



1H 2002

results

1H 2002 P&L key figures

(m €)	1H 2002	1H 2001	var	
Sales	33 090.4	33 467.0	-1.1%	On constant exchange rates, sales increased 3.0%.
EBITDA	1 921.6	1 892.3	1.5%	On constant exchange rates, EBITDA increased 3.6%.
EBIT	1 084.9	1 038.8	4.4%	The impact of exchange rates on the EBIT is negligible.
Recurring net profit Gp sh. before Gw	557.9	498.4	11.9%	
Recurring Net profit Gp sh. after GW	400.0	320.0	25.0%	

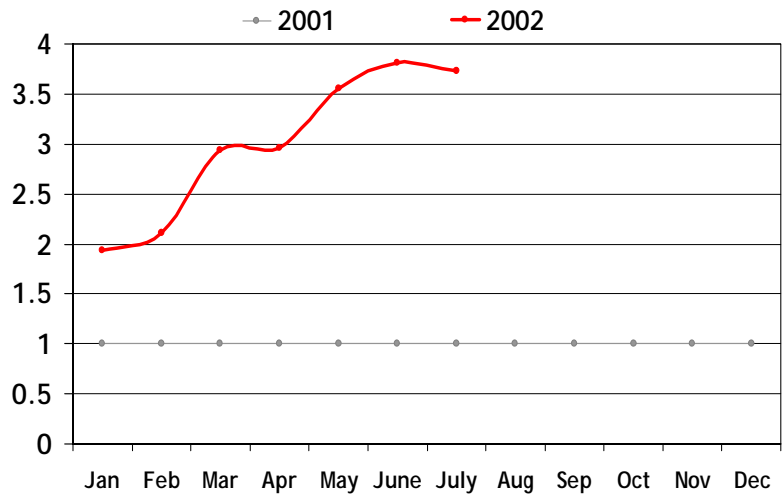
Summary

- **The environment**
- Carrefour's priorities
- 1st half results
- 2002 prospects

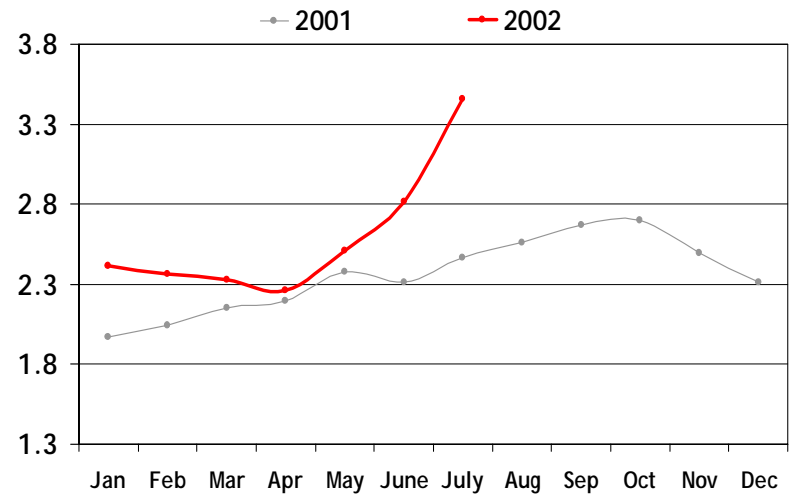
The environment

- Sluggish environment in the 1H :
 - Low growth in Europe
 - Crisis in Latin America
 - Growth in Asia
- Stronger Euro; Argentinean Peso and Brazilian Real declines
- Financial markets turmoil

