabilities	466	0	0	29	495
Deferred tax liabilities net of deferred tax assets	**(580)**	**(40)**	**2**	**97**	**(520)**
NET DEFERRED TAXES	**339**	**99**	**(30)**	**3**	**411**

Unrecognized deferred tax assets

Unrecognized deferred tax assets amounted to €1,444 million at December 31, 2013 (December 31, 2012: €1,980 million), including €743 million related to tax loss carryforwards (December 31, 2012: €1,028 million) and €701 million on temporary differences (December 31, 2012: €952 million).

NOTE 22: INVENTORIES

(in € millions)	December 31, 2013	December 31, 2012
Inventories at cost	5,978	5,933
Depreciation	(240)	(275)
Inventories, net	**5,738**	**5,658**

NOTE 23: TRADE RECEIVABLES

(in € millions)	December 31, 2013	December 31, 2012
Trade receivables	1,330	1,302
Depreciation	(203)	(209)
Trade receivables, net	**1,127**	**1,093**
Receivables from suppliers	1,086	1,051
Total	**2,213**	**2,144**

Trade receivables correspond for the most part to amounts due by franchisees, for delivered goods and franchise fees.
Receivables from suppliers correspond to rebates and supplier contributions to marketing costs.

NOTE 24: OTHER CURRENT FINANCIAL ASSETS

(in € millions)	December 31, 2013	December 31, 2012
Available-for-sale financial assets	51	238
Derivative instruments	137	46
Deposits with maturities of more than three months (1)	170	61
Other	1	8
Total	**359**	**352**

(1) New regulations governing shopping cards in China that came into effect on January 1, 2013, require part of the shopping card float to be placed in a dedicated, interest-bearing bank account controlled by the Group. At December 31, 2013, these deposits amounted to €130 million.

NOTE 25: OTHER ASSETS

(in € millions)	December 31, 2013	December 31, 2012
Employee advances	18	18
Short-term loans	69	52
Proceeds receivable from disposals of non-current assets	14	42
Prepaid expenses	297	307
Other operating receivables, net	443	370
Total	**841**	**789**

NOTE 26: CASH AND CASH EQUIVALENTS

(in € millions)	December 31, 2013	December 31, 2012
Cash equivalents	3,019	4,881
Cash	1,738	1,693
Total	**4,757**	**6,573**

There are no restrictions (as defined in IAS 7) that could materially affect the availability of the cash and cash equivalent balances of foreign subsidiaries.

NOTE 27: SHAREHOLDERS' EQUITY

27.1 Capital management

The parent company, Carrefour, must have sufficient equity capital to comply with the provisions of France's Commercial Code.

The Group owns interests in a certain number of financial services companies (banks, insurance companies). These subsidiaries must have sufficient equity capital to comply with capital adequacy ratios and the minimum capital rules set by their local banking and insurance supervisors.

Capital management objectives (equity and debt capital) are to:

- Ensure that the Group can continue operating as a going concern, in particular by maintaining high levels of liquid resources
- Optimize shareholder returns
- Keep gearing at an appropriate level, in order to minimize the cost of capital and maintain the Group's credit rating at a level that allows it to access a wide range of financing sources and instruments.

In order to maintain or adjust its gearing, the Group may take on new borrowings or retire existing borrowings, adjust the dividend paid to shareholders, return capital to shareholders, issue new shares, buy back shares or sell assets in order to use the proceeds to pay down debt.

27.2 Share capital

At December 31, 2013, the share capital was made up of 723,984,192 ordinary shares with a par value of €2.5 each, all fully paid.

(in thousands of shares)	2013	2012
Outstanding at January 1	709,215	679,336
Issued for cash	-	-
Issued upon exercise of stock options	-	-
Issued in connection with the Guyenne & Gascogne acquisition	-	13,331
Issued in payment of dividends	14,770	16,547
Cancelled shares	-	-
Outstanding at December 31	**723,984**	**709,215**

27.3 Treasury stock

At December 31, 2013, a total of 22,806,284 shares were held in treasury (December 31, 2012: 23,192,733 shares).

	December 31, 2013	December 31, 2012	Change
Shares held directly	5,761,500	6,147,949	(386,449)
Shares held indirectly via an equity swap	17,044,784	17,044,784	0
Treasury stock	**22,806,284**	**23,192,733**	**(386,449)**

27.3.1. Shares held directly

Most of the Carrefour shares held directly by the Company are intended for the Group's stock option and stock grant plans. All rights attached to the shares allocated to these plans are suspended for as long as they are held in treasury.

27.3.2. Shares held indirectly via an equity swap

In 2009, the Group reorganized the portfolio of treasury shares and instruments held to meet its obligations under the stock option and stock grant plans. On June 15, 2009, a total of 18,638,439 shares were sold out of treasury at a price of €28.725 per share, generating total proceeds of €535 million, and 18,638,439 shares were bought back at the same price per share of €28.725 for forward delivery at various dates through July 2017. The transaction had no impact on the consolidated income statement.
Since the end of 2009, a total of 3,124,885 shares have been bought back on the various contractual dates.
Following the distribution of Dia shares on July 5, 2011, Carrefour delivered an additional 2,196,200 shares in exchange for a reduction in the buyback price per share to €25.184.

At December 31, 2013, Carrefour was committed to buying back 17,044,784 shares under the equity swap for a total of €429 million recorded as a financial liability.

	Number of shares	Financial liability (in € millions)
Shares held indirectly via an equity swap at December 31, 2013	17,044,784	429
Forward purchases		
May 15, 2014	3,939,973	99
July 7, 2015	4,455,754	112
June 15, 2016	8,449,280	213
July 16, 2017	199,777	5

27.4 Dividends

The 2012 ordinary dividend of €0.58 per share was paid on June 7, 2013 as follows:
- 14,769,539 new shares were issued and delivered in settlement of reinvested dividends, increasing the share capital by a total of €290 million.
- €108 million was paid in cash to shareholders who had not chosen to reinvest their dividends.

NOTE 28: SHARE-BASED PAYMENTS

The total cost of share-based payment plans amounted to €2 million in 2013, recorded under "Payroll costs" in recurring operating income (2012: €9 million). In accordance with IFRS 2, the cost net of the tax effect was recognized by crediting shareholders' equity.

Details of the stock option and stock grant plans set up for senior management are presented below.

The demerger of the hard discount business on July 5, 2011, carried out by distributing Dia shares, had the effect of automatically reducing the Carrefour share price. This in turn lowered the exercise price of the stock options and stock grants and increased the number of options or shares awarded to each grantee (see Registration Document updated filed with the AMF on May 18, 2011). The figures presented in this Note are therefore adjusted figures unless otherwise specified.

28.1 Stock option plans

No new plans were set up in 2013 or 2012.

The following table provides **details of the stock option plans** that were in progress at December 31, 2013 or expired during the year.

	Grant date (1)	Number of options granted (2)	Life of the options	Number of grantees	Exercise period (3)	Number of options outstanding (4)	Exercise price in € (2)
2006 Presence Plan	April 25, 2006	7,580,898	7 years	2144	April 25, 2008 to April 24, 2013	0	38.5
2007 Presence Plan	May 15, 2007	4,354,667	7 years	502	May 15, 2009 to May 14, 2014	3,792,357	49.45
2008 Presence Plan I	June 6, 2008	4,545,183	7 years	505	June 6, 2010 to June 5, 2015	3,568,284	39.68
2008 Presence Plan II	July 7, 2008	17,109	7 years	1	July 7, 2010 to July 6, 2015	17,109	39.68
2009 Plan Performance	June 17, 2009	1,252,994	7 years	57	June 17, 2011 to June 16, 2016	431,088	29.55
2009 Presence Plan	June 17, 2009	6,974,861	7 years	2571	June 17, 2011 to June 16, 2016	5,502,482	29.55
2010 Performance Plan	May 4, 2010	1,439,017	7 years	56	May 4, 2012 to May 3, 2017	517,610	29.91
2010 Presence Plan II	July 16, 2010	1,941,610	7 years	507	July 17, 2012 to July 16, 2017	1,474,163	29.91
Total						15,303,093	

(1) Date of the meeting of the Management Board (before July 28, 2008) or Board of Directors (after that date) when the stock option grants were decided.
(2) Adjusted number of options and adjusted exercise price
(3) The options will vest only if the grantee is still employed by the Group at the start of the exercise period. Since 2006, the options vest as follows:
- 50% after two years
- 25% after three years
- 25% after four years

Concerning the exercise date, specific rules apply in the event of the grantee's death.
(4) The number of options outstanding includes both options exercisable at December 31, 2013 and options that were not yet exercisable at that date.

All of the options are exercisable for existing Carrefour shares.

There are two types of plans:

- Presence Plans, for which the only condition is that grantees must remain employed by the Group between the grant date and the starting date of the exercise period for each tranche of options (50% of options vest after two years, 25% after three years and 25% after four years).
- Performance Plans, for which the above presence condition applies as well as two conditions based on the Group's financial performance, with 50% of the options vesting when each of these conditions are met:
    - Performance conditions for the 2009 Performance Plan concern (i) sales growth for the period 2008 to 2010 and (ii) the level of 2010 free cash flow.
    - Performance conditions for the 2010 Performance Plan concern growth in (i) sales and (ii) recurring operating income over the period 2009 to 2011.

Movements in stock options in 2013 were as follows:

Options outstanding at December 31, 2012	**22,124,070**
- of which, exercisable options	*19,746,685*
Options granted in 2013 (1)	0
Options exercised in 2013 (2)	0
Options cancelled or that expired in 2013	(6,820,977)
- of which, expired options (3)	*(6,714,436)*
-of which, cancelled options - Presence Plans	*(88,076)*
-of which, cancelled options - Performance Plans	*(18,465)*
Options outstanding at December 31, 2013	**15,303,093**
- of which, exercisable options	*14,857,011*

(1) The Remunerations Committee decided not to grant any stock options in 2013.
(2) No options were exercised in 2013 because they were out of the money.
(3) The 2006 plan expired in April 2013 and the 6,714,436 options not exercised at that date were canceled.

The **main data and assumptions** used to value the options are described below.

The options' fair value is calculated using the Black & Scholes option pricing model. Until 2009, volatility, dividend growth and interest rate assumptions were determined by reference to a benchmark produced by a panel of banks. Since 2010, volatility and dividend growth assumptions are determined by reference to historical data and the interest rates applied are based on the yield curve for zero-coupon bonds published by Reuters on the option grant date. In addition, the 2010 options have a seven-year life.

Fair values were determined on the grant dates of the various plans using the model described above and assumptions considered as reasonable at those dates. The information in the following table has not been adjusted for the impact of the July 5, 2011 demerger from Dia.

