

2006: the rate of growth accelerates

- SALES : + 6.6%
- ACDA* : + 5.7%
- NET INCOME FROM RECURRING OPERATIONS GROUP SHARE : + 3.3%
- DIVIDEND FIXED AT 1.03 EUROS PER SHARE**

The Supervisory Board of Carrefour, which met on the 7th of March 2007, has examined the consolidated accounts for the financial year 2006 presented by the Management Board following its meeting on the 27th of February 2007.

The Management Board has decided to propose to the Annual General Meeting of shareholders a dividend of €1.03 per share for the financial year 2006, representing an increase of 3% versus the amount distributed for the 2005 financial year. This dividend will be paid on the 4th of May 2007.

| Consolidated profit and loss account | | | |
|---------------------------------------------------------------------------|---------------|---------------|--------------|
| €m | 2006 | 2005 | Growth |
| Net sales | 77,901 | 73,060 | +6.6% |
| Activity Contribution before Depreciation and Amortisation (ACDA)* | 4,845 | 4,582 | +5.7% |
| Activity Contribution | 3,258 | 3,152 | +3.4% |
| <i>% Activity Contribution margin</i> | 4.2% | 4.3% | |
| Net income from recurring ops Group Share | 1,857 | 1,798 | +3.3% |
| Net income Group Share | 2,268 | 1,436 | + 58% |

* Before non recurring elements

** Subject to approval by the General Meeting

1 We achieved our main objectives in 2006

Our consistent focus on customers and growth has enabled us to meet our main objectives.

- ▣ Sales ex VAT, up 6.6% on current exchange rates, and 6.4% on constant exchange rates, grew more than two percentage points faster than in 2005 and 2004.
- ▣ We won food market share in France for the second consecutive year (+0.5% according to TNS Worldpanel).
- ▣ We opened 1.4 million m², representing nearly a thousand stores, of which 103 were hypermarkets, double the rate achieved in 2004.

We have continued to develop the main pillars of our strategy:

- ▣ We are reinforcing our strategy of low prices and strong promotions in an environment in Europe which is characterised by weak growth in food consumption and by price deflation.
- ▣ We are strengthening constantly our assortments and our services.
- ▣ We are reinforcing the effectiveness and recognition of our brand in all the countries where we are present.

2 All regions contributed to growth

| Regional breakdown of Net sales | | | |
|----------------------------------------|---------------|---------------|---------------|
| €m | 2006 | 2005 | Growth |
| France | 37,212 | 35,577 | + 4.6% |
| Europe (ex France) | 29,850 | 28,102 | + 6.2% |
| Latin America | 5,928 | 5,075 | + 16.8% |
| Asia | 4,911 | 4,306 | + 14.0% |
| Total Group | 77,901 | 73,060 | + 6.6% |

 All regions contributed to sales growth.

Note that ex-petrol like for like sales growth accelerated in 2006 to + 1.1% from 0% in 2004 and 2005.

③ Activity Contribution before depreciation and amortisation (ACDA) increased by 5,7%

Activity contribution before depreciation and amortization increased by 5.7%, almost in line with sales.

The acceleration of the opening of new m2 resulted in an increase in asset costs (rents and depreciation). Activity Contribution increased by 3.4% to €3,258m. This compares to a decline of 2.9% in 2005.

| Activity Contribution | | | |
|-------------------------------------------------------------------|---------------|--------|---------|
| €m | 2006 | 2005 | Growth. |
| Net sales | 77,901 | 73,060 | +6.6% |
| Commercial income | 17,740 | 16,569 | +7.1% |
| <i>Commercial margin</i> | 22.8% | 22.7% | |
| SG&A | 12,895 | 11,986 | +7.6% |
| Activity Contribution before depreciation and amortization | 4,845 | 4,582 | +5.7% |
| Depreciation and amortization | 1,587 | 1,430 | + 11.0% |
| Activity Contribution | 3,258 | 3,152 | +3.4% |

➔ Commercial margin increased as a result of a better margin mix and lower logistics costs which offset the impact of lower prices. 2006 was again characterised by a tight control of operating costs, even as we added resources to the shop floor.