Currency changes

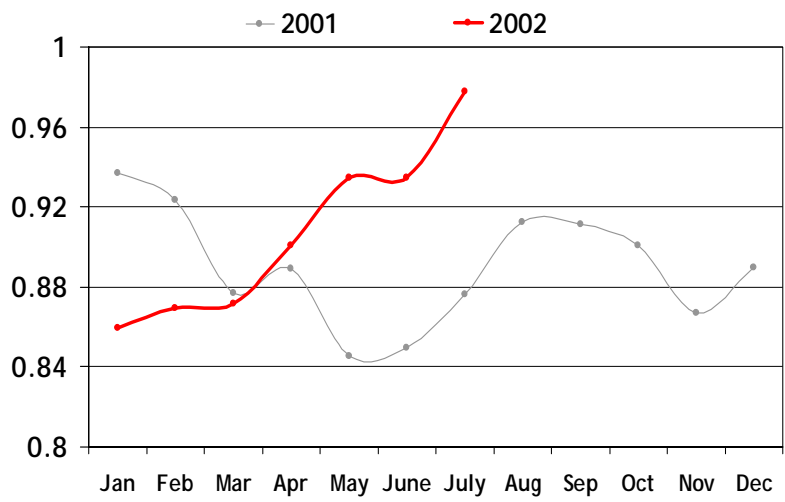


US Dollar / ARG peso



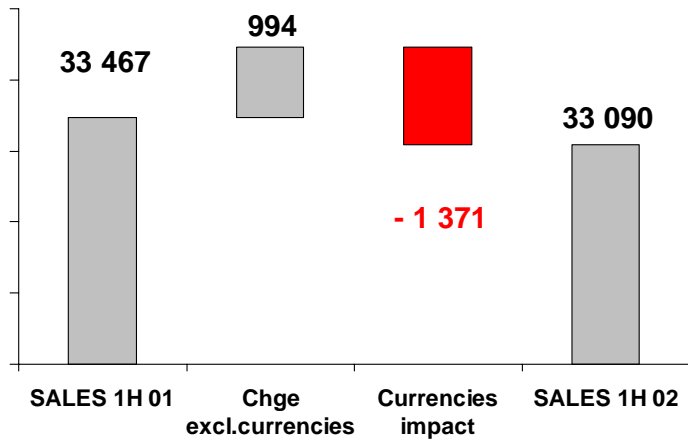
US Dollar / BRZ real

EURO / US dollar

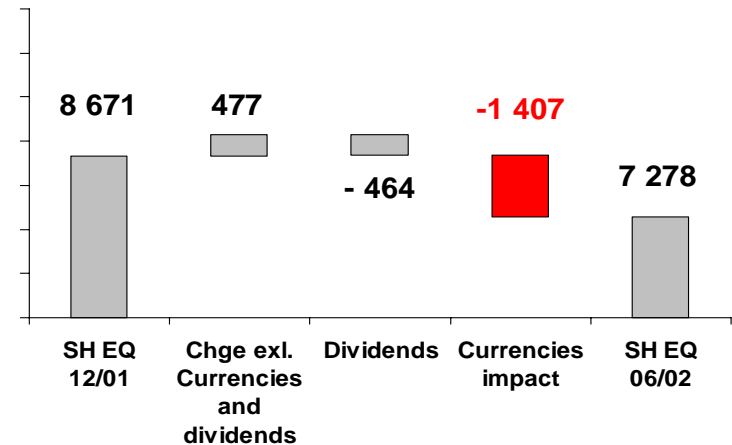


Impact of currency changes 1H 2002

