Full year 2006 results

8 March 2007

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Agenda

- Our vision and our convictions
- 2006: our growth model is taking shape
- Key 2006 figures
- 2007 – 2008: armed to be clear market leader
- 2007 – 2008: we will do whatever is necessary to win the game

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Our vision and our convictions

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Our view of the retail industry

- The food retail industry in mature European markets is characterised by low growth and deflation
- Adding new m² is a necessary source of growth
- Regional and local consolidation is accelerating
- A strong brand is key

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The main elements of our strategy have already been defined

- **We reinforce our commitment to the strategy we defined in 2005 – 2006**
- **2 priorities:**
  - **Customers**
  - **Growth**

Our strategy is focused on customers…

- Our priority is gaining volume and winning market share
- Choice (assortment) and services are key points of differentiation
- Low prices and strong promotions are non negotiable and basic customer requirements

… and growth

- Accelerating new m² in growth markets
- Widening the scope in terms of new countries
- Participating proactively in regional and local consolidation

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2006: our growth model is taking shape

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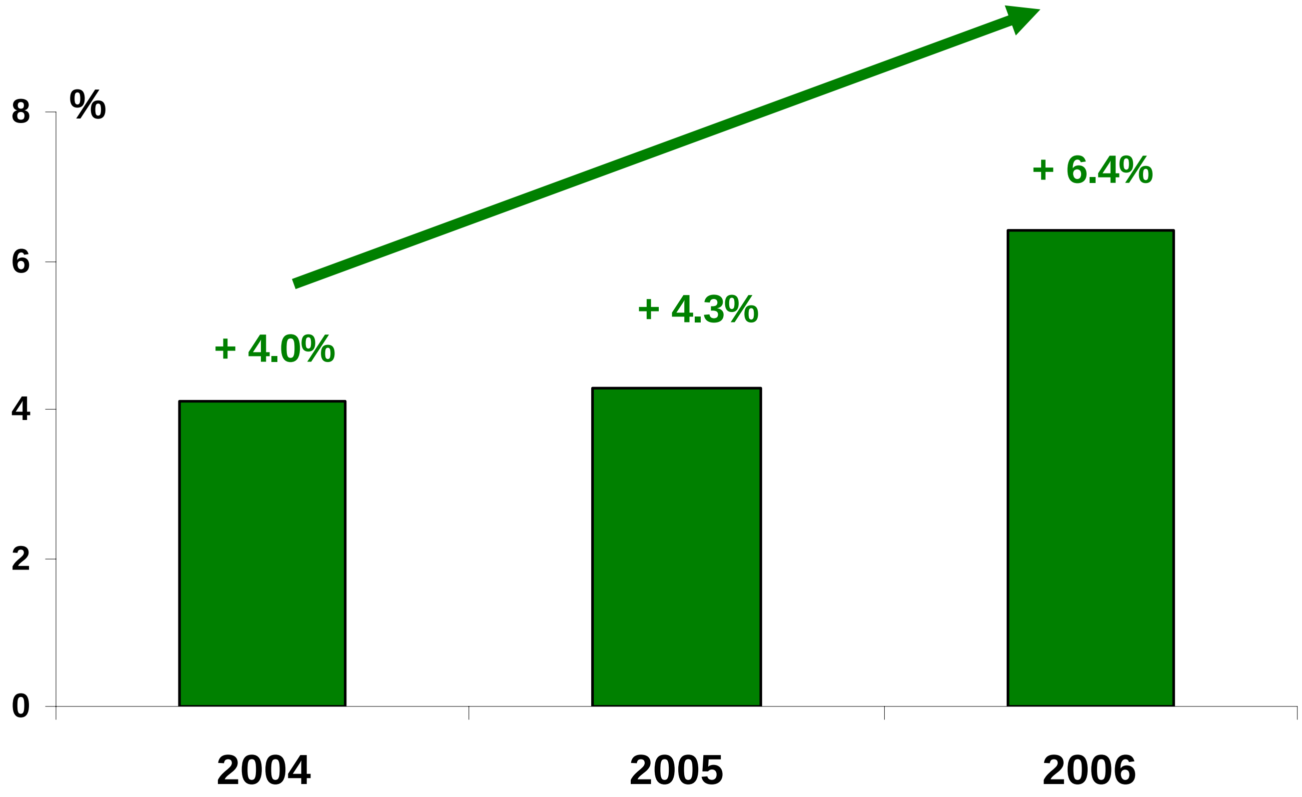
We achieved our main objectives in 2006

	2006 targets	2006 results
Sales growth on constant exchange rates	2006 > 2005	+6.4% vs +4.3%
Activity Contribution	> 0%	+3.4%
Net debt	Down	Reduction of €481m
France food market share*	Gain	+0.5%
New store openings	1,000	968
New hypermarkets	100	103
New m²	1.5 million	1.4 million

** Food market share Carrefour Group in France, source TNS WorldPanel*

2006: our growth model is taking shape

Acceleration of sales growth on constant exchange rates



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Further acceleration in like-for-like sales

Growth %	2004	2005	2006
Group like-for-like, excluding petrol	**0.0%**	**-0.1%**	**1.1%**
Group like-for-like, including petrol	0.8%	0.9%	1.2%
Organic expansion	3.2%	2.7%	2.6%
External growth	0.0%	0.7%	2.6%
Sales growth on constant exchange rates	**4.0%**	**4.3%**	**6.4%**
Currencies impact	-0.9%	1.7%	0.2%
Total sales growth	**3.1%**	**6.0%**	**6.6%**

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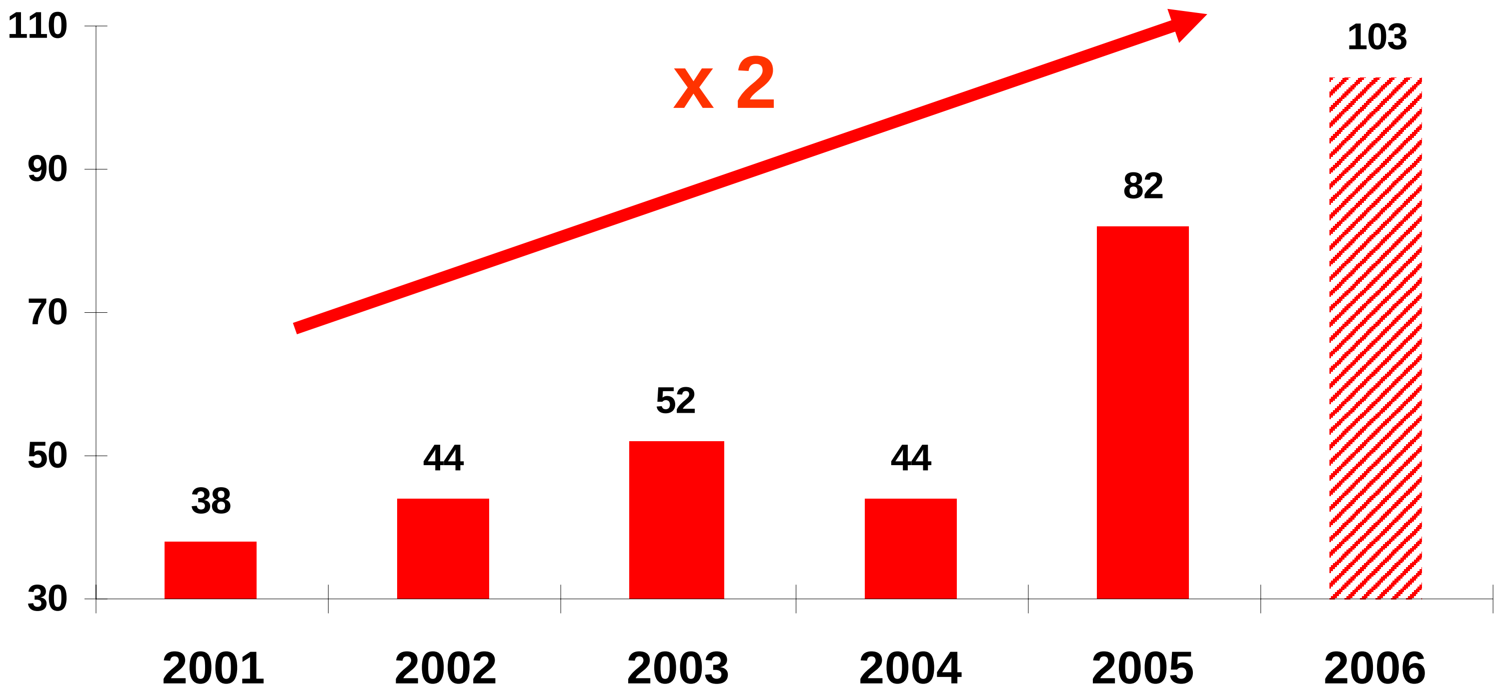
We doubled the number of hypermarkets openings compared to 2001 - 2004

