First-Half Results 2015

FIRST-HALF RESULTS
2015

FINANCIAL RESULTS

PIERRE-JEAN SIVIGNON

FURTHER PROFIT GROWTH IN FIRST-HALF 2015

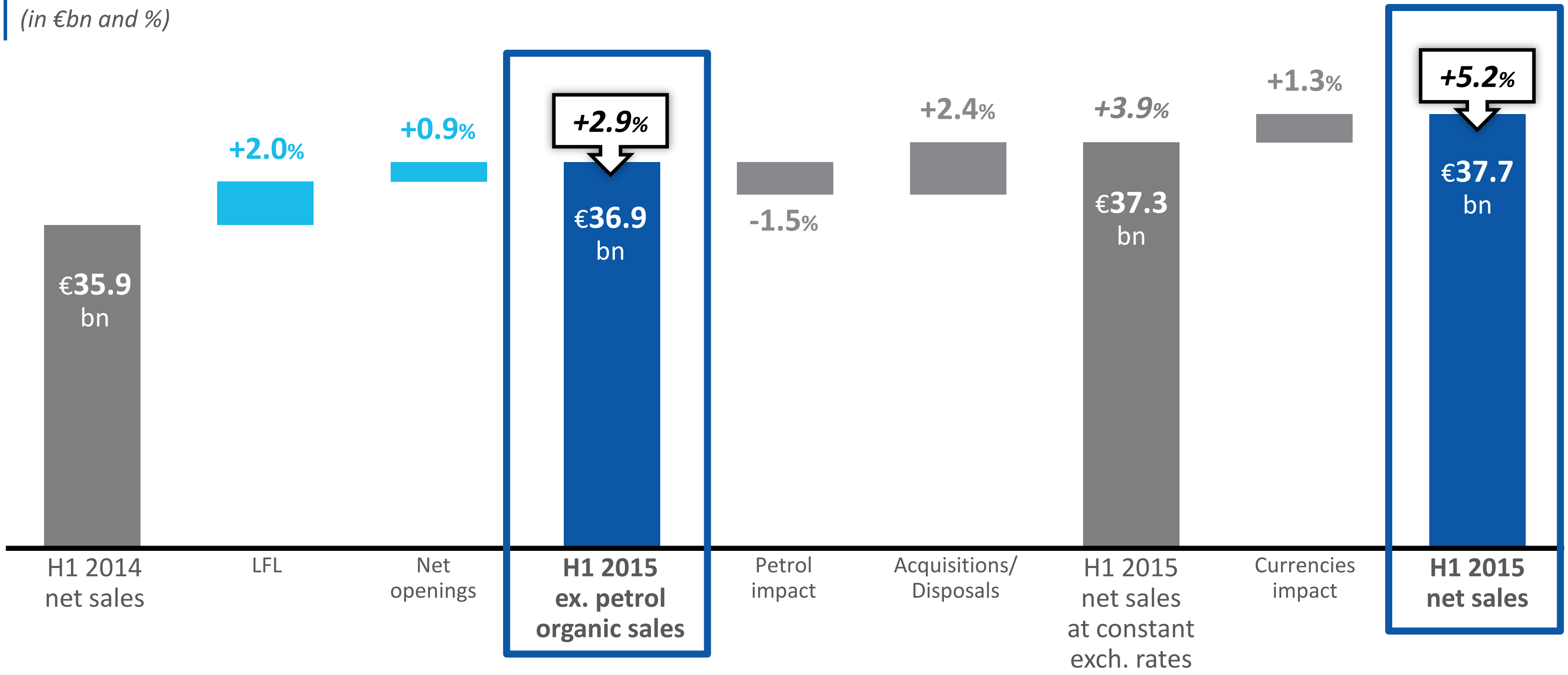
(in €m)	H1 2014 (1)	**H1 2015 (2)**	Variation at constant exch. rates	Variation at current exch. rates
Net sales	**35,870**	**37,739**	***+3.9%***	***+5.2%***
Net sales excluding petrol	32,119	34,337	*+5.4%*	*+6.9%*
Gross margin	8,068	8,694	*+6.1%*	*+7.8%*
EBITDA (3)	1,416	1,488	*+4.6%*	*+5.1%*
EBITDA margin	*3.9%*	*3.9%*		
Recurring Operating Income (ROI)	**717**	**726**	***+2.6%***	***+1.3%***
ROI margin	*2.0%*	*1.9%*		
ROI (including associates and joint ventures)	**726**	**761**	***+6.4%***	***+4.8%***
ROC margin including associates and joint ventures	*2.0%*	*2.0%*		
Net income, Group share	365	218		
Adjusted net income, Group share	**198**	**233**		*+17.5%*
Net debt at close	7,324	6,654		*-€670m*