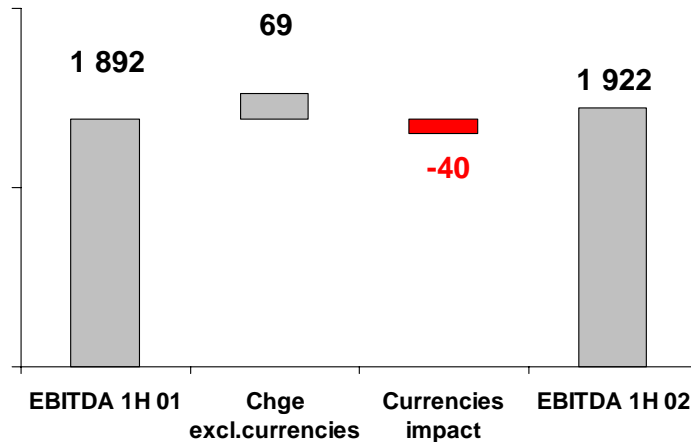
Impact on sales : - 4.1%



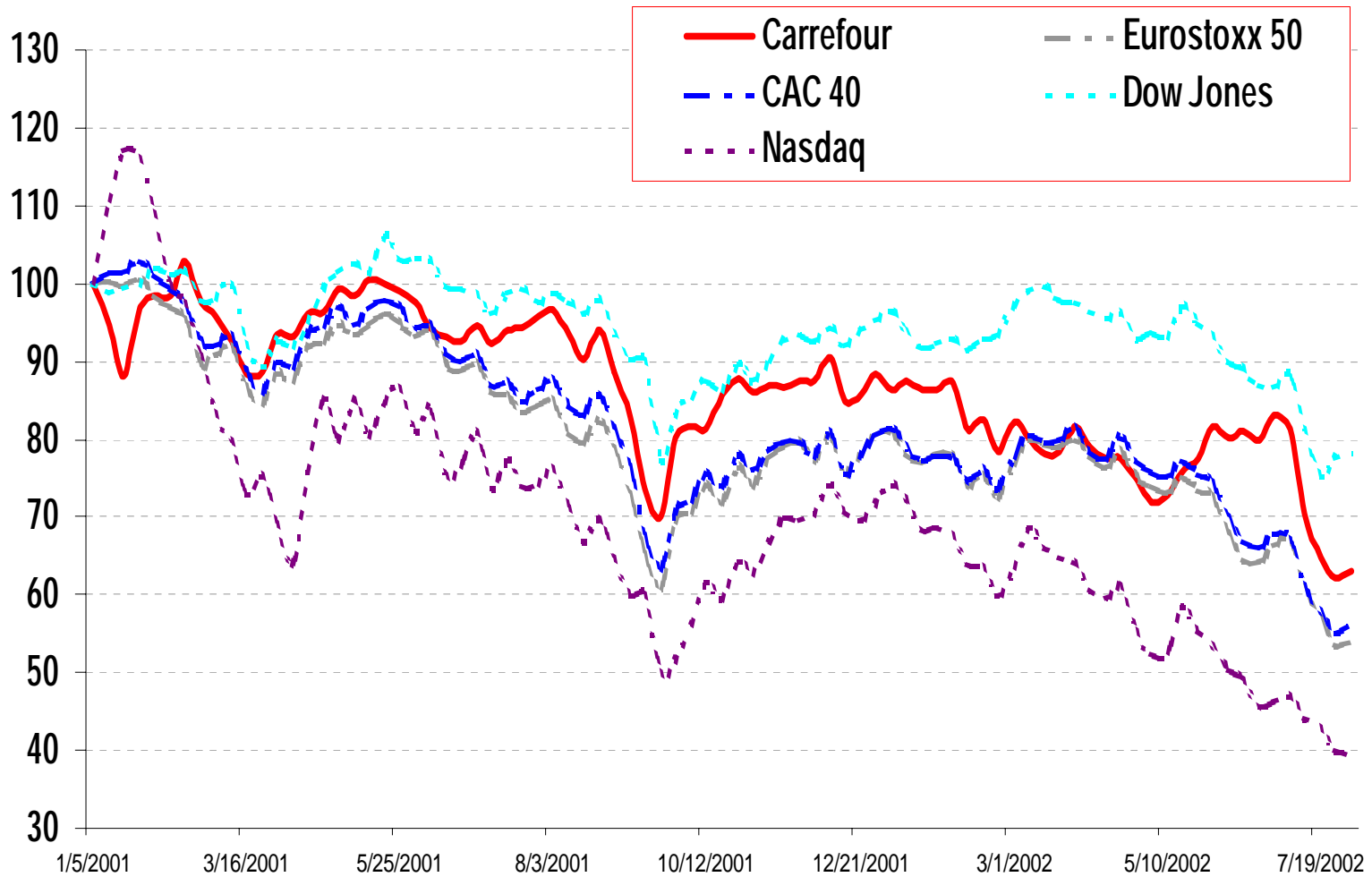
Impact on shareholders equity : - 16.2%



Impact on EBITDA : - 2.1 %



Markets performance (base 100)