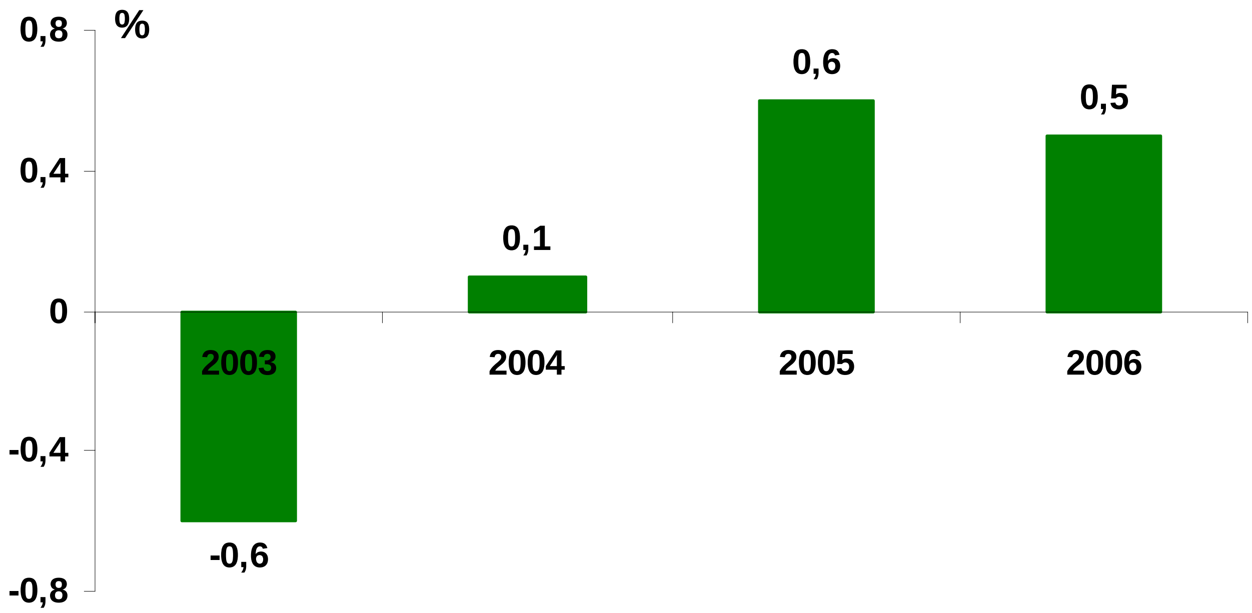


1.2m new m² opened outside France in 2006 versus 0.8m m² in 2004

'000 new m²	2004	2005	2006
France	209	266	170
Europe	510	843	713
Latin America	13	156	150
Asia	271	197	326
Total ex France	**794**	**1,196**	**1,189**
International contribution	**79%**	**82%**	**87%**

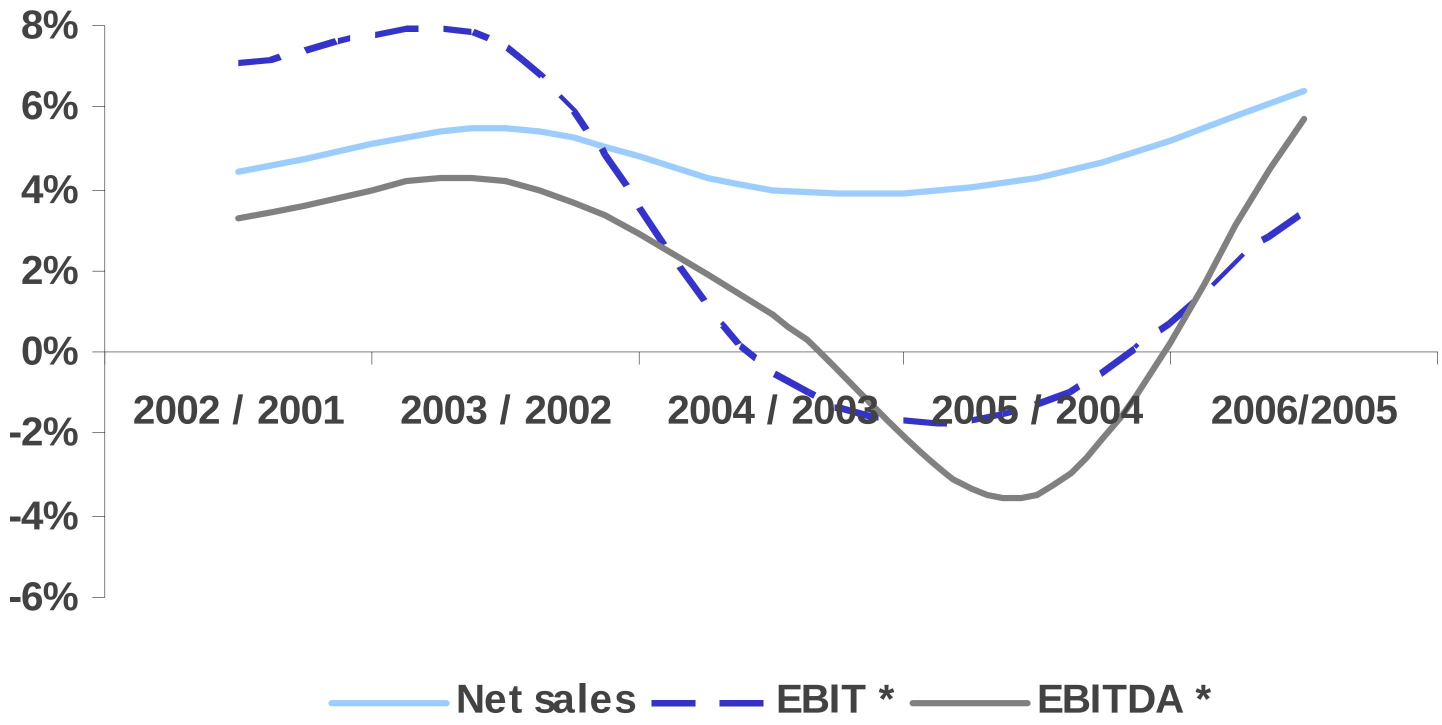
All our formats contributed to food market share gains in France

- Overall, +1.1% market share gains in France in the period 2005-2006
- Gains due to volume increases