Fair value of the options at the grant date	2006 Presence Plan	2007 Presence Plan	2008 Presence Plan I
Exercise price in €	43.91	56.40	45.26
Reference share price in € on the grant date	44.82	52.23	32.8
Volatility, in %	24.70%	25.54%	32.25%
Dividend growth, in %	14.87%	12.96%	2.25%
Interest rate, in %	4.07%	4.50%	4.80%
Fair value of the options, in €	**12.77**	**10.92**	**7.31**
2013 amortization (in %)	0%	0%	0%
Accumulated amortization at December 31, 2013 (in %)	100%	100%	100%

Fair value of the options at the grant date	2008 Presence Plan II	2009 Presence & Performance Plans	2010 Presence II & Performance
Exercise price in €	45.26	33.7	34.11
Reference share price in € on the grant date	43.94	31.54	35.26
Volatility, in %	33.15%	43.35%	22.85%
Dividend growth, in %	2.34%	-34.95%	3.33%
Interest rate, in %	4.80%	3.30%	(1)
Fair value of the options, in €	**14.74**	**12.67**	**5.96**
2013 amortization (in %)	0%	3%	10%
Accumulated amortization at December 31, 2013 (in %)	100%	100%	96%

(1) Reuters page on the pricing date

28.2 Stock grants

No new stock grant plans were set up in 2013.

Details of the stock grant plans in progress at December 31, 2013 or that expired during the year are presented below:

	Grant date [(1)]	Transfer date	Number of shares granted	Number of grantees	Reference share price (spot) in € [(2)]	Number of shares delivered in 2013	Number of shares attributable at December 31, 2013
2010 Presence Plan I	July 16, 2010	July 16, 2013	517,743	513	34.59	370,480	0
2011 Presence Plan	May 31, 2011	May 31, 2013	15,969	1	26.89	15,969	0
Total						386,449	0

(1) Date of the meeting of the Management Board (before July 28, 2008) or Board of Directors (after that date) when the stock grants were decided.
(2) Reference price at the date of the stock grants (unadjusted)

Movements in stock grant rights in 2013 were as follows:

Number of stock grant rights at December 31, 2012	408,928
Stock grant rights attributed in 2012	
Shares delivered to grantees	(386,449)
Stock grant rights canceled in 2012	(22,479)
- of which, canceled rights – Presence Plans	*(22,479)*
- of which, canceled rights – Performance Plans	
Number of stock grant rights at December 31, 2013	**-**

NOTE 29: PROVISIONS

(in € millions)	December 31, 2012	Translation adjustment	Increases	Discounting adjustment	Reversals of surplus provisions	Utilizations	Other	December 31, 2013
Post-employment benefit obligations – Note 30	1,256	(2)	93	(32)	(2)	(31)	(10)	1,272
Claims and litigation	2,584	(220)	539	0	(142)	(924)	(22)	1,814
Tax reassessments [1]	*1,915*	*(156)*	*259*	*0*	*(71)*	*(790)*	*(81)*	*1,075*
Disputes with current and former employees	*389*	*(44)*	*191*	*0*	*(45)*	*(83)*	*14*	*423*
Legal disputes	*280*	*(20)*	*89*	*0*	*(26)*	*(51)*	*44*	*316*
Restructuring	185	(3)	56	0	(60)	(65)	6	120
Other [2]	451	(3)	84	0	(50)	(46)	(22)	413
Total	**4,475**	**(228)**	**772**	**(32)**	**(254)**	**(1,066)**	**(49)**	**3,618**

(1) Provisions for tax claims decreased by a net €840 million in 2013, reflecting translation adjustments, changes in the scope of consolidation, revised estimates of the potential cost associated with certain tax risks, and the reversal of certain provisions following payments in settlement of several old tax disputes.
(2) Other provisions primarily concern technical risks associated mainly with the insurance business, store closure costs and onerous contracts.

Group companies are involved in a certain number of claims and legal proceedings in the normal course of business. They are also subject to tax audits that may result in reassessments. The main claims and legal proceedings are described in Note 31. In each case, the risk is assessed by Group management and their advisors.
A provision is recorded when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

At December 31, 2013, the claims and legal proceedings in which the Group was involved were covered by provisions totaling €1,814 million (December 31, 2012: €2,584 million). No details are provided because the Group considers that disclosure of the amount set aside in each case could be seriously detrimental to its interests.

NOTE 30: POST-EMPLOYMENT BENEFIT OBLIGATIONS

The cost of defined benefit plans is determined at each period-end by the projected unit credit method. The calculation is performed using an actuarial method that takes into account in particular future salary levels and retirement ages.

30.1 Description of the main defined benefit plans

The main defined benefit plans concern supplementary pension benefits paid annually in some countries to retired employees of the Group, and length-of-service awards provided for in collective bargaining agreements that are paid to employees upon retirement. The plans, which are presented below, mainly concern France, Belgium and Italy.

French plans

Group employees in France are entitled to a length-of-service award when they retire, determined in accordance with the law and the applicable collective bargaining agreement. The award is measured as a multiple of the individual's monthly salary for the last twelve months before retirement, determined by reference to his or her years of service. The impact at January 1, 2012 of applying IAS 19R included incorporating new retirement age assumptions taking into account the consequences of France's 2008 Act on the modernization of the job market.

In 2009, the Group set up a supplementary pension plan. The main terms of this defined benefit plan are as follows:

- Plan participants must have completed at least three years' service at the time of retirement, their annual compensation must be greater than 16 times the annual ceiling for Social Security contributions and they must still be employed by the Group at the time of retirement.
- Plan participants hired at age 45 or over are credited with up to 10 years' service as follows: age 45 = 0 year; age 46 = 1 year; age 47 = 2 years, etc.
- Years of service taken into account for the calculation of plan benefits are capped at 20 years.
- Benefits are calculated as 1.5% of the "reference compensation" per year of service. The reference compensation corresponds to the average of the last three years' salary and bonus or 60 times the annual ceiling for Social Security contributions whichever is lower.
- Maximum replacement rate: the benefits are capped so that total pension benefits received by the individual from all sources do not exceed 50% of the reference compensation.
- The annual benefit is capped at 25% of the participant's compensation for the last full year of service.
- Upon the participant's death, a reversionary pension is payable to the surviving spouse in an amount equal to 50% of the original benefit.

Belgian plans

The Group's main commitments in Belgium concern "prepensions" and the "solidarity fund".

Until the end of 2014, the prepension scheme provides for the payment of unemployment benefits during the period from the retirement age proposed in the collective bargaining agreement (58, or 52 for employees concerned by the downsizing plan set up in 2010) and the legal retirement age (65). Carrefour is committed to topping up the benefits paid by the Belgian State, so that the individuals concerned receive 95% of their final net salary.
New legislation that came into effect in Belgium on January 1, 2012 has pushed back the retirement age and increased the number of years that will have to be worked to qualify for the scheme as from January 1, 2015. Under the collective bargaining agreement applicable to Carrefour, employees will be eligible for prepension benefits from the age of 60 provided they have worked for 40 years, versus age 58 and 38 years' work previously.

The solidarity fund is a corporate supplementary pension plan that offers participants the choice between a lump sump payment on retirement or a monthly pension for the rest of their lives. The plan was closed in 1994 and replaced by a defined contribution plan. Consequently, the projected benefit obligation only concerns pension rights that vested before 1994.

Italian plans

The Group's commitments in Italy primarily concern the Trattemento di Fine Rapporto (TFR) deferred salary scheme. The TFR scheme underwent a radical reform in 2007, with employers now required to pay contributions to an independent pension fund. The Group's obligation therefore only concerns deferred salary rights that vested before 2007.

30.2 Net expense for the period

Expense recognized in the income statement (in € millions)	France	Belgium	Italy	Other countries	**Group total**
Service cost [1]	60	(38)	0	7	30
Interest cost (discount effect)	30	15	2	1	48
Return on plan assets	(5)	(4)	0	(0)	(10)
Other items	2	0	0	0	2
Expense (income) for 2012	**87**	**(28)**	**2**	**8**	**70**
Service cost [1]	60	7	0	(0)	67
Interest cost (discount effect)	27	10	1	1	39
Return on plan assets	(3)	(3)	0	(0)	(6)
Other items	0	(0)	0	0	(0)
Expense (income) for 2013	**84**	**15**	**1**	**0**	**100**

(1) The following table presents details of service cost:
(2)

2012 (in € millions)	France	Belgium	Italy	Other countries	**Group total**
Current service cost	44	6	0	7	58
Past service cost (plan amendments and curtailments)	16	(45)			(28)
Settlements and other					0
Total service cost	**60**	**(38)**	**0**	**7**	**30**

2013 (in € millions)	France	Belgium	Italy	Other countries	**Group total**
Current service cost	59	6	0	2	67
Past service cost (plan amendments and curtailments)	7	0	0	0	7
Settlements and other	(5)	1	0	(2)	(6)
Total service cost	**60**	**7**	**0**	**(0)**	**67**

The net expense for 2013, in the amount of €100 million, is recorded in employee benefits expense for €67 million and in financial expense for €33 million.

30.3 Change in the provision

Balance sheet movements (in € millions)	France	Belgium	Italy	Other countries	**Group total**
Provision at December 31, 2011	**315**	**272**	**133**	**60**	**777**
Adjustment (IAS 19R)	254	(15)	17	9	266
Provision at January 1, 2012	**569**	**257**	**150**	**70**	**1,043**
Movements recorded in the income statement	87	(28)	2	8	70
Benefits paid directly by the employer	6	0	0	(29)	(23)
Effect of changes in scope of consolidation	(5)	(22)	(12)	(2)	(41)
Change in actuarial gains and losses	178	42	4	8	232
Other	(22)	0	0	(4)	(26)
Provision at December 31, 2012	**813**	**249**	**145**	**50**	**1,256**
Movements recorded in the income statement	84	15	1	0	100
Benefits paid directly by the employer	(6)	(21)	(8)	(0)	(36)
Effect of changes in scope of consolidation	(4)	0	0	(10)	(15)
Change in actuarial gains and losses [1]	(28)	(16)	13	(1)	(32)
Other	(0)	0	(0)	(2)	(3)
Provision at December 31, 2013	**859**	**227**	**150**	**37**	**1,272**

(1) This line breaks down as follows:

(in € millions)	France	Belgium	Italy	Other countries	Group total
Actuarial (gain)/loss due to experience	4	(6)	2	2	1
Actuarial (gain)/loss due to demographic assumption changes	(7)	0	(2)	(0)	(9)
Actuarial (gain)/loss due to financial assumption changes	(24)	(5)	13	(2)	(18)
Return on Plan Assets (Greater) / Less than Discount Rate	(1)	(4)	0	0	(5)
Changes in actuarial gains and losses	**(28)**	**(16)**	**13**	**(1)**	**(32)**

30.4 Plan assets

Change in the fair value of plan assets (in € millions)	France	Belgium	Italy	Other countries	Group total
Fair value at December 31, 2011	**119**	**89**	**0**	**6**	**214**
Effect of changes in scope of consolidation	(0)	0	0	0	(0)
Expected return on plan assets	5	4	0	0	9
Benefits paid out of plan assets	(15)	(11)	0	(1)	(27)
Actuarial gain/(loss)	5	7	0	(0)	12
Other	20	4	0	1	25
Fair value at December 31, 2012	**134**	**93**	**0**	**6**	**233**
Effect of changes in scope of consolidation	0	0	0	0	0
Expected return on plan assets	3	3	0	0	6
Benefits paid out of plan assets	(30)	(13)	0	(0)	(43)
Actuarial gain/(loss)	1	4	0	0	5
Other	0	5	0	(1)	4
Fair value at December 31, 2013	**108**	**92**	**0**	**4**	**204**

Plan assets break down as follows by asset class:

	December 31, 2013			December 31, 2012		
	Bonds	Equities	Real estate and other	Bonds	Equities	Real estate and other
France	79%	20%	1%	81%	17%	3%
Belgium	70%	20%	10%	80%	18%	2%

All bonds and equities held in plan asset portfolios are listed securities.