Summary

- The environment
- **Carrefour's priorities**
- 1st half results
- 2002 prospects

Carrefour's priorities

Sales

- Gain of market shares in most countries and formats
- New stores : 10 hypermarkets, 29 supermarkets, 107 HD consolidated or under franchise

Costs

- Maintain costs to 2001 absolute level
- Optimisation of SG&A
- Simplification of headquarters

Cash

- Improve working capital by 10 to 15% in 18 months (4 to 6 days of COGS)
- Action on inventories and payment conditions

Sales : examples of discount and marketing

- Freeze on all " controlled products" (private brands + budget items) in French hypermarkets after the Euro-introduction
28% of sales
- Regular use of the "Ticket + Champion" promotions in French supermarkets
40% tickets returned
Loyalty card Iris Champion : 5m cardholders
75% of sales
- Strong promotional activity with launch of vouchers valid in all Polish stores (Carrefour, Champion, Globi)
+ 21% customers in hypermarkets



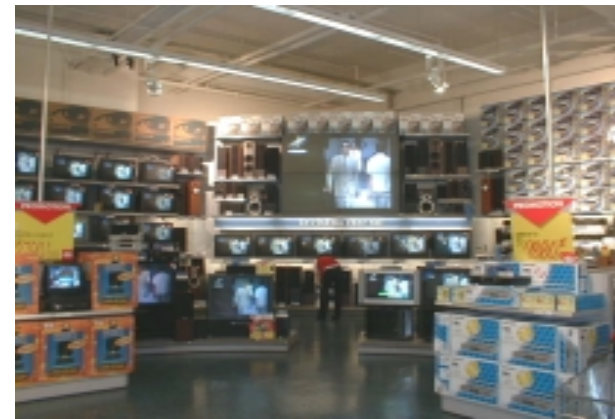
Sales : examples of discount and marketing

- Greece : Aggressive pricing in hypermarkets
+ 1 "spot" product per week
Sales : + 13.9%
- Greece : new Champion Marinopoulos banner
Loyalty card Kerdokarta launched in Sept 01
reaches **42% of sales** in 06/02
(440 000 cardholders)
Sales : + 12.4%
- Spain : development of TV advertising +
benchmark of best practices
Appliances / TV / HiFi sales : + 12.2%



Sales : examples of new concepts

- New tableware corner in Polish hypermarkets
Non food sales : + 14.0%
- Development of non-food concepts in former Continent French hypermarkets
Non food sales : + 6.1%
+ New concepts in Carrefour Carre Sénart,
(opened 27th August)
- Revamping of fresh food departments in Thai hypermarkets
Fresh food sales : +10.1%