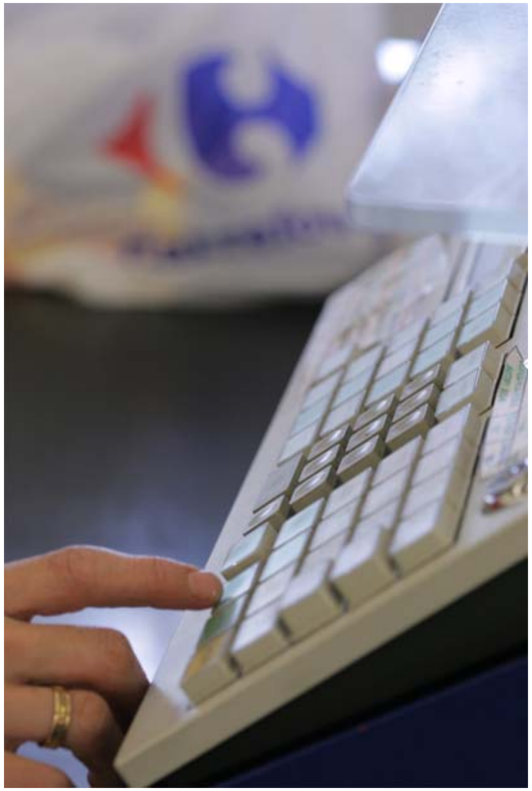


Food market share evolution Carrefour Group in France, source TNS WorldPanel

Our sales driven model is beginning to work



*EBIT and EBITDA are under IFRS from 2004



Key 2006 figures

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Our results were in line with our strategy

€ Million	2006	2005	Change
Net sales	77,901	73,060	*+6.6%*
ACDA*	4,845	4,582	*+5.7%*
Activity Contribution	3,258	3,152	*+3.4%*
Non recurring income (expenses)	15.9	(20.8)	*Na*
EBIT	3,274	3,132	*+4.6%*
Net result before discontinued activities (Group Share)	**1,857**	**1,798**	***+3.3%***

*ACDA: Activity Contribution before depreciation and amortisation

All regions contributed to an increase in sales

€ Million	2006	2005	Change	Change on constant exchange rate
France	37,212	35,577	*+4.6%*	*+4.6%*
Europe	29,850	28,102	*+6.2%*	*+6.7%*
Latin America	5,928	5,075	*+16.8%*	*+12.5%*
Asia	4,911	4,306	*+14.0%*	*+12.4%*
Total	**77,901**	**73,060**	***+6.6%***	***+6.4%***

Growth in ACDA was broadly in line with sales

€ Million	2006	2005	Change
Net sales	77,901	73,060	+6.6%
Commercial income	17,740	16,569	+7.1%
SG&A*	12,895	11,986	+7.6%
ACDA	4,845	4,582	+5.7%
Depreciation	1,587	1,430	+ 11.0%
Activity Contribution	3,258	3,152	+3.4%

*SG&A: staff costs + advertising costs + rents + other general expenses

Key 2006 figures

Lower logistics costs, and improved margin mix, offset investment in pricing

€ Million	2006	2005	Change
Commercial income	**17,740**	**16,569**	***+7.1%***
Commercial margin %	22.8%	22.7%	

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We kept a firm grip on expenses

€ Million	2006	2005	Change
SG&A (excluding rents)	**12,023**	**11,222**	***+7.1%***
SG&A excluding rents as % of sales	15.4%	15.4%	
Rents	**871**	**765**	***+14.0%***
Depreciation & provisions	**1,587**	**1,430**	***+11.0%***
Asset costs (rents & depreciation)	**2,458**	**2,195**	***+12.0%***
Asset costs (rents & depreciation) as % of sales	3.2%	3.0%	

- **The increase in asset costs results from the acceleration in growth**

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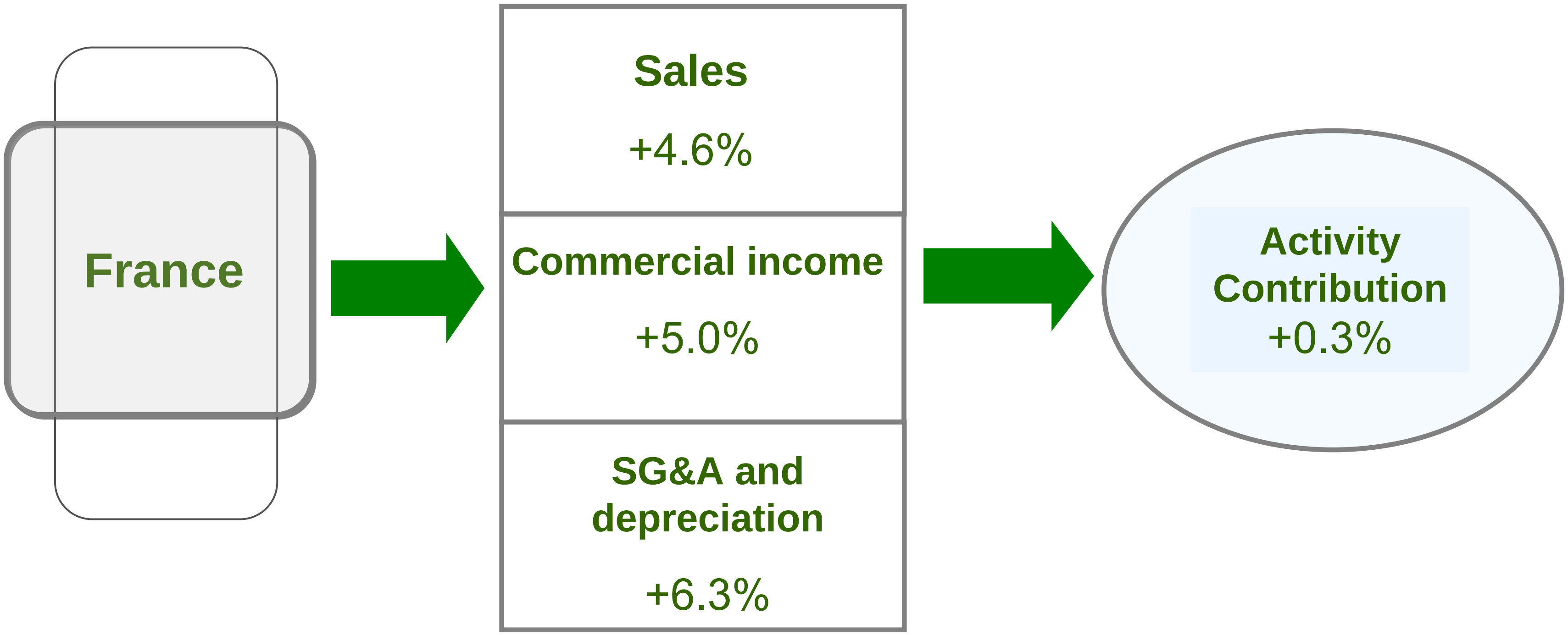
Activity Contribution was up

€ Million	2006	2005	Change
Activity Contribution	**3,258**	**3,152**	***+3.4%***
Activity Contribution as % of sales	4.2%	4.3%	

- **Activity Contribution grew, but at a lower pace than sales, mainly due to price investment and faster growth in m²**

All regions contributed to an increase in Activity Contribution: France

- France: margins remained under control while we invested in price



All regions contributed to an increase in Activity Contribution: Europe

- Europe: growth in Activity Contribution was driven by increase in sales and good cost control