(1) 2014 numbers are restated for IFRIC 21 - Levies
(2) The first half 2015 consolidated financial statements were approved by the Board of Directors on July 29th, 2015 and were submitted to a limited review by the Statutory Auditors.
(3) Recurring operating income before depreciation and amortization (including supply chain depreciation)

STRONG GROWTH IN ORGANIC SALES

H1 2015 sales variation

(in €bn and %)



IMPROVED GROSS MARGIN

(in €m)	H1 2014	**H1 2015**	Variation at constant exch. rates	Variation at current exch. rates
Net sales	35,870	**37,739**	***+3.9%***	***+5.2%***
Gross margin	8,068	**8,694**	***+6.1%***	***+7.8%***
Gross margin %	*22.5%*	*23.0%*		*+50bp*

- Gross margin growth in value and as a percentage of sales
- Improvement as a result of action plans and sales volume growth, notably in Latin America

OPERATING COSTS UNDER CONTROL

(in €m)	H1 2014	**H1 2015**	Variation at constant exch. rates	Variation at current exch. rates
Operating costs	6,220	**6,702**	**+6.2%**	**+7.7%**
As a % of sales excluding petrol	***19.4%***	***19.5%***		***+10bp***
As a % of sales	*17.4%*	*17.8%*		*+40bp*
Asset costs	1,131	**1,266**	**+7.9%**	**+11.9%**
As a % of sales	*3.2%*	*3.4%*		*+20bp*

- Decrease in operating costs in France excluding DIA and the Tascom increase
- Wage inflation and increase in energy costs in Latin America and Asia
- Rise in asset costs linked to increased investments in stores and accelerated expansion since 2012

FRANCE: SOLID FIRST-HALF, STABLE UNDERLYING OPERATING MARGIN

(in €m)	H1 2014	**H1 2015**	Variation	**Variation proforma**
Net sales	17,005	**17,587**	+1.8% [1]	**+1.8%** [1]
Recurring Operating Income	406	**321**	-20.9%	**-2.2%**
ROI margin %	*2.4%*	*1.8%*	*-60bp*	***stable***

- Third consecutive year of first-half organic growth: growth in all formats
- Gross margin held up well thanks to action plans and increased sales
- Stable proforma operating margin excluding the integration of DIA, the increase in the tax on retail sales areas, and the transfer to Carmila of rental income from shopping malls

(1) Organic sales variations are ex. petrol, ex. calendar

Other European countries: Sharp improvement in profitability

(in €m)	H1 2014	**H1 2015**	Variation
Net sales	9,173	**9,356**	**+0.3%** [1]
Recurring Operating Income	36	**122**	**+244.1%**
ROI margin %	*0.4%*	*1.3%*	*+90bp*

- First-half 2015 marked the forth consecutive half of improved profitability
- More than three-fold growth in Recurring Operating Income with operating margin up +90bp
  - All countries showed margin improvement
  - Notable acceleration in Spain
  - Better trends in Italy

(1) Organic sales variations are ex. petrol, ex. calendar

LATIN AMERICA: FURTHER GROWTH MOMENTUM

(in €m)	H1 2014	**H1 2015**	Variation at constant exch. rates	Variation at current exch. rates
Net sales	6,454	**7,257**	**+15.5%** (1)	**+12.4%**
Recurring Operating Income	247	**296**	**+26.3%**	**+20.0%**
ROI margin %	*3.8%*	*4.1%*		*+30bp*

- Strong organic sales growth amid a challenging environment in Brazil
- Improved gross margin
- Excellent recurring operating income growth (+26.3% at constant currencies)
- Continued improvement of profitability in the region

(1) Organic sales variations are ex. petrol, ex. calendar

Asia: Adapting our model in China, return to growth in Taiwan

(in €m)	H1 2014	**H1 2015**	Variation at constant exch. rates	Variation at current exch. rates
Net sales	**3,237**	**3,538**	**-9.7%** [1]	**+9.3%**
Recurring Operating Income	**83**	**50**	**-49.5%**	**-40.2%**
ROI margin %	*2.6%*	*1.4%*		*-120bp*