30.5 Measurement of the defined benefit obligation

Obligation (in € millions)	France	Belgium	Italy	Other countries	Group total
Provision	813	249	145	50	1,256
Fair value of plan assets	134	93	0	6	233
Defined Benefit Obligation (DBO) at December 31, 2012	**947**	**342**	**145**	**56**	**1,488**
Provision	859	227	150	37	1,272
Fair value of plan assets	108	92	0	4	204
Defined Benefit Obligation (DBO) at December 31, 2013	**966**	**319**	**150**	**41**	**1,475**

30.6 Actuarial assumptions and sensitivity analysis

The assumptions used to measure defined benefit obligations for length-of-service awards are as follows:

	2013	2012
Retirement age	60-65	60-65
Rate of future salary increases	2.0% to 3.0%	1.5% to 5.0%
Payroll tax rate	7% to 45%	7% to 45%
Inflation rate	2%	1,5% to 2%
Discount rate	2.7% to 3.2%	2.2% to 2.9%

Projected benefit obligations were calculated using a discount rate of 3.20% (2012: 2.98%) for the French and Belgian plans and 2.70% (2012: 2.90%) for the Italian plan. These rates are based on an index of AA-rated corporate bonds with maturities similar to the estimated duration of the defined benefit obligation.

The average duration of the defined benefit obligation under French, Belgian and Italian plans is 12.5 years, 9.8 years and 8 years respectively.

Sensitivity tests show that a 25-bps increase in the discount rate would have a negative impact of around €39 million on the defined benefit obligation under the French, Belgian and Italian plans.

The tests also show that a 25-bps increase in the inflation rate would have a positive impact of around €34 million on the defined benefit obligation under the French, Belgian and Italian plans.

NOTE 31: CLAIMS AND LITIGATION

In the normal course of its operations in around a dozen different countries, the Group is involved in tax, employee-related and commercial disputes and legal proceedings.

31.1 Tax reassessments

Certain Group companies have been or are currently the subject of tax audits conducted by their local tax authorities.

In Brazil, Carrefour is subject to tax audits covering, in particular, the tax on the distribution of goods and services (ICMS), related tax credits (determination of the amounts claimable and documentation of the claims), and federal contributions to the social integration program and to the financing of the social security system (Pis-Cofins). The Group has challenged most of the reassessments, particularly the constitutionality of certain legislative provisions on which they are based. The estimated risk in each case is reviewed regularly with Carrefour Brazil's advisors and an appropriate provision is recorded.

In France, proposed reassessments notified by the tax authorities to the parent company, Carrefour SA, on a stand-alone basis represented a principal amount of €191 million at December 31, 2013. These reassessments, which have been contested by Carrefour, concern the years 2003 to 2010.

In 2008 and 2009, certain French companies in the Group were notified of proposed reassessments of output VAT for the years 2003 to 2008, totaling €313 million. Carrefour has contested these reassessments and lodged an appeal before the administrative court. However, as the appeal process does not have a suspensory effect, the tax claimed for the years 2003 to 2008 has been settled.

In Argentina, the tax authorities have notified Carrefour of ARS 500 million (approximately €56 million) in reassessments for the period 1996-2004 on the grounds that the Group had failed to include certain

categories of supplier rebates in the calculation of sales tax. The Group has contested the tax authorities' interpretation.

In France, up until 2003, Carrefour paid a rendering levy ("taxe d'équarrissage") on its meat purchases. In 2003, the Court of Justice of the European Union ruled that this levy, which was paid over by the French State to abattoirs, constituted State aid awarded in breach of EU rules. As a result of this ruling, the rendering levy paid for the years 1997 to 2003 was refunded to the Group. In 2004, however, the French tax authorities reversed their decision and instructed the Group to repay the refunded amounts for the years 2001 to 2003, totaling €145 million. Although this amount was paid by Carrefour in 2012, the Group has contested the validity of the claim and the case is currently pending before the tax courts.

31.2 Disputes with current and former employees

As a major employer, the Group is regularly involved in disputes with current or former employees.

From time to time, disputes may also arise with a large group of current or former employees. In Brazil, many former employees have initiated legal proceedings against the Group, claiming overtime pay that they allege is due to them.

31.3 Legal and commercial disputes

The Group is subject to regular audits by the authorities responsible for overseeing compliance with the laws applicable to the retail industry and by the competition authorities. Disputes may also arise with suppliers as a result of differing interpretations of legal or contractual provisions.

On October 1, 2012, a report on the price increases applied by major retailers for "household and personal care" products was handed to the Belgian competition authorities. The report alleges that between 2002 and 2007, the leading retailers coordinated price increases for these products with the help of the products' suppliers. The matter is currently under review by the Belgian competition authorities, who will decide whether competition law has been breached and, if so, the amount of the fine.

NOTE 32: LONG AND SHORT-TERM BORROWINGS

32.1 Net debt

32.1.1 Net debt calculation

Net debt at December 31, 2013 amounted to €4,117 million, a decrease of €203 million from December 31, 2012. This amount breaks down as follows:

(in € millions)	December 31, 2013	December 31, 2012
Bonds and notes	7,462	8,992
Other borrowings	1,356	1,516
Commercial paper	-	-
Finance lease liabilities	388	420
Total borrowings before derivative instruments recorded in liabilities	**9,206**	**10,928**
Derivative instruments recorded in liabilities	27	318
Total long and short-term borrowings (1)	**9,233**	**11,246**
Of which, long-term borrowings	*7,550*	*8,983*
Of which, short-term borrowings	*1,683*	*2,263*
Other current financial assets	359	352
Cash and cash equivalents	4,757	6,573
Total current financial assets (2)	**5,116**	**6,925**
Net debt = (1) – (2)	**4,117**	**4,320**

32.1.2 Bonds and notes

(in € millions)	Maturity	December 31, 2012	Issues	Repayments	Other movements	December 31, 2013
Public placements		**8,650**	**1,000**	**(2,494)**		**7,156**
Euro Bond Fixed rate, EUR, 8 years 3.625%	2013	750		(750)		
EMTNs, EUR, 5 years, 6.625%	2013	700		(700)		
Euro Bond Fixed rate, EUR, 7 years, 5.125%	2014	1,250		(601)		649
EMTNs, EUR, 5 years, 5.125%	2014	250				250
Euro Bond Fixed rate, EUR, 7 years, 5.375%	2015	1,000		(356)		644
Euro Bond Fixed rate, EUR, 10 years, 3.825%	2015	50				50
Euro Bond Fixed rate, EUR, 10 years, 3.8 %	2015	50				50
Euro Bond Fixed rate, EUR, 10 years, 4.375%	2016	600		(337)		263
EMTNs, EUR, 4 years, 4.375%	2016	500				500
Proceeds allocated to consumer credit refinancing	2016	(250)		250		
EMTNs, EUR, 8 years, 4.678%	2017	250				250
EMTN, EUR, 5 years, 1.875%	2017	1,000				1,000
Euro Bond Fixed rate, EUR, 7 years, 5.25%	2018	500				500
EMTNs, EUR, 6 years, 1.75%	2019		1,000			1,000
EMTNs, EUR, 10 years, 4.00%	2020	1,000				1,000
EMTNs, EUR, 11 years, 3.875%	2021	1,000				1,000
Private placements		**304**		**(25)**		**279**
Adjstment to fair value hedges of fixed rate borrowings		**38**			**(12)**	**26**
Total bonds and notes		**8,992**	**1,000**	**(2,519)**	**(12)**	**7,462**

32.1.3 Other borrowings

(in € millions)	December 31, 2013	December 31, 2012
Equity swap liability	429	429
Brazilian borrowings	149	467
Colombian borrowings	367	293
Accrued interest(1)	97	158
Other items	314	169
Total	**1,356**	**1,516**

(1) Accrued interest on total borrowings, including bonds and notes.

Part of Carrefour Brazil's bank borrowings (€40 million at December 31, 2013 and €153 million at December 31, 2012) is subject to the following two covenants:

- The liquidity ratio (ratio of liquid assets to current liabilities) may not be less than 0.85
- The equity ratio (ratio of shareholders' equity to total assets) may not be less than 0.25.

These covenants were complied with at June 30, 2013. Calculation of the ratios at December 31, 2013 will be completed in April 2014; based on the information available when the consolidated financial statements were drawn up, they will also be complied with at that date.

32.2 Analysis of borrowings (excluding derivative instruments recorded in liabilities)

32.2.1 Analysis by interest rate

	December 31, 2013		December 31, 2012	
(in € millions)	before hedging	after hedging	before hedging	after hedging
Fixed rate borrowings	8,483	8,161	10,210	9,960
Variable rate borrowings	696	1,045	680	967
Total	**9,179**	**9,206**	**10,890**	**10,928**

32.2.2 Analysis by currency

The following analysis by currency concerns borrowings including the impact of currency swaps.

(in € millions)	December 31, 2013	December 31, 2012
Euro	8,802	10,211
Brazilian real	157	499
Chinese yuan	79	65
Turkish lira		13
Taiwan dollar	78	95
Argentine peso	46	1
Polish zloty	36	37
Romanian leu	6	7
Total	**9,206**	**10,928**

Euro-denominated borrowings represented 96% of total borrowings at December 31, 2013 (December 31, 2012: 93%).

32.2.3 Analysis by maturity

(in € millions)	December 31, 2013	December 31, 2012
Due within one year	1,683	2,263
Due in 1 to 2 years	1,242	1,773
Due in 3 to 5 years	2,955	4,067
Due beyond 5 years	3,326	2,824
Total	**9,206**	**10,928**

NOTE 33: CONSUMER CREDIT FINANCING

To support its core retailing business, the Group offers banking and insurance services to customers, mainly in France, Spain and Brazil.
The financial services companies offer their customers "Carrefour" bank cards that can be used in the Group's stores and elsewhere, consumer loans and savings products such as life insurance and passbook savings accounts.