Europe

Sales
+6.2%

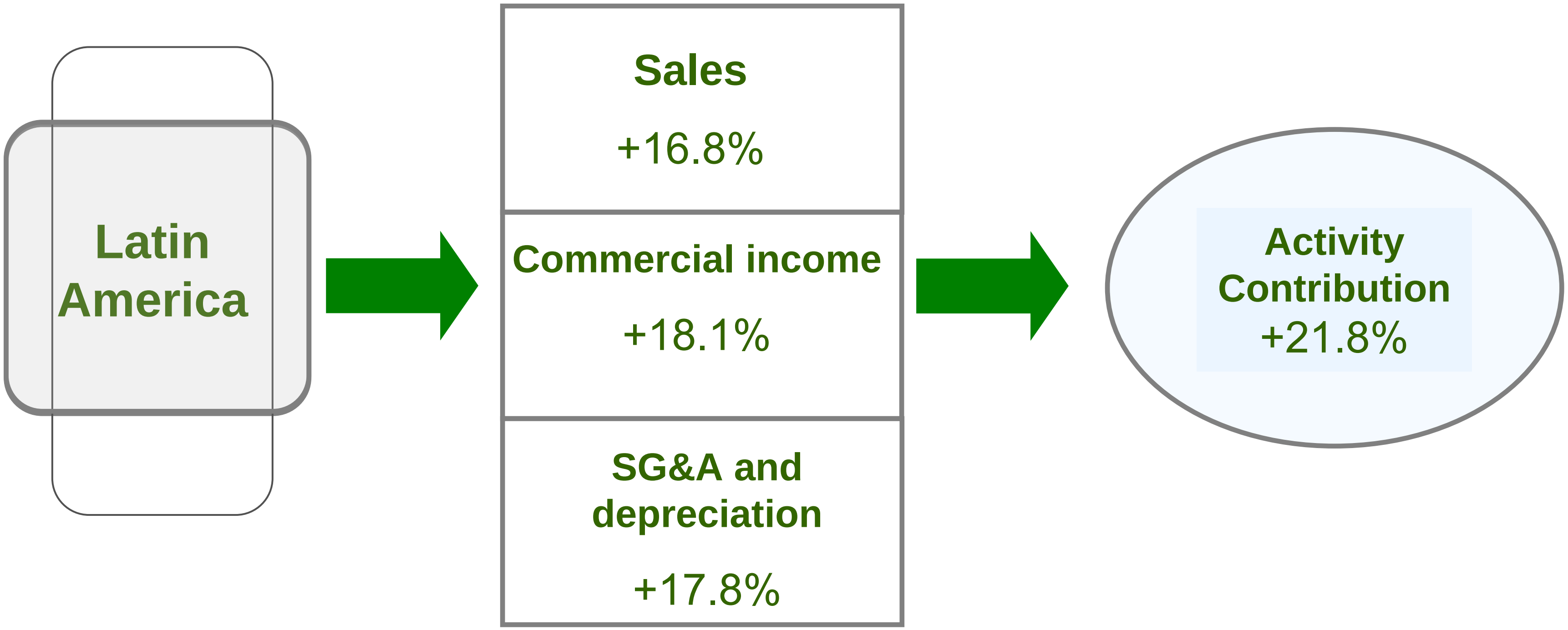
Commercial income
+6.0%

SG&A and depreciation
+6.0%

Activity Contribution
+5.5%

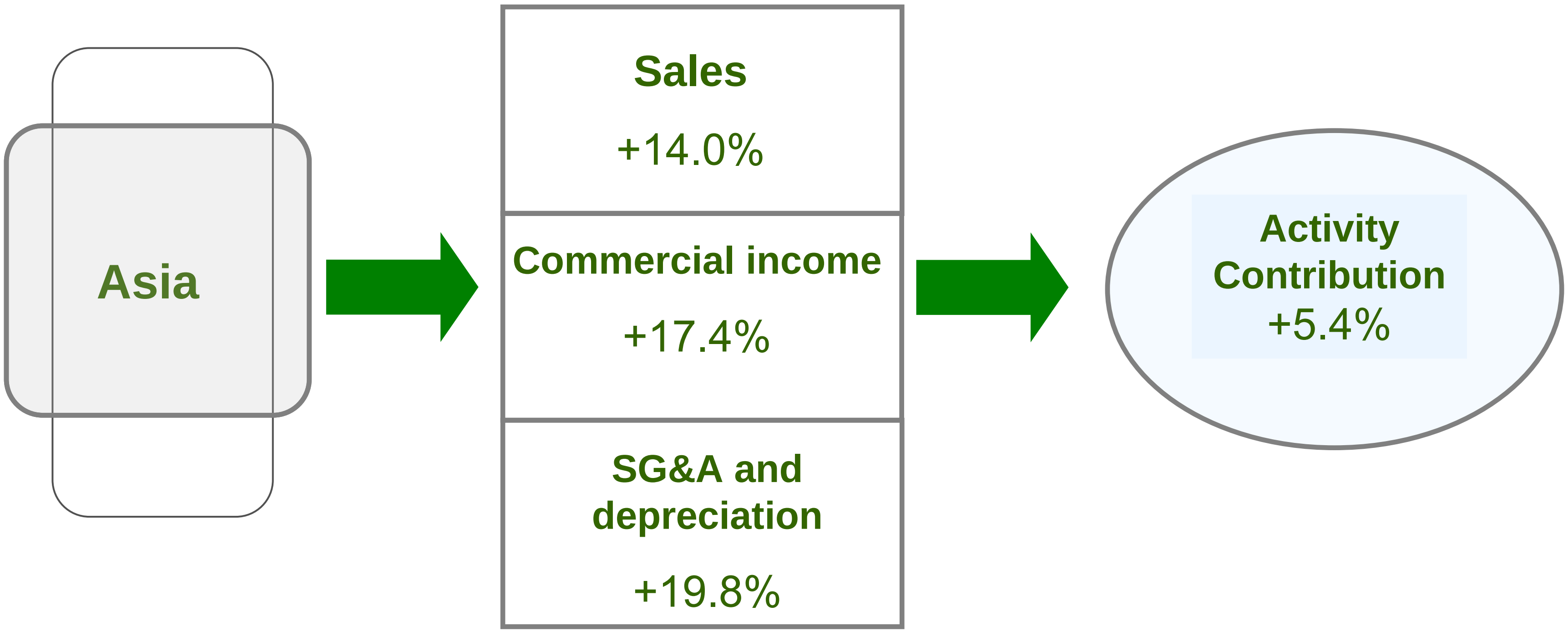
All regions contributed to an increase in Activity Contribution: Latin America

- Latin America: strong rise in Activity Contribution as sales increased significantly



All regions contributed to an increase in Activity Contribution: Asia

- Asia: strong growth in new m²; Activity Contribution impacted by Taiwan underperformance



Financial costs were up, tax rate broadly stable

€ Million	2006	2005	Change
Financial costs	**(480)**	**(450)**	***+6.6%***
Tax charge	**(810)**	**(785)**	***+3.2%***
Tax rate	29.0%	29.3%	
Minorities	**(163)**	**(150)**	***+9.2%***
Associates	**36**	**51**	***-29.2%***
Net result before discontinued activities (Group Share)	**1,857**	**1,797**	***+3.3%***

Our cash flow supports our plans for growth

€ Million	2006	2005
Cash Flow	3,586	3,582
Cash Flow from operations, before impact of divested businesses	3,697	3,595
Capex	(3,368)	(3,026)
Free Cash Flow	101	722
Cash Flow after investments and disposals	1,436	1,132
Net debt closing	**(6,309)**	**(6,790)**

Our key financial ratios remain solid

€ Million	2006	2005	Change
Net debt at year-end	**6,309**	6,790	*(481)*
ACDA / Financial costs	**10.1x**	10.2x	-
Gearing	**60%**	72%	*na*
Cash Flow / Net debt	**57%**	53%	*na*

Summary

- All our regions contributed to growth in sales, ACDA and Activity Contribution
- Our commercial margin is slightly up, reflecting lower logistics costs and a better management of the margin mix, offsetting the impact of our price investments
- Stronger expansion programme and the strengthening of our resources on the shop floor, meant higher SG&A and asset costs
- Our key financial ratios remained solid

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2007 – 2008: armed to be clear market leader

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The three engines for growth

- **Multi-format, single brand, strategy**
- Overhaul of our commercial model
- Acceleration of new m² in growth markets

Our multiformat / single brand strategy

- Our multiformat strategy enables us to better meet customer needs
- A strong brand is fundamental
- Carrefour’s brand enables us to capitalise on growth faster