- Gross margin held up well
- Drop in recurring operating income in China, Carrefour is adapting its model amid a slowing consumption environment
- Return to growth in Taiwan, acceleration of multiformat expansion

(1) Organic sales variations are ex. petrol, ex. calendar

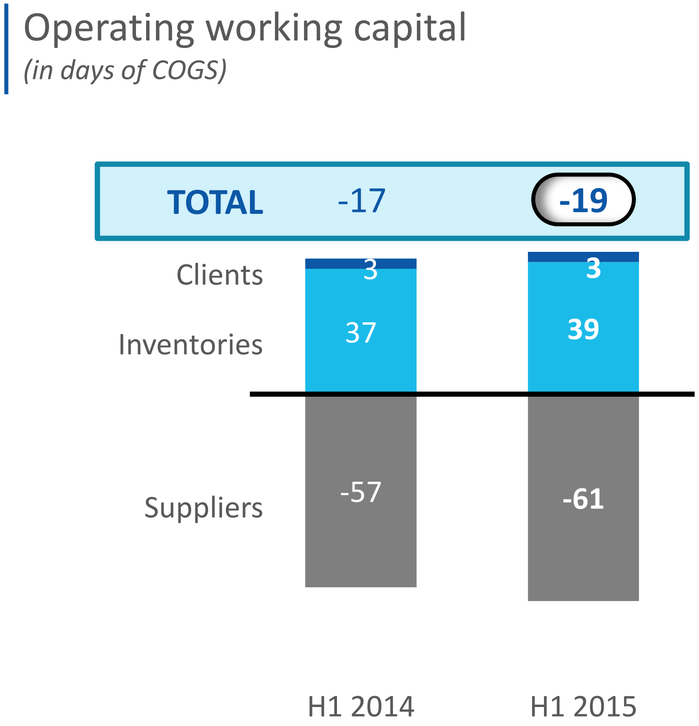
Strong growth in adjusted net income, Group share

(in €m)	H1 2014	**H1 2015**
Recurring operating income	**717**	**726**
Net income from associates and joint ventures	9	34
ROC including associates and joint ventures	**726**	**761**
Non-recurring income	264	-16
EBIT	**991**	**745**
Net financial expense	-269	-264
Net interest expense	*-191*	*-185*
Other net financial expense	*-78*	*-80*
Income before taxes	**721**	**481**
Income tax	-260	-165
Effective tax rate	*36.0%*	*34.3%*
Net income from continuing operations	**462**	**316**
Minority share of net income from continuing ops.	-63	-85
Net income from continuing operations, Group share	**399**	**230**
Net income from discontinued operations, Group share	-33	-12
Net income, Group share	**365**	**218**
Adjusted net income, Group share	**198**	**233**

In H1 2014: Mainly the capital gain from the contribution of assets linked to the creation of Carmila

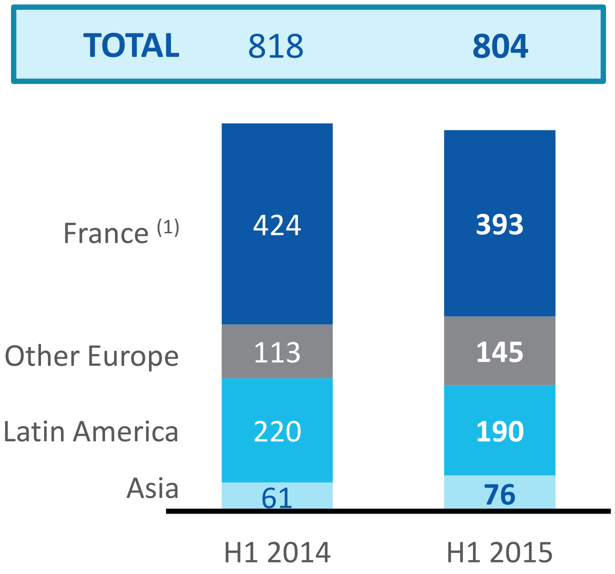
Adjusted essentially for the non-recurring capital gain linked to Carmila in H1 2014, net income, Group share, increased by +17.5% in H1 2015

Improved operating working capital at June 30th 2015



SUSTAINED INVESTMENTS

Investment
(in €m)



- Continued program to bring stores up to standards (investments in maintenance and renovations), particularly in France and Brazil
- Continued expansion of Atacadao in Brazil
- Investments in IT simplification and multi-channel roll-out
- Beginning of the transformation of DIA stores, acceleration in H2