In light of the size and significant nature of the amounts involved, consumer credit is reported on a separate line of the Group's consolidated statement of financial position, in current assets (for the short-term portion) and non-currents assets (for the long-term portion) and consumer credit financing is reported separately in current liabilities and non-current liabilities.

At December 31, 2013, consumer credit totaled €5,602 million (December 31, 2012: €5,646 million), as follows:

(in € millions)	December 31, 2013	December 31, 2012
Payment card receivables	3,834	3,867
Loans	2,063	2,020
Consumer credit (on purchases made in Carrefour stores)	191	172
Other financing	305	326
Provisions	(796)	(750)
Other	5	10
Total consumer credit granted by the financial services companies	**5,602**	**5,646**
Short-term financing	*3,221*	*3,285*
Long-term financing	*2,381*	*2,360*

The related consumer credit financing amounted to €4,909 million at December 31, 2013, as follows:

(in € millions)	December 31, 2013	December 31, 2012
Debt securities (retail certificates of deposit, medium-term notes)	1,292	1,238
Bank borrowings	507	850
Bonds and notes(1)	897	1,009
Customer passbook savings deposits	580	655
Securitizations(3)	900	500
Consumer credit portfolios sold to banks	348	363
Other	385	382
Total	**4,909**	**4,997**
Short-term borrowings	*3,145*	*3,032*
Long-term borrowings	*1,765*	*1,966*

(1) In 2013:
- Carrefour Banque €300 million 3-year bond issue at 3-month Euribor + 85 bps carried out on April 16
- Buyback and retirement on December 16 of €150 million worth of bonds included in the €710 million issue carried out in 2012.

In 2012:
- €600 million 3-year, 2.875% notes issue carried out by Carrefour Banque on September 25, and €110 million tap issue carried out on November 9.
- €250 million allocated to Carrefour Banque out of the proceeds of a Carrefour SA notes issue (see Note 32).

(2) In 2013: Master Credit Cards Pass reloadable securitization program with compartments launched by Carrefour Banque in November. Asset pool: €560 million. Proceeds from the securitization: €400 million.
In 2012: FCT Copernic 2012-1 compartment of the FCT Copernic reloadable securitization fund launched by Carrefour Banque. Asset pool: €855 million. Proceeds from the securitization: €500 million (class A1 notes).
The two securitization funds are fully consolidated in the Group's accounts.

NOTE 34: FINANCIAL INSTRUMENTS

At December 31, 2013		Breakdown by category						
(in € millions)	Carrying amount	Financial assets at fair value through profit or loss	Available-for-sale financial assets	Loans, receivables and other	Financial liabilities at amortized cost (1)	Debt hedged by fair value hedges	Derivative instruments	Fair value
Investments in non-consolidated companies	60		60					60
Other long-term investments	1,086		225	860				1,096
Other non-current financial assets	1,146		285	860				1,146
Consumer credit granted by the financial services companies	5,602			5,597			5	5,602
Trade receivables	2,213			2,213				2,213
Other current financial assets	359		51	171			137	359
Other assets (1)	545			545				545
Cash and cash equivalents	4,757	4,757						4,757
ASSETS	**14,621**	**4,757**	**336**	**9,385**			**142**	**14,621**
Total long- and short-term borrowings	9,233				8,679	526	27	9,592
Total consumer credit financing	4,911				4,542	369		4,911
Suppliers and other creditors	12,854			12,854				12,854
Other payables (2)	2,763			2,686				2,686
LIABILITIES	**29,759**			**15,539**	**13,221**	**895**	**27**	**30,042**

(1) Excluding prepaid expenses
(2) Excluding deferred revenue

At December 31, 2012		Breakdown by category						
(in € millions)	Carrying amount	Financial assets at fair value through profit or loss	Available-for-sale financial assets	Loans, receivables and other	Financial liabilities at amortized cost (1)	Debt hedged by fair value hedges	Derivative instruments	Fair value
Investments in non-consolidated companies	66		66					66
Other long-term investments	1,059		219	840				1,059
Other non-current financial assets	1,125		285	840				1,125
Consumer credit granted by the financial services companies	5,646			5,635			11	5,646
Trade receivables	2,144			2,144				2,144
Other current financial assets	352		238	69			46	352
Other assets (1)	482			482				482
Cash and cash equivalents	6,573	6,573						6,573
ASSETS	**16,322**	**6,573**	**522**	**9,170**			**57**	**16,322**
Total long- and short-term borrowings	11,246				10,390	538	318	11,910
Total consumer credit financing	4,998				4,470	528		4,998
Suppliers and other creditors	12,925			12,925				12,925
Other payables (2)	2,358			2,358				2,358
LIABILITIES	**31,526**			**15,283**	**14,860**	**1,066**	**318**	**32,191**

(1) Excluding prepaid expenses
(2) Excluding deferred revenue

Analysis of assets and liabilities measured at fair value

The fair value hierarchy in IFRS comprises three levels of inputs:

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: models that use inputs that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. price-based data).
- Level 3: inputs that are intrinsic to the asset or liability and are not based on observable market data for the asset or liability.

December 31, 2013

(in € millions)	Level 1	Level 2	Level 3	Total
Investments in non-consolidated companies			60	**60**
Other long-term investments	225			**225**
Available-for-sale financial assets		51		**51**
Derivative instruments recorded in current financial assets		137		**137**
Cash and cash equivalents	4,757			**4,757**
Derivative instruments recorded in liabilities		(18)	(9)	**(27)**

December 31, 2012

(in € millions)	Level 1	Level 2	Level 3	Total
Investments in non-consolidated companies			66	**66**
Other long-term investments	219			**219**
Available-for-sale financial assets		238		**238**
Derivative instruments recorded in current financial assets		46		**46**
Cash and cash equivalents	6,573			**6,573**
Derivative instruments recorded in liabilities		(95)	(221)	**(316)**

The decline in value of derivative instruments recorded in liabilities and valued using level 3 inputs was mainly due to the expiration of the non-controlling interest (NCI) put granted to the minority shareholders of the Group's Turkish subsidiary in connection with the reorganization of its partnership in that country.

No assets or liabilities were reclassified between the various levels between December 31, 2010 and 2013.

NOTE 35: OTHER PAYABLES

(in € millions)	December 31, 2013	December 31, 2012
Accrued employee benefits expense	1,696	1,633
Due to suppliers of non-current assets	739	457
Deferred revenue	77	65
Other payables	251	268
Total	**2,763**	**2,422**

NOTE 36: RISK MANAGEMENT

The main risks associated with the financial instruments used by the Group are liquidity, interest rate, currency, credit and equity risks. The Group's policy for managing these risks is described below.

Due to the differing natures of the various businesses, financial risks arising from the bancassurance business (including Carrefour Banque in particular) are managed separately from those related to the retail business.

An organization has been set up around a cash-pooling system to track financial risks. The Corporate Treasury and Financing Department based in Brussels manages the treasury and financing needs of all retail subsidiaries, on the instructions of Group senior management. A reporting system ensures that Group senior management can oversee the department's implementation of the approved management strategies.

The risks associated with the consumer credit business are managed and tracked directly by the entities concerned. Corporate Treasury and Financing oversees the proper implementation of the rules governing the consumer credit business, jointly with the other investors in the business where applicable. A reporting system exists between local teams and Corporate Treasury and Financing.

1. Liquidity risk

1.1 Retail business

Liquidity risk is the risk that Carrefour will be unable to settle its financial liabilities when they fall due.

The Group manages its liquidity risk by ensuring, to the extent possible, that it has sufficient liquid assets at all times to settle its liabilities when they fall due, whatever the conditions in the market.
A Liquidity Committee meets at monthly intervals to check that the Group's financing needs are covered by its available resources. The meetings are attended by the Group's Chief Financial Officer and by a representative of Carrefour Banque.

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 through regular debt issuance programs, mainly in euros, in order to create a balanced maturity profile. The Group's issuance capacity under its Euro Medium-Term Notes (EMTN) program totals €12 billion. Since 2007, the loan agreements for the EMTN program include a soft change of control clause that would be triggered in the event that a change of control led to Carrefour losing its investment grade rating. In this case, the notes would not become immediately repayable but the interest rate would increase.
- Using the €5 billion commercial paper program on NYSE Euronext Paris, described in a prospectus filed with the Banque de France.
- Maintaining undrawn medium-term bank facilities that can be drawn down at any time according to the Group's needs. At December 31, 2013, the Group had three undrawn syndicated lines of credit obtained from a pool of leading banks for a total of €4,149 million. Group policy consists of keeping these facilities on stand-by to support the commercial paper program. The loan agreements for the syndicated lines of credit include the usual commitments and default clauses, including *pari passu*, negative pledge, change of control and cross-default clauses and a clause restricting substantial sales of assets. They do not include any rating trigger, although they do allow for the pricing grid to be adjusted up or down to reflect changes in the long-term credit rating. None of the agreements contains a material adverse change clause.

The Group considers that its liquidity position was strong at December 31, 2013 since, at that date, it had €4.15 billion in committed syndicated lines of credit with no drawing restrictions, expiring in 2016, 2017 and 2018, and sufficient cash reserves to meet its medium- and long-term debt repayment obligations for the coming year.
The Group's debt profile is balanced, with no peak in refinancing needs across the remaining life of bond debt, which averages 4 years and 3 months.

1.2 Bancassurance business

Carrefour Banque's liquidity risk is monitored within the framework of a senior management-approved liquidity strategy that is part of the Group's overall strategy.

Carrefour Banque's refinancing situation is assessed based on internal standards, early warning indicators and regulatory ratios.

Liquidity risk management objectives are to:

- Ensure that refinancing needs are met, based on monthly assessments of projected cash surpluses or shortfalls performed by comparing static or dynamic forecasts of committed financing facilities with dynamic lending forecasts.
- Gradually achieve compliance with the new Basel III liquidity ratios.
  Diversify refinancing sources to include bank loans, bond issues, securitization programs, money market issues and customer deposits. During 2013, Carrefour Banque carried out two major public placements to support the financing and development of its businesses:
  - €300 million was raised through a 3-year variable rate bond issue carried out in April.
  - €400 million was raised through the November launch of a reloadable securitization program. The program's master trust structure will allow Carrefour Banque to dynamically manage asset-backed securities series issued by the securitization fund.

  These two operations, which together raised €700 million, contribute to the objective of complying with Basel III liquidity ratios by significantly extending the original life of the Bank's debt and closely matching the maturities of loans and borrowings.

The following tables analyze the cash flows generated by the Group's financial and other liabilities by period.