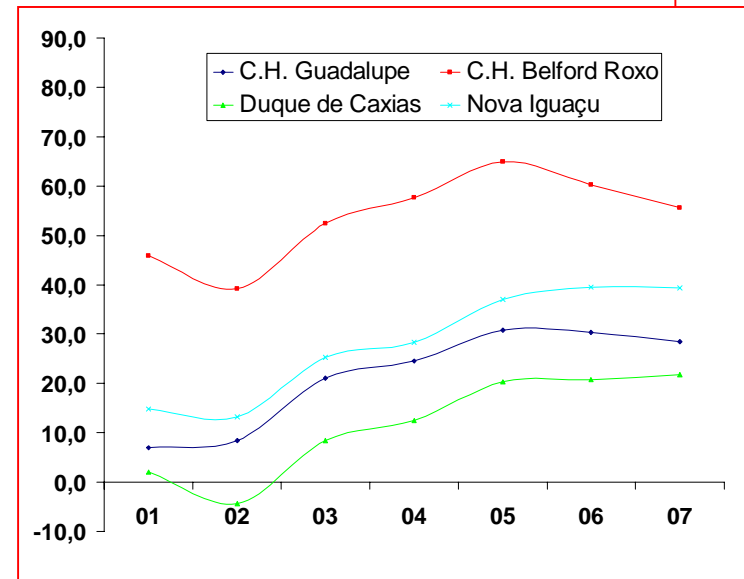
Sales : reactivity, simplification example : Brazilian hypermarkets

- **Increase in number of leaflets**, more frequent (3 days weekly on fresh food, "spot" operations 3 times a week)
- **Strong promotions** (food and non food)
- **Pricing** : focus on 1 000 grocery items on a monthly basis
- Creation of new **non-food corners** (sports and leisure)



Sales : reactivity, simplification example : Brazilian hypermarkets

- **Merchandise**
Redefinition of assortments per store size and customer type (average reduction of 1000 products) ;
Increased regional assortments (800 to 1000) ;
- **Management**
Adaptation of target structure per store;
Re-organization of headquarter divisions
- **Specific action plan on 4 difficult stores**
Gain customers back through aggressive pricing and dedicated assortments and marketing
Average sales growth since Jan 02 : +35%



Carrefour's priorities

Sales

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Costs

- **Maintain costs to 2001 absolute level**
- **Optimisation of SG&A**
- **Simplification of headquarters**

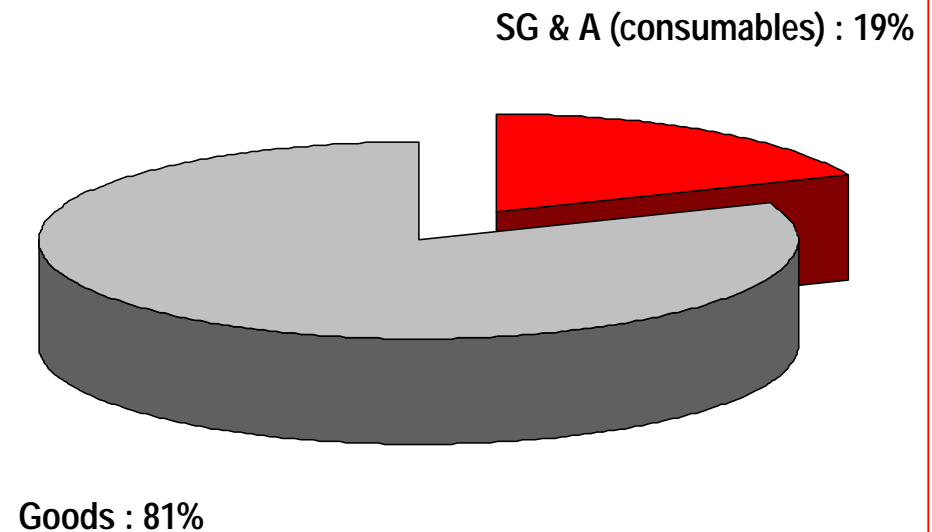
Cash

- Improve working capital by 10 to 15% in 18 months (4 to 6 days of COGS)
- Action on inventories and payment conditions

Costs : optimization of SG&A action plans in all countries

Development of GNX bids

- Bids undertaken : **x 3 vs 2001**
- Purchases : **x 2 vs 2001**
(Goods + consumables)
- **Gain of 11% vs 2001**



Costs : optimization of SG&A action plans in all countries

SG & A Taiwan

- Optimization of personnel costs
- Renegotiation of all services contracts
- **Reduction of headquarter costs from 1.3% to 1.1% of total sales**
- Average HQ costs / store :
NT\$ 18.7m vs 19.4m (-4%)