(1) Includes Global Functions investments: €20m in H1 2014 and €55m in H1 2015

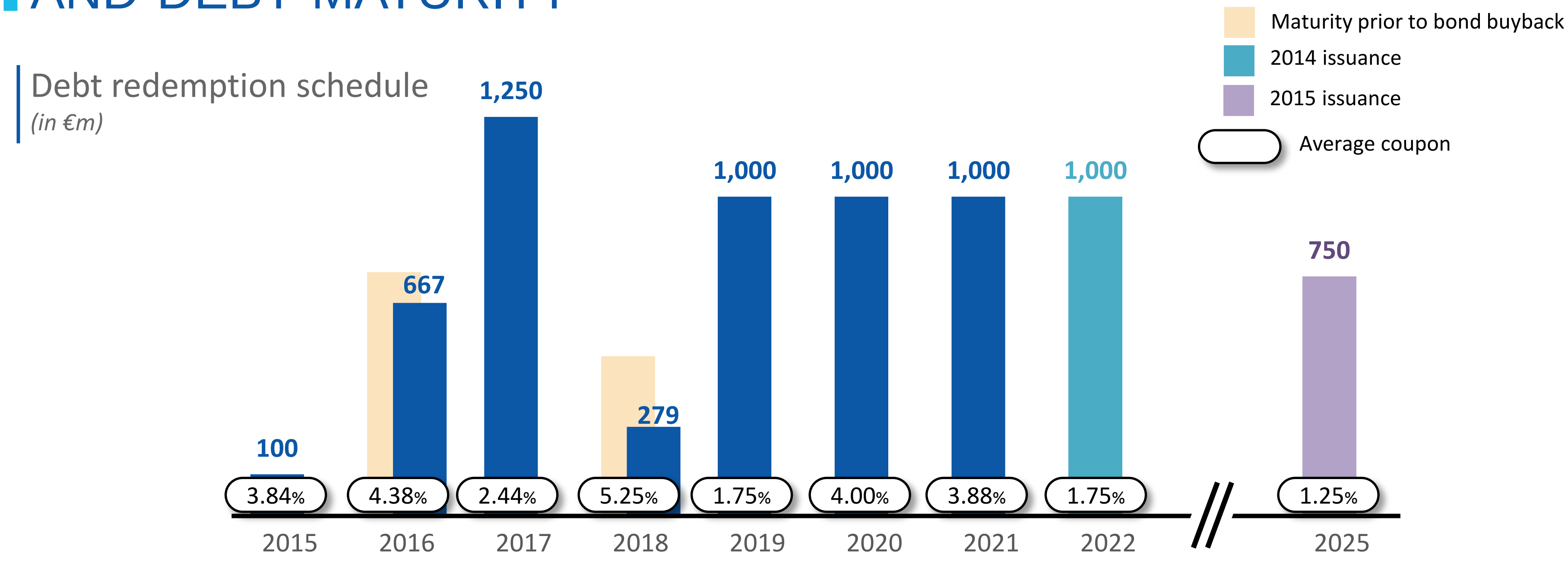
SHARP IMPROVEMENT IN FREE CASH FLOW IN FIRST-HALF 2015

(in €m)	6 months to June 30th, 2014	**6 months to June 30th, 2015**
Gross cash flow (excluding discontinued operations)	1,168	1,180
Change in working capital	-2,454	-2,104
Capital expenditures	-818	-804
Change in net payables to fixed asset suppliers	-382	-261
Asset disposals (business related)	79	53
Impact of discontinued operations	-15	21
Free cash flow	**-2,412**	**-1,917**
Of which impact of exceptional items and discontinued operations	-56	114
Free cash flow from continuing operations, excluding exceptional items	**-2,356**	**-1,802**

LOWER NET DEBT AT END-JUNE 2015 VERSUS END-JUNE 2014

(€m)	6 months to June 30th, 2014	**6 months to June 30th, 2015**
Opening net debt (at December 31st)	**-4,117**	**-4,954**
Free cash flow	**-2,412**	**-1,917**
Acquisitions	-268	-57
Disposals	82	1
Others	-68	1
Discontinued activities	0	0
Cash flow after investments and disposals	**-2,667**	**-1,971**
Dividends paid by parent company	-151	0
Dividends paid to non-controlling interests	-47	-70
Acquisition and disposals of investments without change in control	-122	208
Disposal of treasury shares	-20	369
Cost of net financial debt	-191	-185
Other changes in net borrowings including discontinued activities	41	76
Consumer credit impact	-50	-127
Closing net debt (at June 30th)	**-7,324**	**-6,654**