December 31, 2013 (in € millions)	Carrying amount	Contractual cash flows	Within 1 year	In 1 to 5 years	Beyond 5 years
Borrowings hedged by fair value hedges	500	572	23	549	0
Borrowings hedged by cash flow hedges	251	252	0	251	0
Fixed rate borrowings	7,637	8,624	1,927	3,550	3,147
Unhedged borrowings	429	441	105	336	0
Finance lease liabilities	388	745	68	206	471
Derivative instruments	27	37	10	10	17
Total long and short-term borrowings	**9,233**	**10,671**	**2,133**	**4,903**	**3,635**
Suppliers and other creditors	12,854	12,854	12,854		
Consumer credit financing	4,911	4,911	3,145	1,765	
Other payables	2,763	2,763	2,763		
Total	**29,759**	**31,198**	**20,895**	**6,668**	**3,635**

December 31, 2012 (in € millions)	Carrying amount	Contractual cash flows	Within 1 year	In 1 to 5 years	Beyond 5 years
Borrowings hedged by fair value hedges	538	593	22	570	
Borrowings hedged by cash flow hedges	251	252	1	252	
Fixed rate borrowings	9,290	10,077	2,722	4,608	2,747
Unhedged borrowings	429	431	1	431	
Finance lease liabilities	420	786	66	213	507
Derivative instruments	317	278	30	26	222
Total long and short-term borrowings	**11,245**	**12,417**	**2,842**	**6,100**	**3,476**
Suppliers and other creditors	12,925	12,925	12,925		
Consumer credit financing	4,998	4,998	3,032	1,966	
Other payables	2,358	2,358	2,358		
Total	**31,526**	**32,698**	**21,157**	**8,066**	**3,476**

2. Interest rate risk

Interest rate risk is the risk of a change in interest rates leading to an increase in the Group's net borrowing costs.

It is managed at headquarters level by Corporate Treasury and Financing, which reports monthly to an Interest Rate Risk Committee responsible for recommending hedging strategies and methods to be used to limit interest rate exposures and optimize borrowing costs.

Long-term borrowings are generally at fixed rates of interest and do not therefore give rise to any exposure to rising interest rates.
Various financial instruments are nonetheless used to hedge borrowings against the risk of changes in interest rates. These are mainly basic swaps and options. Hedge accounting is applied in all cases where the required criteria are met.
Variable rate long-term borrowings are hedged using financial instruments that cap rises in interest rates over all or part of the life of the debt.

The following table shows the sensitivity of total borrowings to changes in interest rates over one year:

(in € millions)	50-bps decline		50-bps increase	
(- = loss; + = gain)	Impact on shareholders' equity	Impact on income statement	Impact on shareholders' equity	Impact on income statement
Investments		(3.2) (1)		9.0
Variable rate borrowings		2.1		(2.1)
Borrowings hedged by fair value hedges		(8.1)		8.0
Swaps qualified as fair value hedges		7.9		(7.8)
Swaps qualified as cash flow hedges	(1.1)		1.1	
Options classified as cash flow hedges	(0.2)	(14.6)	4.2	15.8
Options classified as held for trading		3.5		0.9
Total effect	**(1.3)**	**(12.4)**	**5.3**	**23.8**

(1) Rate subject to a 0% floor.

3. Currency risk

Currency transaction risk is the risk of an unfavorable change in exchange rates having an adverse effect on cash flows from commercial transactions denominated in foreign currency.
The Group conducts its international operations through subsidiaries that operate almost exclusively in their home country, such that purchases and sales are denominated in local currency. As a result, the Group's exposure to currency risk on commercial transactions is naturally limited and mainly concerns imported products. Currency risks on import transactions (i.e. goods purchases billed in foreign currencies) covered by firm commitments are hedged by forward purchases of the payment currency. Currency hedges are generally for periods of less than 12 months.

Effect of an increase/decrease in exchange rates on instruments accounted for as cash flow hedges:

(in € millions)	10% decline		10% increase	
	Impact on shareholders' equity	Impact on income statement	Impact on shareholders' equity	Impact on income statement
USD/ EUR Cash Flow hedging position	(30.8)	-	30.8	-
RON/ EUR Cash Flow hedging position	1.3	-	(1.3)	-
HKD / EUR Cash Flow hedging position	0.3	-	(0.3)	-
SGD / EUR Cash Flow hedging position	(0.3)	-	0.3	-

The currency translation risk is the risk of an unfavorable change in exchange rates reducing the value of the net assets of a subsidiary whose functional currency is not the euro, after conversion into euro for inclusion in the Group's consolidated statement of financial position.

The consolidated statement of financial position and income statement are exposed to a currency translation risk: consolidated financial ratios are affected by changes in exchange rates used to translate the income and net assets of foreign subsidiaries operating outside the euro zone.

The translation risk on foreign operations outside the euro zone mainly concerns the Brazilian real and Argentine pesos. For example, changes in the average exchange rates used in 2013 compared with those for 2012 reduced consolidated net sales by €2,326 million or 3.1% and operating income by €73 million or 3.1%.

Lastly, when financing is arranged locally, it is generally denominated in local currency.

4. Credit risk

The Group's estimated exposure to credit risk is presented below:

Exposure to credit risk (in € millions)	**December 31, 2013**	**December 31, 2012**
Investments in non-consolidated companies	60	66
Other long-term investments	1,086	1,059
Total other non-current financial assets	**1,146**	**1,125**
Consumer credit granted by the financial services companies	5,602	5,646
Trade receivables	2,213	2,144
Other current financial assets	359	352
Other assets	545	482
Cash and cash equivalents	4,757	6,573
Maximum exposure to credit risk	**14,641**	**16,322**

4.1 Retail business

1) Trade receivables

Trade receivables correspond mainly to amounts receivable from franchisees (for delivered goods and franchise fees), suppliers (mainly rebates) and tenants of shopping mall units (rent). Depreciation is recognized where necessary, based on an estimate of the debtor's ability to pay the amount due and the age of the receivable.

The following table shows changes in depreciation on trade receivables:

December 31, 2011	(240)
Increases	(116)
Reversals	106
Other movements	41
December 31, 2012	**(209)**
Increases	(41)
Reversals	43
Other movements	4
December 31, 2013	**(203)**

At December 31, 2013, trade receivables net of depreciation amounted to €1,127 million (see Note 23). At that date, past due receivables amounted to a net €120 million, with receivables over 90 days past due representing 2.1% of total trade receivables net of impairment. No additional depreciation has been recognized for these receivables as the Group considers that the risk of non-recovery is very limited.

2) Investments

The Group's short-term cash management strategy focuses on acquiring liquid investments that are easily convertible into cash and are subject to an insignificant risk of changes in value.
Investments are made for the most part by Corporate Treasury and Financing, in diversified instruments such as term deposits with leading banks and mutual funds classified by the AMF as "money market" and "short-term money market" funds without any withdrawal restrictions.
Investments made at the country level are approved by Corporate Treasury and Financing.
Counterparty risk monitoring procedures are implemented to track counterparties' direct investment strategies and the underlying assets held by mutual funds in which the Group invests. The Group's objective is to never hold more than 5% of a fund's units and to never invest more than €250 million in any single fund.

4.2 Bancassurance business

1) Credit risk management

To protect against default by borrowers, the Group's finance companies have set up systems to check the quality and repayment capacity of their customers. These include:
- Decision-making aids such as credit scoring applications, income/debt simulation tools and credit history checking procedures.
- Interrogation of positive and negative credit history databases, where they exist.
- Active management of collection processes.
- Credit risk monitoring and control systems.

Within each credit company, a Credit Risk Department is responsible for all of these processes, and the Board of Directors receives copies of all Credit Risk Management Committee reports.
At Group level, a Credit Risk – Europe unit has been set up to oversee and implement credit risk management policies in France, Spain, Belgium and Italy.

2) Provisions for non-performing consumer loans

Consumer loans are classified as non-performing when the Group believes that there is a risk that all or part of the amount due will not be recovered (for example, because of overdue payment).

Provision models are developed in accordance with local banking regulations in each country, according to a two-step process:

- Classification of outstanding loans in uniform risk categories based on the probability of default; then
- Modeling of the loss given default based on historical data.

In a certain number of countries, specific provisions are also recorded for certain types of exposures, to comply with local central bank guidelines.

Analysis of due and past due consumer loans

(in € millions)	December 31, 2013	Amounts not yet due at the period-end	Amounts due and past-due at the period-end			
			0 to 3 months	3 to 6 months	6 months to 1 year	More than one year
Consumer credit granted by the financial services companies	5,602	5,387	92	30	17	75

(in € millions)	December 31, 2012	Amounts not yet due at the period-end	Amounts due and past-due at the period-end			
			0 to 3 months	3 to 6 months	6 months to 1 year	More than one year
Consumer credit granted by the financial services companies	5,646	5,146	352	46	28	73

Analysis of consumer loans by maturity

31/12/2013

(in € millions)	TOTAL	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
France	2,875	1,010	1,663	202
Belgium	196	176	20	
Spain	1,313	932	174	206
Italy	180	87	61	32
Argentina	145	142	3	
Brazil	892	874	18	
Total	**5,602**	**3,221**	**1,940**	**441**

31/12/2012

(in € millions)	TOTAL	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
France	3,020	1,178	1,656	185
Belgium	198	176	22	0
Spain	1,243	860	187	196
Italy	173	85	55	33
Argentina	136	129	8	0
Brazil	876	858	18	0
Total	**5,646**	**3,286**	**1,945**	**415**

5. Equity risk

Equity risk corresponds to the potential impact of changes in the Carrefour share price on its share-based payment commitments and on treasury stock.
Group policy is to avoid taking positions on its own shares or those of other companies, except in response to particular circumstances or needs.

From time to time, the Group buys back its shares on the market or purchases call options on its shares, mainly in connection with its stock grant and stock option plans. The frequency and size of these purchases depend on the share price.
At December 31, 2013, shares and options held directly or indirectly by the Group covered its total commitments under outstanding stock option and stock grant plans.

Marketable securities portfolios and other financial investments held by the Group consist for the most part of money market instruments that do not expose the Group to any material equity risk.

NOTE 37: CONTINGENT LIABILITIES

Group companies are subject to regular tax, customs and administrative audits in the normal course of business. They are also involved in various claims and legal proceedings. A provision is recorded when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation (see Notes 29 and 31). No provisions are recorded for future operating losses.

Contingent liabilities, which are not recognized in the statement of financial position, are defined as:

- Possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- Present obligations that arise from past events but are not recognized because (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or (ii) the amount of the obligation cannot be measured with sufficient reliability.

To the best of the Group's knowledge, there are no contingent liabilities that may be considered as being likely to have a material impact on the Group’s results, financial position, assets and liabilities or business.