TAIWAN HEADQUARTER COSTS

<i>% sales</i>	2001	2002
Personnel costs	0.7%	0.6%
Other SG & A	0.3%	0.3%
Depr. and rents	0.3%	0.2%
	<hr/>	<hr/>
	1.3%	1.1%

Costs : simplification of headquarters

Spain

- Integration of administrative and commercial management systems completed
- Reorganization of accounting departments (EDI, scanning)

France

- Pursuit of headquarters overheads adaptation
- Simplification of structures
- Optimization in main Divisions

Carrefour's priorities

Sales

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Costs

- Maintain costs to 2001 absolute level
- Optimisation of SG&A
- Simplification of headquarters

Cash

- **Improve working capital by 10 to 15% in 18 months (4 to 6 days of COGS)**
- **Action on inventories and payment conditions**

Cash : optimisation of operating working capital

- Improvement of cash from operations June 2002 over June 2001 : **€ 171m in 1H**
- 2nd half : action plans must be continued :
 - Confirm first improvements
 - Reinforce priority of cash management
 - Develop best practices on non-food

Cash : operating working capital (improvement in days of Cost of Goods Sold)

	June 01	June 02	Chge
Inventories	- 40.9	- 38.6	+ 2.3
Receivables	- 25.5	- 22.9	+ 2.6
Payables	+ 83.2	+ 79.7	- 3.5
Total	+ 16.8	+ 18.2	+ 1.4

Summary

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- Carrefour's priorities
- **1st half results**
- 2002 prospects

1H 2002 Profit and Loss

(m €)	1H 2002	%	1H 2001
Sales	33 090.4	-1.1	33 467.0
Commercial margin	7 228.5	-1.4	7 333.6
% of sales	21.8%		21.9%
Personnel costs	(3 196.9)	-2.3	(3 271.0)
Other SG&A	(2 465.3)	-6.8	(2 645.0)
Other products/costs	355.3	-25.1	474.4
EBITDA	1 921.6	1.5	1 892.3
EBITDA margin (% sales)	5.8%		5.7%

On constant exchange rates, sales increased by 3.0%.

Total SG&A (personnel costs + other SG&A) decreased from 17.7% of sales to 17.1% of sales.

On constant exchange rates EBITDA increased by 3.6%.

1H 2002 Profit and Loss

(m €)	1H 2002	%	1H 2001
Depreciation	(810.7)	(1.8)	(825.5)
Provisions	(26.0)	(7.5)	(28.1)
EBIT	1 084.9	4.4	1 038.8
EBIT margin (% sales)	3.3%		3.1%
Financial costs	(283.3)	-17.3	(342.7)
Profit before tax	801.6	15.2	696.1

Depreciation and provisions decreased **2.0%**.

Financial expenses fell mainly due to a lower *average* net debt (€12.8bn in 1H 2002 vs €13.1bn in 1H 2001) and the decrease in average interest rate (4.59% vs 5.33%).

1H 2002 Profit and Loss

(m €)	1H 2002	%	1H 2001
Tax	(241.9)	12.3	(215.4)
Equity acctd cies	43.8	(19.5)	54.4
Minorities	(45.6)	24.3	(36.7)
Net profit Gp sh. before GW	557.9	11.9	498.4
Goodwill amortization	(157.9)	(11.5)	(178.4)
Net profit Gp sh. after GW	400.0	25.0	320.0

Group tax rate slightly decreases from 30.9% to 30.2%.

Equity accounted companies 2001 included Cora, Picard over three months and Metro France.

The goodwill amortization decreases due to the lower value of Norte's goodwill (devaluation of the Argentinean peso + 2001 write-off).