| Breakdown of Activity Contribution by region | | | |
|-----------------------------------------------------|--------------|--------------|---------------|
| €m | 2006 | 2005 | Growth |
| France | 1,718 | 1,713 | + 0.3% |
| Europe (ex France) | 1,208 | 1,145 | + 5.5% |
| Latin America | 161 | 133 | + 21.8% |
| Asia | 171 | 162 | + 5.4% |
| Total Groupe | 3,258 | 3,152 | + 3.4% |

➔ All regions contributed to the increase in Activity Contribution

④ **Net income from recurring operations Group Share increased by 3,3%**

The divestment of insufficiently profitable activities has led to a non-recurring exceptional item of €412m, mainly as a result of the disposal of our Korean activities. This number, compared to a loss of €362m in 2005, resulted in an increase of net income group share of 58% to €2,268m.

| Profit and loss account | | | |
|---------------------------------------------|--------------|--------------|---------------|
| €m | 2006 | 2005 | Growth |
| Activity Contribution | 3,258 | 3,152 | + 3.4% |
| Non recurring elements | 15.9 | (20.8) | na |
| EBIT | 3,274 | 3,132 | + 4.6% |
| Financial costs | (480) | (450) | + 6.6% |
| Income tax | (810) | (785) | + 3.2% |
| Tax rate | 29.0% | 29.3% | |
| Minority interest | (163) | (150) | + 9.2% |
| Associates | 36 | 51 | (29.2%) |
| Net income from rec. Ops Group Share | 1,857 | 1,797 | + 3.3% |
| Discontinued activities | 412 | (362) | |
| Net income group share | 2,268 | 1,436 | + 58% |

➔ Financial costs increased by 6.6%, mainly as a result of an increase in interest rates and an increase in average net debt over the year.

The tax rate was more or less stable as at the end of 2005, at 29%. Our balance sheet and financial ratios were solid, with a reduction of year end net debt of €481 m.

The strength of our cash flows enabled us in 2006 to finance €3.4 bn of operating capital expenditure, an increase of 11% compared to 2005.

⑤ 2007 – 2008: the engines for growth

The food retail industry in mature European markets is characterised by low growth and deflation. Within this context, we are leveraging the following engines for growth:

- ▣ **Convergence, and strengthening, of the Carrefour brand:**
 - Following our successful experience in Spain and Brazil in 2006 with our new formats Carrefour Express and Carrefour Bairro, we are accelerating our multi format, single brand, strategy and have strengthened Carrefour own label.
 - In 2007, we will extend the multi format, single brand, strategy to Turkey, Belgium, Poland and Argentina.

- ▣ **The overhaul of our commercial model in food and non-food**, in order to guarantee to our customers a wider offer better adapted to their needs, a better choice of products, and a more satisfactory in-store experience. This commercial remodelling should enable us to find additional means to reduce our prices and increase the buying power of our customers.

- ▣ **Acceleration of new m2 in growth markets:**
 - We will open at least 1.5m new m2 this year.
 - Of this, we will open around 1 million m2 in growth markets outside France, Italy, Belgium and Spain.
 - We are preparing to develop new engines for growth in countries with strong growth potential such as Russia and India.

Objectives for 2007 / 2008

- ▣ **Sales 2007 - 2008 :**
 - Within the current competitive environment, we anticipate sales growth in 2007 at least as strong as in 2006.
 - With regards 2008, our achievements in 2006, as well our forecasts for 2007, give us confidence that we can grow sales around 10%.
 - For both years, meeting these targets assumes that we make the expected level of tactical acquisitions

- ▣ **Activity Contribution 2007 - 2008:**
 - For 2007, Activity Contribution will grow, although at a slower pace than sales, reflecting our determination to consolidate our low price leadership and to accelerate our expansion plans.
 - For 2008, we continue to believe that we can grow Activity Contribution in line with sales. However, this depends on the resources we will need to invest in order to win the competitive game, particularly in France. We will not grow profits at the expense of sales and market share.

Publication of Q1 2007 sales

11 April 2007

Annual General Meeting:

The ordinary and extraordinary General Meeting shall be convened for Friday 20 April at 2pm at the Group headquarters. In the very likely case that the necessary quorum shall not be reached, the General Meeting will be convened a second time on Monday April 30 at 9.30 at the Carrousel du Louvre, 99 rue de Rivoli in Paris (75 001).