NOTE 38: CHANGE IN WORKING CAPITAL REQUIREMENT

(in € millions)	December 31, 2013	December 31, 2012	Change
Change in inventory	(135)	687	(822)
Change in trade receivables	(34)	79	(113)
Change in trade payables	(31)	(764)	733
Change in loyalty program liabilities and other	276	142	134
Change in trade working capital requirement	**76**	**145**	**(69)**
Change in other receivables and payables	(361)	(174)	(187)
Change in working capital requirement	**(284)**	**(29)**	**(255)**

NOTE 39: OFF-BALANCE SHEET COMMITMENTS

Commitments given and received by the Group that are not recognized in the statement of financial position correspond to contractual obligations whose performance depends on the occurrence of conditions or transactions after the period-end. There are three types of off-balance sheet commitments, related to (i) cash transactions, (ii) retailing operations and (iii) acquisitions of securities. The Group is also party to leases that give rise to future commitments such as for the payment of rent on retail units leased by the Group from owners (commitments given), and the payment of rent on retail units in shopping malls owned by the Group and leased to other parties (commitments received).

Commitments given (in € millions)	December 31, 2013	By maturity			December 31, 2012 [(1)]
		Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	
Related to cash management transactions	**8,258**	**4,835**	**2,603**	**820**	**9,159**
Financial services companies	*7,150*	4,659	2,483	8	*7,526*
Other companies	*1,107*	176	120	811	*1,633*
Related to operations/real estate/expansion, etc.	**1,942**	**1,047**	**747**	**148**	**2,407**
Related to sales of securities	**169**	**39**	**63**	**67**	**313**
Related to leases	**3,217**	**886**	**1,446**	**885**	**4,116**
TOTAL	**15,586**	**6,806**	**4,860**	**1,920**	**15,996**

(1) Including €486 million concerning entities classified as discontinued operations in accordance with IFRS 5.

Commitments received (in € millions)	December 31, 2013	By maturity			December 31, 2012 [(1)]
		Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	
Related to cash management transactions	**6,752**	**1,535**	**5,177**	**40**	**7,216**
Financial services companies	*1,656*	698	958	0	*1,848*
Other companies	*5,096*	837	4,219	40	*5,368*
Related to operations/real estate/expansion, etc.	**882**	**174**	**444**	**264**	**740**
Related to sales of securities	**303**	**188**	**79**	**36**	**298**
Related to leases	**830**	**293**	**385**	**152**	**990**
TOTAL	**8,766**	**2,191**	**6,085**	**491**	**9,245**

(1) Including €151 million concerning entities classified as discontinued operations in accordance with IFRS 5.

Off-balance sheet commitments related to cash transactions include:

- Credit commitments given to customers by the financial services companies in the course of their operating activities, and credit commitments received from banks.
- Mortgages and other guarantees given or received, mainly in connection with the Group's real estate activities.
- Committed lines of credit available to the Group but not drawn down at the period-end.

Off-balance sheet commitments related to operations include:

- Commitments to purchase land given in connection with the Group's expansion programs.
- Miscellaneous commitments arising from commercial contracts.
- Performance bonds issued in connection with the Group's expansion programs.
- Rent guarantees and guarantees from shopping mall operators.
- Guarantees for the payment of receivables.
- Other commitments given or received.

Off-balance sheet commitments related to purchases and sales of securities consist of firm commitments to purchase and sell securities received from third parties:

- For the most part in France, in connection with the Group's franchising activities.
- Including immediately exercisable put and call options and sellers' warranties given to third parties. No value is attributed to sellers' warranties received by the Group.

Off-balance sheet commitments related to leases:

At December 31, 2013, 692 hypermarket properties and 530 supermarket properties were owned outright out of a total consolidated store base of 1,168 hypermarkets and 1,274 supermarkets.

Rent on store properties not owned by the Group totaled €905 million in 2013 (see Note 9).

Of total future minimum rentals, 24% are due within one year, 42% in one to five years and 34% beyond five years.

Future minimum rentals under operating leases – determined based on the Group's maximum commitment in terms of both duration and amount for each of the property leases in progress at the period-end – amounted to €3,217 million, or €2,551million after discounting.

The Group also owns various shopping malls, mainly built on the same sites as its hypermarkets and supermarkets. Rental of the retail units in these malls generated revenues of €247 million in 2013. Future minimum rentals receivable from these retail units – determined based on the tenants' maximum commitment in terms of both duration and amount for each of the leases in progress at the period-end – amounted to €830 million, or €678 millon after discounting.

NOTE 40: EMPLOYEE INFORMATION

	December 31, 2013	December 31, 2012 (1)
Average number of Group employees	351,463	349,776
Number of Group employees at the period-end	363,989	357,342

(1) To permit meaningful comparisons, employee numbers for 2012 have been restated to take into account the loss of control of operations in Turkey and the reclassification of the Indian subsidiary as a discontinued operation in accordance with IFRS 5.

NOTE 41: RELATED PARTIES

41.1 Related party transactions

The following table presents the main related party transactions carried out in 2013 with companies over which the Group exercised significant influence or joint control at December 31, 2013.

(in € millions)	CarrefourSA	Provencia	Mestdagh
Net sales (sales of goods)	0	556	125
Franchise fees	1	8	7
Receivables at December 31	2	36	12

41.2 Other related party transactions

Massy building leased off-plan from the Colony Group

The 12-year lease came into effect on delivery of the building, on December 20, 2013. The annual rent for the entire building is set at €21 million. The rent paid by Carrefour depends on the actual surface area leased and is subject to an escalation clause based on France's INSEE construction cost index. Carrefour has negotiated an initial rent-free period of 12 months.

NOTE 42: MANAGEMENT COMPENSATION

The following table shows the compensation paid by the Group to serving members of the Management team and the Board of Directors during 2013 and 2012. Comparative information for 2012 has been restated on the same basis.

(in € millions)	2013	2012
Compensation for the period	4.3	5.5
Prior year bonus	4.7	3.4
Benefits in kind (accommodation and company car)	0.2	0.1
Total compensation paid during the period	**9.2**	**9.0**
Employer payroll taxes	3.2	4.2
Termination benefits	0.4	3.8

Other management benefit plans are as follows:

- Defined benefit pension plan described in Note 30.
- Stock option and stock grant plans. At December 31, 2013, serving members of Group management held 142,575 stock options (at December 31, 2012, serving members of Group management held 511,845 stock options and 4,107 stock grant rights).

Directors' attendance fees paid to members of the Board of Directors amounted to €0.8 million in 2013 (2012: €0.8 million).

NOTE 43: SUBSEQUENT EVENTS

No events have occurred since the year-end that would have a material impact on the consolidated financial statements.

NOTE 44: FEES PAID TO THE AUDITORS

	2013				2012			
(in € millions)	Deloitte & Associés	KPMG	Mazars	Total	Deloitte & Associés	KPMG	Mazars	Total
Audit services	2.3	9.1	2.5	13.9	2.7	9.8	2.9	15.4
Other services	0.7	0.5	0.1	1.3	0.3	0.2	0.0	0.5
TOTAL	**3.0**	**9.6**	**2.6**	**15.2**	**3.0**	**10.0**	**2.9**	**15.9**

NOTE 45: Scope of consolidation

45.1 Fully consolidated companies at December 31, 2013

FRANCE	Percent interest used in consolidation
ACTIS	100.0
AJACCIO DISTRIBUTION	100.0
ALFROY	100.0
ALODIS	100.0
ARIGE	100.0
AVENUE	52.0
BELLEVUE DISTRIBUTION	100.0
BLO DISTRIBUTION	100.0
BOEDIM	100.0
BPJ	100.0
BREM 63	51.0
CADS	97.0
CALLOUETS	51.0
CARAUTOROUTES	100.0
CARCOOP	50.0
CARCOOP STATIONS SERVICE	50.0
CARDADEL	100.0
CARFUEL	100.0
CARIMA	100.0
CARLIER	100.0
CARMA	30.4
CARMA COURTAGE	30.4
CARMA VIE	30.4
CARREFOUR ADMINISTRATIF FRANCE	100.0
CARREFOUR BANQUE (Ex S2P - SOCIETE DES PAIEMENTS PASS)	60.8
CARREFOUR DRIVE	100.0
CARREFOUR FORMATION HYPERMARCHES FRANCE (CFHF)	100.0
CARREFOUR FRANCE	100.0
CARREFOUR France PARTICIPATION	100.0
CARREFOUR HYPERMARCHES	100.0
CARREFOUR IMPORT SAS (EX CRFP2)	100.0
CARREFOUR MANAGEMENT	100.0
CARREFOUR MARCHANDISES INTERNATIONALES	100.0
CARREFOUR MONACO	100.0
CARREFOUR PARTENARIAT INTERNATIONAL	100.0
CARREFOUR PROPERTY	100.0
CARREFOUR PROPERTY DEVELOPPEMENT	100.0
CARREFOUR PROPERTY GESTION	100.0
CARREFOUR PROPERTY INTERNATIONAL	100.0
CARREFOUR PROXIMITE France	100.0
CARREFOUR SA	100.0
CARREFOUR SERVICES CLIENTS	100.0
CARREFOUR STATION SERVICE (ex PARIDIS 75)	100.0
CARREFOUR SYSTEMES D'INFORMATIONS FRANCE	100.0
CARREFOUR VOYAGES	100.0
CARVILLENEUVE	100.0
CASCH	100.0
CENTRE COMMERCIAL DE LESCAR	99.5
CHALLENGER	100.0
CHAMNORD	59.6
CHAMPION SUPERMARCHES FRANCE (C.S.F)	100.0
CHRISTHALIE	100.0
CLAIREFONTAINE	100.0
COMPAGNIE D'ACTIVITE ET DE COMMERCE INTERNATIONAL -CACI-	100.0
CONTINENT 2001	100.0
COSG	100.0
COVICAR 23	100.0
COVIAM 8	100.0
COVICAR 2	100.0
CP TRANSACTIONS	100.0
CPF ASSET MANAGEMENT	100.0
CRF REGIE PUBLICITAIRE	100.0