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Development of a multi-format / single brand strategy

2006

- **Spain**: 82 Carrefour Express
- **Brazil**: 34 Carrefour Bairro
- **Poland, Turkey**: tests
- **France**: conversion of a HyperChampion under the Carrefour banner

2007

- **Belgium**
- **Poland**
- **Turkey**
- **Argentina**

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Reinforcing own-label

FRANCE

- More choice in growth categories
- Further strengthening of pricing in 2007

SPAIN

- More choice in growth categories
- Buy-One-Get-One-Free type of promotions

The three engines for growth

- Multi-format, single brand, strategy
- **Overhaul of our commercial model**
- Acceleration of new m² in growth markets

Our objectives in rethinking our dry grocery model

- Offer more choice and more innovation in growth categories
- Improve our margin mix
- Maximise product availability to our customers
- Strengthen our price image by reinforcing our low price strategy and its communication

The tools we are using to reengineer our dry grocery model

- Development of a retail strategy together with our suppliers
- Reallocation and optimisation of space
- Massification of own-label purchasing
- Development of Shelf Ready Packaging
- Creation of specialist teams

Progress made rolling out our dry grocery model in 2006

- An international project
- Priority to mature markets
- Initial phase of roll-out in 6 Business Units
- Roll-out of 66 points of sale, of which:
  - 16 hypermarkets in France
  - 28 supermarkets in France

First results from our dry grocery model

Freeing up space: gain of shelf square meters	Growth in the number of SKUs	Price cuts

- Like-for-like growth in test stores higher than regional average
- New means to invest further in prices while maintaining a stable operating margin

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Roll out of the new dry grocery model in 2007- 2008

- **Roll-out in around 700 points of sale at the end of 2008, of which:**
  - Our 218 hypermarkets in France
  - Around 300 supermarkets in France

Our objectives in rethinking our non-food model

- Improve the attractiveness of our banners by building a ‘specialist’ offer: relevant assortments and innovation
- Improve customer flow within the store
- Manage better the product life cycle
- Optimise margin mix

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The tools we are using to reengineer our non-food model

- Working more closely with our main vendors
- Reallocating and optimising m² more efficiently
- Remodelling the back office: supply chain, global sourcing, category management
- Reinforcing the professionalism of our teams

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The calendar for the roll out of our non-food model

- 2006: 10 test stores in France, Spain, Belgium, Italy
- 2006: specific agreements with key partners: BCBG-Max Azria, Disney, Mattel…
- 2007: beginning of the roll-out

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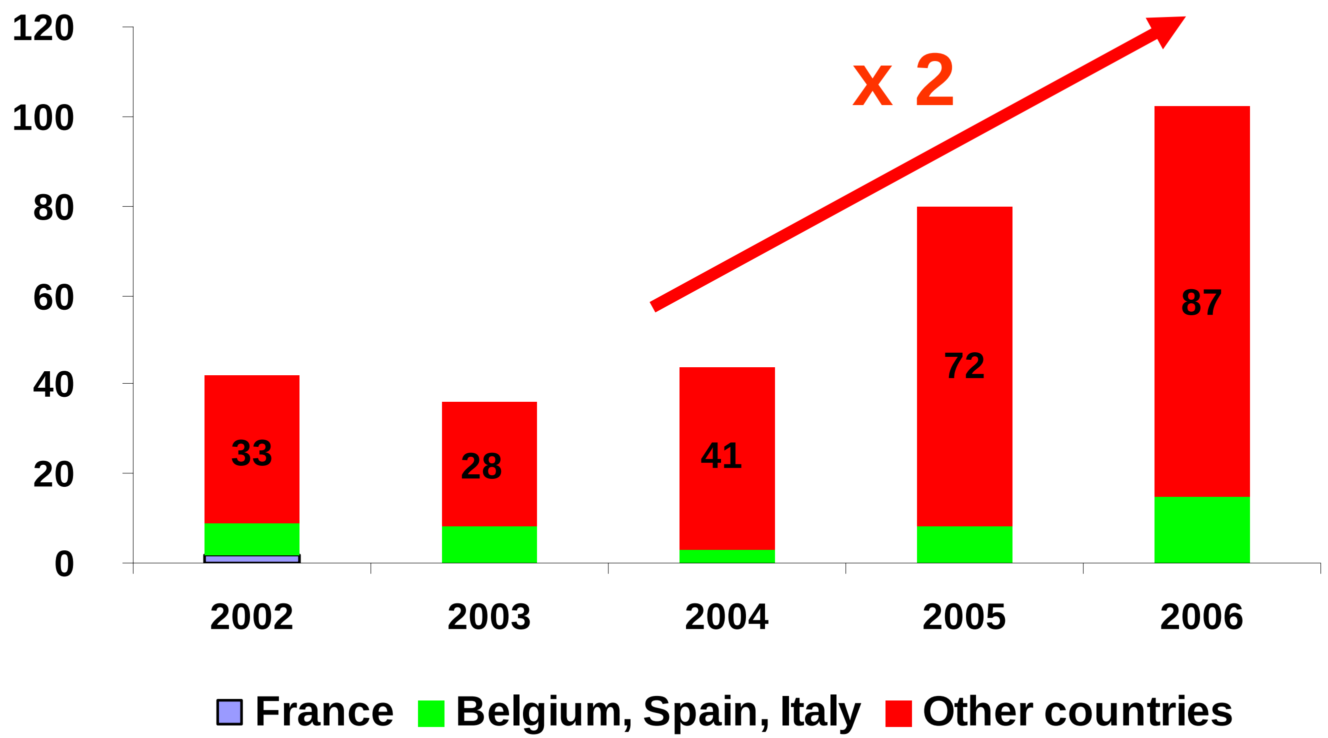
The three engines for growth

- Multi-format, single brand, strategy
- Overhaul of our commercial model
- **Acceleration of new m² in growth markets**