IMPROVED CREDIT RATING AND DEBT MATURITY



- On July 15th, 2014, **issuance of €1bn bond** (8 years) with a **1.75%** coupon combined with a **bond buyback of €318m**
- On February 3rd, 2015, **issuance of €750m bond** (10.3 years) with a **1.25%** coupon
- On June 12th, 2015, redemption of **€644m**
- At end June 2015, outstanding average bond maturity stands at 4.8 years (versus 4.3 years at end 2014)

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CONCLUSION

CONTINUED GROWTH MOMENTUM IN H1 2015

- Strong sales growth
  - Sales up **+2.9%** on an organic basis
  - Growth on an already strong base in H1 2014
- Solid profit growth
  - **+2.6%** growth in Recurring Operating Income, **+13,5%** proforma
  - **+17.5%** growth in adjusted net income, Group share
- Strong improvement in free cash flow
- 2015 outlook maintained
  - Total investments, including DIA France, of between **€2.5bn** and **€2.6bn**
  - Increased free cash flow
  - Continued strict financial discipline: maintain **BBB+** rating

APPENDIX

H1 2015 INCOME STATEMENT

(in €m)	H1 2014 restated for IFRIC 21	**H1 2015**	*Variation*
Net sales	**35,870**	**37,739**	*+5.2%*
Net sales, net of loyalty	**35,564**	**37,470**	*+5.4%*
Other revenues	1,192	1,247	*+4.6%*
Total revenues	**36,757**	**38,718**	*+5.3%*
Cost of goods sold	-28,688	-30,024	
Gross margin	**8,068**	**8,694**	*+7.8%*
SG&A	-6,669	-7,227	
Recurring Operating Income before D&A (EBITDA)[1]	**1,416**	**1,488**	*+5.1%*
Depreciation & Amortization	-682	-740	
Recurring Operating Income (ROI)	**717**	**726**	*+1.3%*
Recurring Operating Income including associates and joint ventures	**726**	**761**	
Non-recurring expenses	264	-16	
EBIT	**991**	**745**	
Net financial expenses	-269	-264	
Income tax	-260	-165	
Minority share of net income from continuing operations	-63	-85	
Net Income from continuing operations, Group Share	**399**	**230**	
Net Income from discontinued operations, Group Share	-33	-12	
Net Income, Group Share	**365**	**218**	

(1) Recurring Operating Income before D&A (including depreciation of supply chain activities)

ADJUSTED NET INCOME, GROUP SHARE

(in €m)	H1 2014 restated for IFRIC 21	**H1 2015**	***Variation***
Net Income from continuing operations, Group Share	**399**	**230**	***-42.2%***
Restatement for non recurring income and expenses (before tax)	-264	16	
Restatement for exceptional items in net financial expenses	11	31	
Tax impact [(1)]	40	-28	
Restatement on share of income from minorities and companies consolidated by the equity method	13	-16	
Adjusted net income, Group share	**198**	**233**	***+17.5%***

(1) Tax impact of restated items (non recurring income and expenses and financial expenses) and non recurring tax items

STORES UNDER GROUP BANNERS (INCL. FRANCHISEES AND PARTNERS) AT END JUNE 2015

	Hypers	Supers	Convenience	Cash & Carry	TOTAL
France	**242**	**963**	**4,333**	**142**	**5,680**
Spain	173	125	340		**638**
Belgium	45	440	263		**748**
Italy	59	445	614	18	**1,136**
Poland	84	153	524		**761**
Romania	28	101	52		**181**
Other	90	630	527		**1,247**
Other Europe	**479**	**1,894**	**2,320**	**18**	**4,711**
Argentina	79	128	370		**577**
Brazil	217	42	4		**263**
Latin America	**296**	**170**	**374**	**0**	**840**
China	232		2		**234**
Taiwan	63	12			**75**
Other	77	10			**87**
Asia	**372**	**22**	**2**	**0**	**396**
Other (1)	**72**	**161**	**37**	**13**	**283**
TOTAL	**1,461**	**3,210**	**7,066**	**173**	**11,910**

(1) Maghreb, Middle East and Dominican Republic

DISCLAIMER

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