CRFP4	100.0
CRFP8	100.0
CRFP10	100.0
CRFP11	100.0
CRFP13	100.0
CRFP14	100.0
CRFP15	100.0
CRFP16	100.0
CSD	74.0
CSD TRANSPORTS	74.0
CSF France	100.0
CSF France STATIONS SERVICES	100.0
DAUPHINOISE DE PARTICIPATIONS	100.0
DE LA COQUERIE	51.0
DE LA FONTAINE	51.0
DE LA VALLEE	100.0
DE SIAM	51.0
DELDIS	100.0
DES TROIS G	97.0
DISTRIVAL	100.0
DUCAR	100.0
ECALHAN	51.0
EPG	66.0
EUROMARCHE	100.0
FALDIS	100.0
FINANCIERE RSV	100.0
FINIFAC	100.0
FLORADIS	100.0
FORUM DEVELOPPEMENT	100.0
FRANCY	100.0
GAMACASH	100.0
GENEDIS	100.0
GERFLO	100.0
GERNIMES	100.0
GIE CARREFOUR PERSONAL FINANCE SERVICES	53.0
GIMONDIS	100.0
GM CARREFOUR (ex COVICAR 18)	100.0
GMC FRANCE	100.0
GMC STATIONS SERVICE	100.0
GUILVIDIS	100.0
GUYENNE ET GASCOGNE	100.0
GVTIMM	51.0
HAUTS DE ROYA	100.0
HERMES	100.0
HYPARLO SAS	100.0
IMMAUFFAY	51.0
IMMO ARTEMARE	51.0
IMMO BACQUEVILLE	51.0
IMMO DRIVE	100.0
IMMO REBAIS	51.0
IMMOBILIERE CARREFOUR	100.0
IMMOCYPRIEN	51.0
IMMODIS	100.0
IMMODIS (ex HYPARMO)	100.0
IMMODIVINE	51.0
IMMOLOUBES	51.0
IMMOTOURNAY	51.0
IMMOTRIVE	100.0
INTERDIS	100.0
KERGALYS	99.96
LA BAUDRIERE	51.0
LA BLANCHISSERIE	100.0
LA CIOTAT DISTRIBUTION SNC	100.0
LA CROIX VIGNON	51.0
LA GERSOISE	51.0
LA MESTRASAISE	51.0
LA SABLONNIERE	100.0
LALAUDIS	99.0

LANN KERGUEN	51.3
LAPALUS & FILS (ETABS)	100.0
LE COURTEMBLET	100.0
LES TASSEAUX	51.0
LES TRANCHEES	100.0
LES VALLES	51.0
LIMADOR	100.0
LOGIDIS	100.0
LOGIDIS COMPTOIRS MODERNES	100.0
LUDIS	100.0
LVDIS	100.0
MAISON JOHANES BOUBEE	100.0
MATOLIDIS	100.0
MAXIMOISE DE CREATION	51.0
MICHEL HOCHARD	100.0
MONTECO	100.0
MONTEL DISTRIBUTION	100.0
MORTEAU DISTRIBUTION	100.0
MPF PODIROUX	100.0
NEREIDE	100.0
NOBLADIS	100.0
NOSAEL	51.0
NOTIB	100.0
ON LINE CARREFOUR	100.0
OOSHOP	100.0
OVEA	99.98
P.R.M.	100.0
PADISMA	100.0
PARECMI	100.0
PERPIGNAN DISTRIBUTION SNC	100.0
PHILCAT	100.0
PHIVETOL	100.0
PROFIDIS	100.0
PROFIDIS & CIE	100.0
PROLACOUR	100.0
PUGNACE	100.0
RESSONS	51.0
RIOM DISTRIBUTION	100.0
ROGER	100.0
ROTONDE	100.0
SAGC	100.0
SAM PROSPECTIVE	90.0
SAMAD	100.0
SARL DE SAINT HERMENTAIRE	100.0
SCI DIAMARS	100.0
SCI LA SEE	100.0
SCI LES SABLES	100.0
SELIMA	100.0
SELOJA	51.0
SIGOULIM	51.0
SOBADIS	100.0
SOBRECO	100.0
SOCIETE DES NOUVEAUX HYPERMARCHES	100.0
SOCIETE DES HYPERMARCHES DE LA VEZERE	50.0
SOCIETE D'EXPLOITATION AMIDIS & Cie	100.0
SOCIETE FECAMPOISE DE SUPERMARCHES	100.0
SOCIETE NOUVELLE SOGARA	100.0
SODIMOB	100.0
SODISAL	100.0
SODISCAF	100.0
SODITRIVE	100.0
SOFALINE	100.0
SOFIDIM	99.0
SOFODIS	100.0
SOGARA	100.0
SOGARA DRIVE	100.0
SOGARA FRANCE	100.0
SOGARA STATION SERVICE	100.0

SOLEDIS	100.0
SOMAFRE	100.0
SOPROMAL	100.0
SOVAL	100.0
SOVIDIS	100.0
SOVIDIS PROPRIANO	100.0
STELAUR	100.0
SUPERDIS	96.5
TERTRA	51.0
TOURANGELLE DE PARTICIPATIONS	100.0
UNICAGES	100.0
UNIVU	100.0
VARJEA	100.0
VEZERE DISTRIBUTION	50.0
VIERDIS	100.0
VISAGE	100.0
VIZEGU	90.0

GERMANY

CARREFOUR PROCUREMENT INTERNATIONAL AG & CO. KG	100.0

ARGENTINA

BANCO DE SERVICIOS FINANCIEROS SA	60.0
INC S.A.	100.0

BELGIUM

ALL IN FOOD	100.0
BIGG'S SA	100.0
BRUGGE RETAIL ASSOCIATE	100.0
CARREFOUR BELGIUM	100.0
CARREFOUR Finance	100.0
CARUM	100.0
DE NETELAAR	100.0
DEURNE RETAIL ASSOCIATE	100.0
DIKON	100.0
ECLAIR	100.0
EXTENSION BEL-TEX	100.0
FILUNIC	100.0
FIMASER	60.8
FOMAR	100.0
FRESHFOOD	100.0
GB RETAIL ASSOCIATES SA	100.0
GENT DAMPOORT RETAIL ASSOCIATE	100.0
GMR	100.0
GROSFRUIT	100.0
HALLE RETAIL ASSOCIATE	100.0
HEPPEN RETAIL ASSOCIATE	100.0
LA LOUVIERE RETAIL ASSOCIATE	100.0
MABE	100.0
MARKET A1 CBRA	100.0
MARKET B2 CBRA	100.0
MARKET C3 CBRA	100.0
MARKET D4 CBRA	100.0
NORTHSHORE PARTICIPATION	100.0
OUDENARDE RETAIL	100.0
QUIEVRAIN RETAIL ASSOCIATE	100.0
R&D FOOD	100.0
ROB	100.0
RULUK	100.0
SAMDIS	100.0
SCHILCO	100.0
SOCIETE RELAIS	100.0
SOUTH MED INVESTMENTS	100.0
STIGAM	100.0
VANDEN MEERSSCHE NV	100.0
VERSMARKT	100.0
WAPRO	100.0

BRAZIL

ATACADAO DISTRIBUICAO COMERCIO E INDUSTRIA LTDA	100.0
BANCO CSF S.A.	51.0
BREPA COMERCIO PARTICIPACAO LTDA	100.0
BSF HOLDING S.A.	51.0
CARREFOUR COMMERCIO E INDUSTRIA LTDA	100.0
CARREFOUR VIAGENS E TURISMO LTDA.	100.0
COMERCIAL DE ALIMENTOS CARREFOUR S.A.	100.0
IMOPAR PARTICIPCOES E ADMINISTRACAO IMOBILIARIA LTDA	100.0
LOJIPART PARTICIPACOES SA	100.0
NOVA GAULE COMERCIO E PARTICIPACOES S.A.	100.0
PANDORA PARTICIPACOES LTDA	100.0
POSTO ARRUDA PEREIRA	100.0
RIO BONITO ASSESSORIA DE NEGOCIOS LTDA	100.0
TROPICARGAS TRANSPORTES LTDA.	100.0
VERPARINVEST S.A	100.0

CHINA

BEIJING CARREFOUR COMMERCIAL CO., LTD.	55.0
BEIJING CHAMPION SHOULIAN COMMUNITY CHAIN STORES CO LTD	100.0
BEIJING CHUANGYIJIA CARREFOUR COMMERCIAL	100.0
BEIJING REPRESENTATIVE OFFICE OF CARREFOUR S.A.	100.0
CARREFOUR (CHINA) MANAGEMENT & CONSULTING SERVICES CO.	100.0
CHANGCHUN CARREFOUR COMMERCIAL CO., LTD.	75.0
CHANGSHA CARREFOUR HYPERMARKET	100.0
CHANGZHOU YUEDA CARREFOUR COMMERCIAL CO., LTD.	60.0
CHENGDU CARREFOUR HYPERMARKET CO LTD	80.0
CHENGDU YUSHENG INDUSTRIAL DEVELOPMENT CO LTD	100.0
CHONGQING CARREFOUR COMMERCIAL CO LTD	65.0
DALIAN CARREFOUR COMMERCIAL CO., LTD.	65.0
DONGGUAN CARREFOUR COMMERCIAL CO., LTD	100.0
DONGGUAN DONESHENG SUPERMARKET CO	100.0
FOSHAN CARREFOUR COMMERCIAL CO.,LTD	100.0
FUZHOU CARREFOUR COMMERCIAL CO LTD	100.0
GUANGZHOU JIAGUANG SUPERMARKET CO	100.0
GUIZHOU CARREFOUR COMMERCIAL CO.,LTD	100.0
HAIKOU CARREFOUR COMMERCIAL	100.0
HANGZHOU CARREFOUR HYPERMARKET CO., LTD	80.0
HARBIN CARREFOUR HYPERMARKET CO., LTD	65.0
HEBEI BAOLONGCANG CARREFOUR COMMERCIAL CO., LTD.	51.0
HEFEI YUEJIA COMMERCIAL CO., LTD.	60.0
HUHHOT CARREFOUR COMMERCIAL COMPANY CO.,LTD.	100.0
JINAN CARREFOUR COMMERCIAL CO., LTD	100.0
KUNMING CARREFOUR HYPERMARKET CO., LTD	100.0
NANCHANG YUEJIA COMMERCIAL CO.,LTD	60.0
NANJING YUEJIA SUPERMARKET CO LTD	65.0
NINGBO CARREFOUR COMMERCIAL	80.0
NINGBO LEFU INDUSTRIAL DEVELOPMENT CO. LTD	100.0
QINGDAO CARREFOUR COMMERCIAL	95.0
QUJING CARREFOUR HYPERMARKET CO.,LTD.	100.0
SHANDONG CARREFOUR COMMERCIAL CO., LTD.	100.0
SHANGHAI CARHUA SUPERMARKET LTD	55.0
SHANGHAI GLOBAL SOURCING CONSULTING CO LTD	100.0
SHANXI YUEJIA COMMERCIAL CO.,LTD	55.0
SHENYANG CARREFOUR COMMERCIAL CO LTD	65.0
SHENZHEN CARREFOUR COMMERCIAL	100.0
SHENZHEN LERONG SUPERMARKET CO LTD	100.0
SHIJIAZHUANG CARREFOUR COMMERCIAL CO., LTD.	51.0
SICHUAN CARREFOUR COMMERCIAL CO., LTD.	100.0
SUZHOU YUEJIA SUPERMARKET CO., LTD	55.0
THE CARREFOUR(CHINA) FOUNDATION FOR FOOD SAFETY LTD.	100.0
TIANJIN JIAFU COMMERCIAL CO., LTD.	100.0
TIANJIN QUANYE CARREFOUR HYPERMARKET CO., LTD	65.0
VICOUR LIMITED	100.0
WUHAN HANFU SUPERMARKET CO., LTD.	100.0
WUXI YUEJIA COMMERCIAL CO., LTD.	55.0
XIAMEN CARREFOUR COMMERCIAL CO LTD	100.0
XIAN CARREFOUR HYPERMARKET CO LTD	100.0
XINJIANG CARREFOUR HYPERMARKET	100.0
XUZHOU YUEJIA COMMERCIAL CO LTD	60.0
ZHENGZHOU YUEJIA COMMERCIAL CO., LTD.	60.0
ZHUHAI CARREFOUR COMMERCIAL CO.,LTD.	100.0
ZHUHAI LETIN SUPERMARKET CO., LTD.	100.0
ZHUZHOU CARREFOUR COMMERCIAL CO., LTD.	100.0