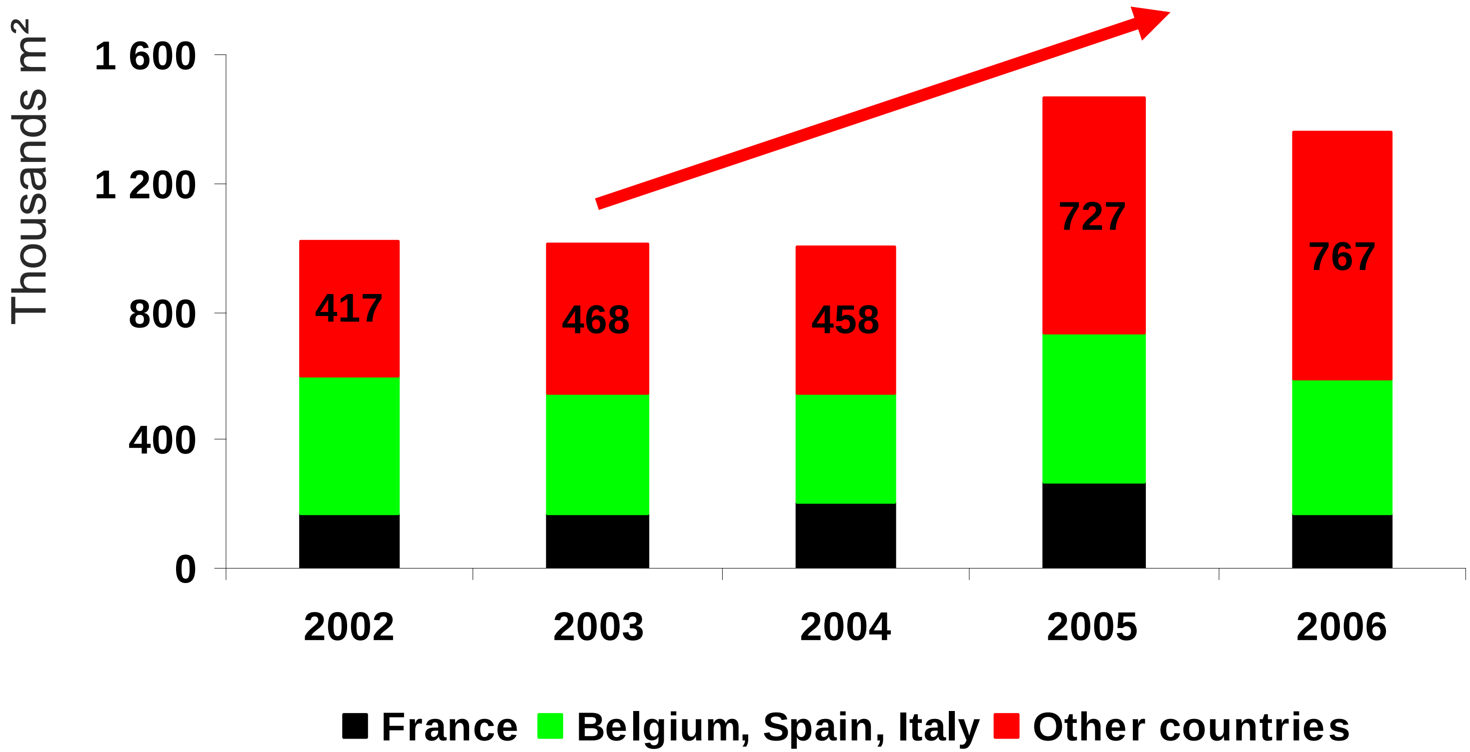
Opening more stores in growth markets

- The number of new hypermarkets in markets outside France, Spain, Belgium and Italy has increased significantly in 2005 - 2006

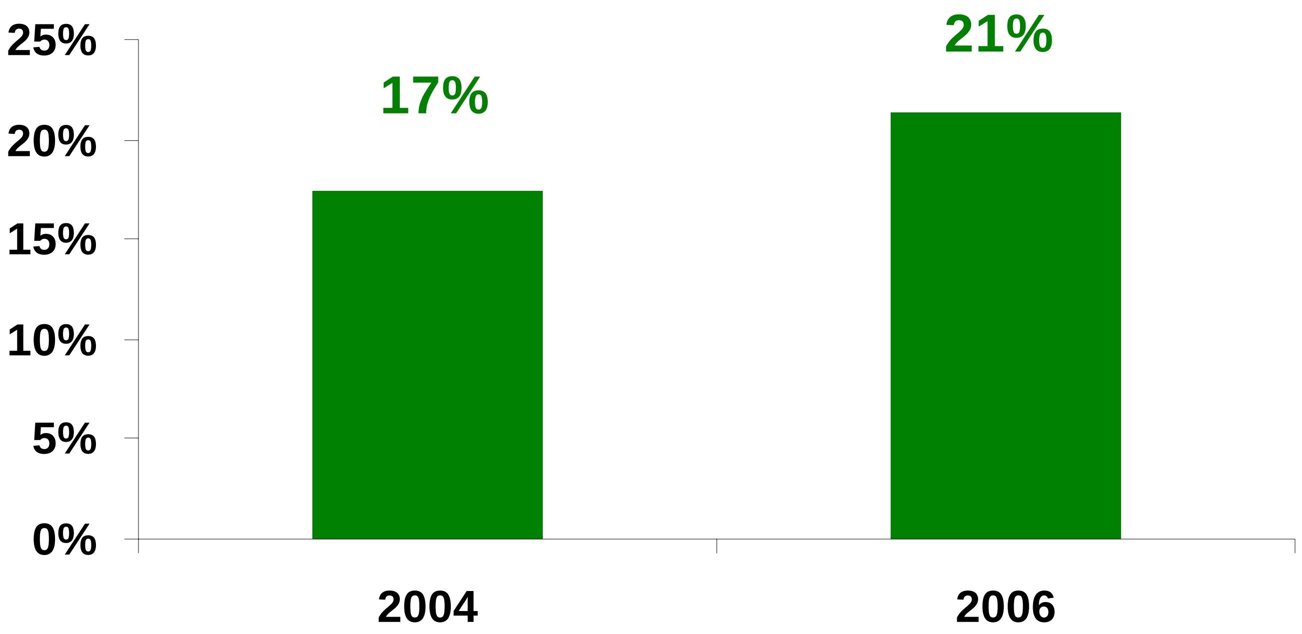


Opening more m² in growth markets

- The number of new m² opened outside France, Spain, Belgium and Italy has also increased significantly on the period 2005 - 2006



The contribution to Group ACDA in growth markets has increased between 2004 and 2006



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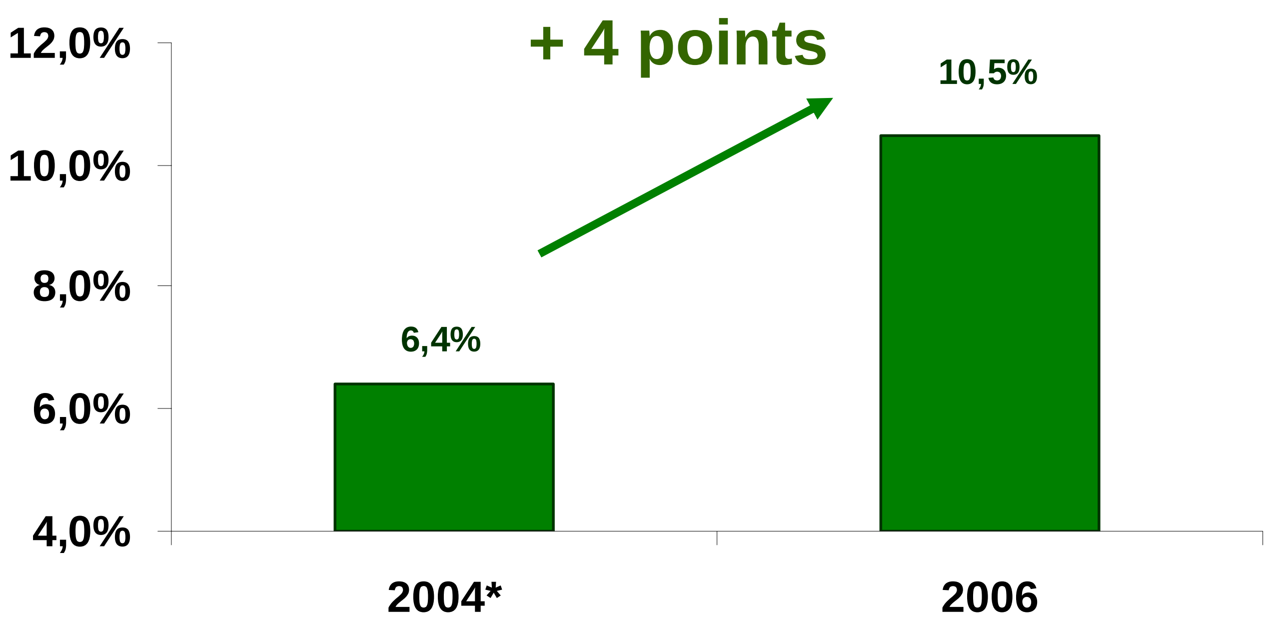
ROCE in growth markets has also improved



ROCE = Activity Contribution / (Average Capital Employed + Average net debt)
* Under IFRS

We will further accelerate in growth markets in 2007

- The group will open at least 1.5 million new m²
  - Countries outside G4 (France, Italy, Belgium, Spain) will open at least 1 million new m² per annum
- We are studying and developing new sources of growth: Russia and India
- We will participate to local and regional consolidation

Summary

- The three engines for growth:
  - Our multi format / single brand strategy
  - The overhaul of our commercial model
  - An increasing exposure to growth markets

The key to success: speed of execution

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2007 – 2008: we will do whatever is necessary to win the game

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Concluding observations

- We require clear market leadership to sustain the growth which our business model is capable of generating
- We must use all of our resources, and leverage all our competitive advantages, to secure this leadership
- We will do what is necessary in 2007 and beyond to win the game

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2007 – 2008 sales outlook

- 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

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2007 - 2008 outlook for Activity Contribution

- 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 plan
- 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

Full year 2006 results

8 March 2007

Appendices

Profit and loss account summary

€ Million	2006	2005	Change
Net sales	**77,901.1**	**73,059.5**	**+6.6%**
Other revenues	1, 042.1	989.4	+5.4%
Cost of sales	(61, 203.6)	(57,480.2)	+6.5%
Commercial Income	**17,740.1**	**16,568.7**	**+7.1%**
SG&A	(12,894.8)	(11,986.5)	+ 7.6%
ACDA*	**4,845.3**	**4,582.2**	**+5.7%**
Activity contribution	**3,258.4**	**3,152.5**	**+3.4%**
% Margin	*4.2%*	*4.3%*	
Non recurring items	15.9	(20.8)	
EBIT	**3,274.3**	**3,131.7**	**+4.6%**
Financial costs	(479.6)	(449.9)	+6.6%
Income Tax	(810.2)	(785.1)	
Net income from recurring operations, Group Share	**1,856.9**	**1,797.6**	**+3.3%**
Discontinued activities	411.7	(361.6)	
Net Income Group Share	**2,268.5**	**1,436.0**	**+58.0%**

*ACDA: Activity Contribution before Depreciation and Amortization

Key operating ratios

€ Million	2006	2005	Change
Net sales	**77, 901.1**	**73,059.5**	**+6.6%**
Other revenues	**1,042.5**	**989.4**	+5.4%
Commercial margin	22.8%	22.7%	
SG&A as % of sales	(16.6%)	(16.4%)	
ACDA as % of sales	6.2%	6.3%	
Depreciation/ Amortisation as % of sales	(2.0%)	(2.0%)	
Activity Contribution *as* % of sales	4.2%	4.3%	
EBIT as % of sales	4.2%	4.3%	
Income tax rate	29.0%	29.3%	

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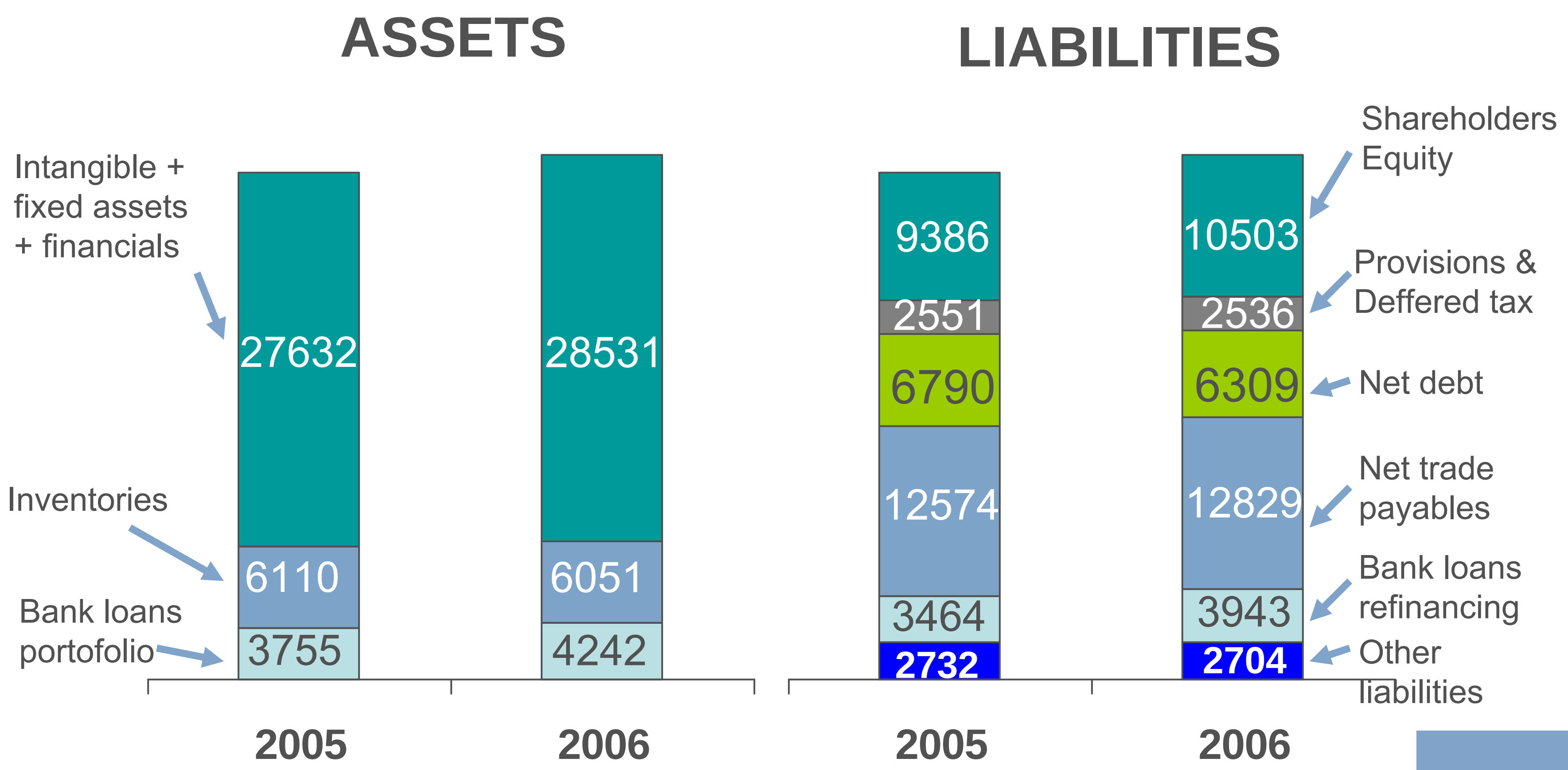
Balance sheet summary in millions of euros



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Cash Flow summary

€ Million	2006	2005
Net debt opening	**(6,790)**	**(6,770)**
Cash Flow	**3,586**	**3,582**
Change in working capital	(101)	40
Cash flow before impact of discontinued activities	3,697	3,595
Impact of discontinued activities	(227)	153
Cash flow from operations	**3,460**	**3,775**
Capex	**(3,368)**	**(3,026)**
Change in consumer credit commitments	10	(27)
Free cash flow	**101**	**722**
Financial investments	(594)	802
Disposals	2,078	1, 277
Others	(149)	(63)
Cash flow after investments	**1,436**	**1,132**
Dividends / Increase in Capital	(808)	(633)
Impact of IAS 32/39		(499)
Others (own shares, perimeter and others)	147	(19)
Net debt closing	**(6,309)**	**(6,790)**

Activity Contribution regional split

€ Million	2006	2005	Change
France	1,718	1,713	*+0.3%*
Europe	1,208	1,144	*+5.5%*
Latin America	161	133	*+21.8%*
Asia	171	162	*+5.4%*
Total	**3,258**	**3,152**	***+3.4%***

Sales, ACDA and AC growth per region

% growth 2006 vs. 2005	Sales	ACDA	AC
France	+4.6%	+3.4%	+0.3%
Europe	+6.2%	+5.3%	+5.5%
Latin America	+16.8%	+21.5%	+21.8%
Asia	+14.0%	+12.1%	+5.4%
Total	**+6.6%**	**+5.7%**	**+3.4%**

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Details of the calculation of EPS