SPAIN

ALCYION BV	100.0
CARREFOUR ESPANA PROPERTIES, S.L.	100.0
CARREFOUR NAVARRA, S.L.	100.0
CARREFOUR NORTE, S.L.	100.0
CARREFOUR PROPERTY SANTIAGO, S.L.	100.0
CARREFOURONLINE S.L (SUBMARINO HISPANIA)	100.0
CENTROS COMERCIALES CARREFOUR, S.A.	100.0
CORREDURIA DE SEGUROS CARREFOUR	100.0
ESTABLECIMIENTOS DE DESCUENTO STONE	100.0
GROUP SUPECO MAXOR	100.0
INVERSIONES PRYCA, S.A.	100.0
JANENBAN INVERSIONES S.L	100.0
NORFIN HOLDER S.L.	100.0
SERVICIOS FINANCIEROS CARREFOUR EF.C. (FINANCIERA PRYCA)	60.1
SIDAMSA CONTINENTE HIPERMERCADOS, S.A.	100.0
SOCIEDAD DE COMPRAS MODERNAS, S.A. (SOCOMO)	100.0
SUPERMERCADOS CHAMPION, S.A.	100.0
VIAJES CARREFOUR, S.L.UNIPERSONAL	100.0

HONG KONG

CARREFOUR ASIA LTD	100.0
CARREFOUR GLOBAL SOURCING ASIA	100.0
CARREFOUR TRADING ASIA LTD (CTA)	100.0

INDIA

CARREFOUR INDIA MASTER FRANCHISE LTD	100.0
CARREFOUR WC & C INDIA PRIVATE LTD	100.0

IRELAND

CARREFOUR INSURANCE	100.0

ITALIA

CARREFOUR ITALIA	100.0
CARREFOUR ITALIA FINANCE SRL	100.0
CARREFOUR PROPERTY ITALIA S.r.l (ex DEMETER ITALIA SPA (ex HYPERMARKET HOLDING))	99.8
CONSORZIO PROPRIETARI CENTRO COMMERCIALE BRIANZA	52.8
CONSORZIO PROPRIETARI CENTRO COMMERCIALE BUROLO	89.0
CONSORZIO PROPRIETARI CENTRO COMMERCIALE GIUSSANO	76.8
CONSORZIO PROPRIETARI CENTRO COMMERCIALE MASSA	54.1
CONSORZIO PROPRIETARI CENTRO COMMERCIALE THIENE	57.8
CONSORZIO PROPRIETARI CENTRO COMMERCIALE TORINO MONTECUCCO	87.2
CONSORZIO PROPRIETARI CENTRO COMMERCIALE VERCELLI	84.2
DI PER DI SRL	99.8
GS SpA (EX ATENA)	99.8
IL BOSCO SRL	99.8
S.C.A.R.L. Shopville Gran Reno	57.7
SOCIETA SVILUPPO COMMERCIALE	99.8

LUXEMBURG

VELASQUES SA	100.0

NETHERLANDS

CARREFOUR CHINA HOLDINGS BV	100.0
CARREFOUR INTERNATIONAL SERVICES BV (HYPER GERMANY HOLDING BV)	100.0
CARREFOUR NEDERLAND BV	100.0
CARREFOUR PROPERTY BV	100.0
FOURET BV	100.0
FRANCOFIN BV	100.0
HYPER GERMANY BV	100.0
HYPER INVEST BV	100.0
INTERCROSSROADS BV	100.0
MILDEW BV	100.0
ONESIA BV	100.0
SOCA BV	100.0

POLAND

CARREFOUR POLSKA	100.0
CARREFOUR POLSKA WAW	100.0
IBES	100.0
WIGRY	100.0

ROMANIA

ARTIMA SA	100.0
CARREFOUR PROPERTY ROMANIA	100.0
CARREFOUR MERCHANDISING	100.0
CARREFOUR ROUMANIE	100.0

SINGAPORE

CARREFOUR SINGAPOUR PTE LTD	100.0
CARREFOUR SOUTH EAST ASIA	100.0

SWITZERLAND

CARREFOUR WORLD TRADE	100.0
HYPERDEMA (PHS)	100.0
PROMOHYPERMARKT AG (PHS)	100.0

TAIWAN

CARREFOUR INSURANCE BROKER CO	60.0
CARREFOUR STORES TAIWAN CO	60.0
CARREFOUR TELECOMMUNICATION CO	30.6
CHARNG YANG DEVELOPMENT CO	30.0
PRESICARRE	60.0

45.2 Companies accounted for by the equity method at December 31, 2013

FRANCE	Percent interest used in consolidation
ABREDIS	50.0
ALEXANDRE	50.0
AUDIST	50.0
AZAYDIS	50.0
AZIMMO	50.0
BORDEROUGE	40.0
CARDUTOT	26.0
CARGAN	50.0
CARTAILLAN	50.0
CERBEL	50.0
CEVIDIS	50.0
CHERBOURG INVEST	48.0
CHRISTIA	50.0
CJA DISTRIBUTION	50.0
COLODOR	50.0
CONCEPT 2003	50.0
COROU	50.0
COVIAM 21	50.0
DE L'ARCHE	50.0
DECODIS	50.0
DEPOT PETROLIER DE LYON	50.0
DEPOTS PETROLIERS COTIERS	20.0
DIPLO	50.0
DIRIC	50.0
DISMONPT	50.0
DU MOULIN	50.0
ENTREPOT PETROLIER DE VALENCIENNES	34.0
FABCORJO	50.0
FARO	50.0
FAVICAR	50.0
FERRARI	50.0
FIVER	50.0
FONCIERE MARSEILLAN	50.0
FONCIERE PLANES	50.0
FONCIERE SOLANDIS	33.8
FRELUM	50.0
GANDIS	50.0
GERIC GIE	43.1
GMDIS	50.0
GPVM	30.0
GRANDI	50.0
GWENDA	50.0
HBLP	25.0
IDEC	50.0
IMMO ST PIERRE EGLISE	50.0
JOSIM	34.0
JUPILOU	34.0
LA CATALANE DE DISTRIBUTION	50.0
LA CRAUDIS	50.0
LA GUJANNAISE	26.0
LAITA BELON DISTRIBUTION	50.0
LB LE PLAN	50.0
LE CLAUZELS	50.0
LE PETIT BAILLY	50.0
LES OLIVIERS	50.0
LEZIDIS	50.0
LUMIMMO	50.0
MADIS	50.0
MAGODIS	50.0
MAISON VIZET FABRE	50.0
MALISSOL	50.0
MARIDYS	50.0
MASSEINE	50.0
MAUDIS	50.0
MBD	50.0

NASOCA	50.0
NOUKAT	50.0
OLICOURS	50.0
OUISDIS	50.0
PAM	50.0
PASLUD	50.0
PLAMIDIS	50.0
PLANE MARSEILLAN	50.0
PLORAUDIS	50.0
PRODIX	50.0
PROPHI	50.0
PROVENCIA SA	50.0
RIMADIS	50.0
ROND POINT	34.0
ROSE BERGER	50.0
SAM	50.0
SCA	50.0
SCB	50.0
SCI DOMINIQUE	50.0
SCI IMMODISC	50.0
SCI LA CLAIRETTE	50.0
SCI LATOUR	60.0
SCI PONT D'ALLIER	50.0
SCI SOVALAC	50.0
SCOMONDIS	34.0
SCYCADIS	50.0
SEREDIS	50.0
SIFO	50.0
SMD	50.0
SME	50.0
SOCADIS	50.0
SOCADIS CAVALAIRE	50.0
SODIBOR	50.0
SODITA	50.0
SOFIDIS	50.0
SOLANDIS	34.0
SOQUIMDIS	50.0
SOTRESCO	50.0
SOVADIS	50.0
ST PAUL DE DISTRIBUTION	50.0
Ste du Depot pétrolier de Nanterre	20.0
STE FINANCIERE GERIC	34.9
TURENNE	50.0
VALECAR	50.0
VALMENDIS	50.0

BELGIUM

MESTDAGH	25.0

SPAIN

2013 COUNAGO NEVADO	26.0
2013 CID OTERO	26.0
2013 ALBADALEJO VALENCIA	26.0
2013 MARTINEZ CARRION	26.0
2013 GISBERT CATANA	26.0
2013 SOBAS ROMERO	26.0
2013 CORCOLES ARGADONA SL	26.0
2011 CAYETANO PANELLES, S.L.	26.0
2012 ALVARO EFREM JIMENEZ	26.0
2012 CORDOBA RODRIGUEZ	26.0
2012 ERIK DAVID	26.0
2012 FLORES HERNANDEZ	26.0
2012 LIZANDA TORTAJADA	26.0
2012 NAYARA S.MARTIN	26.0
2012 VICENTE ARLANDIS	26.0
ANTONIO PEREZ, S.L	26.0
AS CANCELAS S XXI, S.L..	50.0
COSTASOL DE HIPERMERCADOS, S.L.	34.0
DIAGONAL PARKING, S.C.	57.5
GLORIAS PARKING S.A.	50.0
HEGERVIS MATARO, S.L.	26.0
ILITURGITANA DE HIPERMERCADOS, S.L.	34.0
JM.MARMOL SUPERMERCADOS. S.L.	26.0
J.CARLOS VAZQUEZ, S.L.	26.0
LUHERVASAN, S.L.	26.0
SAGRADA FAMILIA, S.L.	26.0
SUPERMERCADOS CENTENO S.L.	26.0
VALATROZ	26.0

ITALIA

CONSORZIO CIEFFEA	49.9
CONSORZIO PROPRIETARI CENTRO COMMERCIALE ASSAGO	49.9
CONSORZIO PROPRIETARI CENTRO COMMERCIALE ROMANINA	46.3
CONSORZIO PROPRIETARI CENTRO COMMERCIALE SIRACUSA	33.3
IPER ORIO SPA	49.9
IPER PESCARA SPA	49.9
S.C.A.R.L. Shopville Le Gru	39.3
SOLEDORO	25.0

POLAND

C SERVICES	30.0

ROMANIA

PLOIESTI SHOPPING CITY	50.0

TUNISIA

ULYSSE	25.0

TURKEY

CARREFOUR SABANCI TICARET MERKEZI AS CARREFOURSA	46.2