	2006 EPS	Under IFRS 5 2005 EPS	Published EPS 2005	Change
EPS before discontinued activities	**2.64**	**2.57**	**2.58**	2.5%
EPS from discontinued activities	**0.58**	(0.52)	(0.53)	Ns
EPS including discontinued activities	**3.22**	2.05	2.05	57%

- **EPS is based on the net result before discontinued activities (group share) (€1,807m published in 2005, € 1,798m under IFRS 5 in 2005 and €1,857 m in 2006)**
- **To calculate EPS, we have used the weighted average number of shares:**

699 470 384 in 2005 et 704 624 922 in 2006

Discontinued activities

- Discontinued activities amounted to €411.2m in 2006

Discontinued activities €m	2006
Korea disposal impact	430
Puntocash disposal impact	17.3
Other disposals impact	(36.1)
Total	**411.2**

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Consolidated store network (December 2006)

	HYPER	SUPER	HARD DISC	CASH & C	CONVENIENCE	TOTAL
Argentina	30	118	325			473
Brazil	143		214			357
Colombia	31					31
AMERICAS	**204**	**118**	**539**			**861**
China	90		255			345
Taïwan	47					47
Indonesia	29					29
Malaysia	10					10
Singapore	2					2
Thaïland	24					24
ASIA	**202**		**255**			**457**
FRANCE	192	615	811	101		**1 719**
Spain	148	82	1 961			2 191
Belgium	56	79				135
Switzerland	9					9
Greece	25	164	295		51	
Italy	55	247		17	173	492
Poland	42	83				125
Portugal	10		320			330
Turkey	13	91	393			497
Romania	7					7
EUROPE	**365**	**746**	**2 969**	**17**	**224**	**4 321**
TOTAL GROUP	**963**	**1 479**	**4 574**	**118**	**224**	**7 358**

Consolidated net sales per format / zone 2006

Million €	France	Europe	Americas	Asia	Total	% Sales
Hypermarkets	19,752	16,468	4,843	4,827	**45,890**	58.9%
Supermarkets	7,981	5,041	541	0	**13,563**	17.4%
Hard discount	2,504	4,008	489	84	**7,085**	9.1%
Other	6,975	4,333	56	0	**11,363**	14.6%
Total	37,212	29,850	5,929	4,911	**77,901**	100%
% Zone	47.8%	38.3%	7.6%	6.3%	**100%**	

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Stores under banners (December 2006)

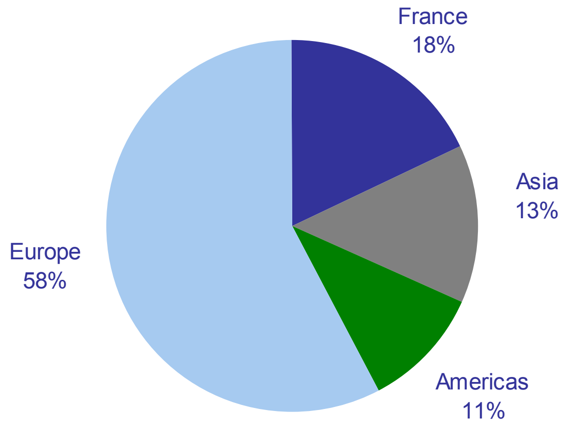
	HYPER	SUPER	HARD DISC	CASH & C	CONVENIENCE	TOTAL
Argentina	30	118	374			522
Brazil	143		258			401
Colombia	31					31
AMERICAS	**204**	**118**	**632**			**954**
China	90		255			345
Japan	8					8
Taïwan	47					47
Indonesia	29					29
Malaysia	10					10
Singapore	2					2
Thaïland	24					24
ASIA	**210**		**255**			**465**
FRANCE	**218**	**1 025**	**848**	**134**	**1 654**	**3 879**
Spain	154	82	2 806			3 042
Belgium	56	281			224	561
Switzerland	12					12
Greece	25	168	395		202	790
Italy	56	468		20	989	1 533
Poland	42	83				125
Portugal	10		427			437
Turkey	13	91	435			539
Romania	7					7
Other	33	109			61	203
EUROPE	**408**	**1 282**	**4 063**	**20**	**1 476**	**7 249**
TOTAL GROUP	**1 040**	**2 425**	**5 798**	**154**	**3 130**	**12 547**

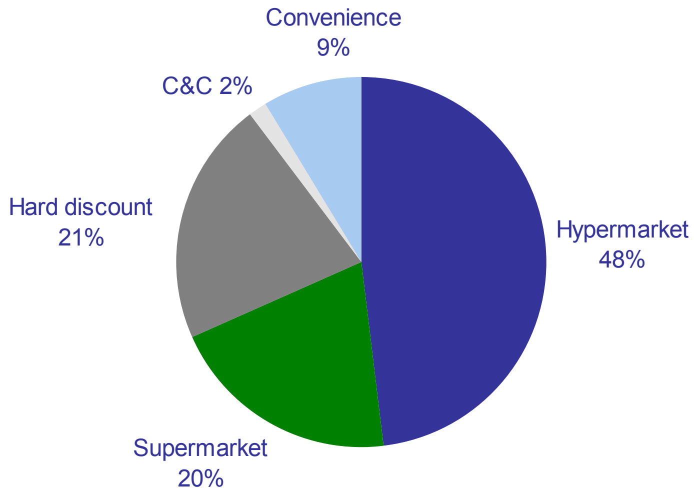
Sales incl. VAT under banners per format / zone

€ Million	France	Europe	Americas	Asia	Total	% Sales
Hypermarkets	24,061	21,658	5,806	5,567	57,093	58.7%
Supermarkets	13,744	8,764	664	-	23,172	23.8%
Hard discount	2,850	5,594	658	97	9,199	9.5%
Other	5,069	2,705	1	0	7,776	8.0%
Total	45,725	38,722	7,129	5,664	97,240	100%
% Zone	47.0%	39.8%	7.3%	5.8%	100%	

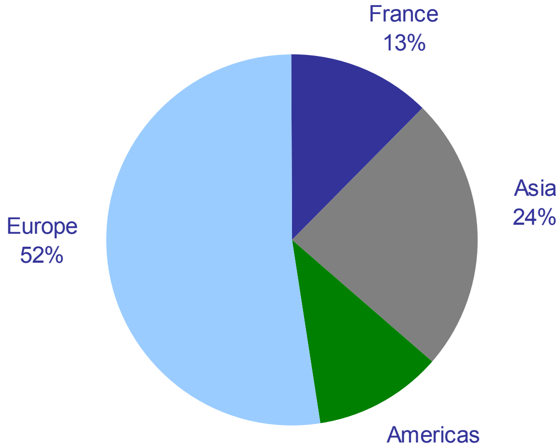
Expansion in 2005 and 2006 per zone et per format in sqm

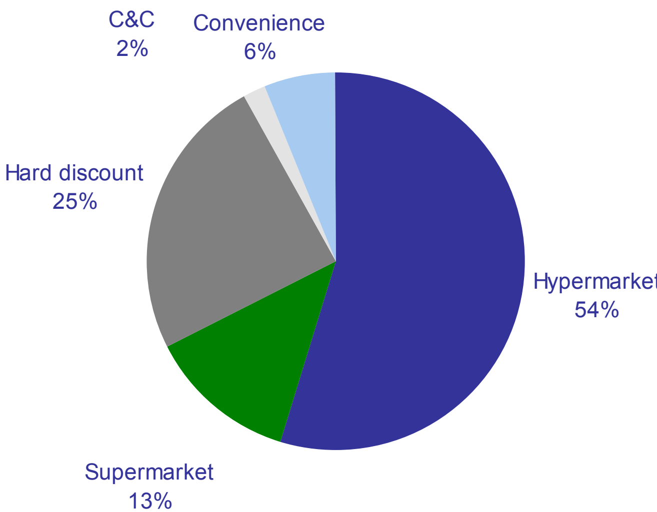
2005





2006





Estimated calendar impact in France in 2007 (%)