1H 2002 Profit and Loss

(m €)	1H 2002	%	1H 2001
Non recurring items	59.1	<i>ns</i>	121.2
Minorities	1.0	<i>ns</i>	5.0
Net profit Group share	459.2	4.1	441.2

The non recurring items include :

- the gains on disposal of shopping malls in France and Italy for €120 million,

- extraordinary costs linked to the Euro transfer for - €31 million

- and various other extraordinary charges for a total of - €29 million.

The gain on the disposal of Petsmart shares at the beginning of August will be accounted for in the second half.

Accounting principles

1. Cautious debt management
2. Rigorous depreciation and amortization methods
3. Off balance sheet items

Accounting principles

Cautious debt and exchange rates management

- 90% of total debt is directly managed by the Group Treasury division (only 10% in countries, mostly with partnerships, with regular follow-up)
- 96% of debt in Euro
- No speculation on exchange rates : all Group commercial and financial transactions are hedged.
- No speculation on interest rates : 70% of 2003 debt is already hedged

Accounting principles

Rigorous depreciation and amortization methods

- Intangible assets are all amortized, without any exception, over periods going from 20 years (retail business concerns) to 40 years (goodwills on strategic acquisitions = Comptoirs Modernes, GB, GS, Norte...).
- Goodwills are never classified as non-amortized items (brands, customer-base,...).
- Stores are amortized over 20 years. Opening costs as well as financial costs (supported during the store construction) are not capitalized but recorded in the P&L recurring result at the date of the store opening.

Accounting principles

Clear off-balance sheet items

- No potential acquisition off-balance sheet.
- No pension funds for employees.
Commitments on employee retirement benefits are accounted through the P&L.
- **Off balance sheet items only include :**
 - Lines of credit available + commitments given by the Group for ongoing business and financial services
 - Other commitments given or received by the group, relating mainly to the construction of new stores and shopping malls.

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2002 prospects confirmation of objectives

	2001	2002
Sales	7.2%	around +5.0% <i>on ct exch. rates</i>
EBIT margin (EBIT / sales)	4.1%	4.3% to 4.4%
Interest cover (EBITDA / Financial result)	7.0x	> 8.0x
EPS (€)	1.70	1.87 to 1.95 +10% to +15%
Return on capital employed *	7.6%	> 8.5%
* (EBIT after goodwill amortization and after tax (30% tax rate) / (average shareholders equity + average net debt))		

2002 prospects

2H sales

- Improvement in like-for-likes in big countries
- Acceleration of expansion

New openings (consolidated)	1H 01	2H 01	1H 02	2H 02
Hypermarkets	12	20	10	31*
Supermarkets	28	36	14	43
Hard Discount	68	140	68	146
	108	196	92	220

- Perimeter impact (12 hypermarkets in Spain) -0.6% **- 0.1%**

** : 7 stores opened in July / August*

2002 prospects

France

Hypermarkets

- 1 new hypermarket : Carré Sénart
- Innovation : development of concepts (Carré Sénart)
- Extension of discount policy :
"back to school" : 500 basic items cheaper than in 2001,
"3 for 2" : promotion on national brands and private labels
- Anniversary marketing back to "major event" advertising (1 spot per day)

Supermarkets

- Expansion of around 12 stores (consolidated or franchised)
- Pursuit of Ticket + Champion promotions
- Reinforcement of private brands offer

Hard discount

- Increase in assortments per store + fast expansion (24 stores)

2002 prospects Europe

Spain :	Pursuit of commercial policy focused on fresh and non food offer, strong communication and private brands.
Belgium :	Recovery in line with plans
Italy :	Market share gains in each catchment area, increase of results thanks to centralization of logistics and purchases
Greece :	Pursuit of strong growth on the three main formats : hyper, super, hard discount
Poland :	Good business model in hypermarkets, 2 openings in 2H 2002
Switzerland	Change of banners in 2H

2002 prospects

Latin America

Hypermarkets Brazil : confirm the strong rebound of sales + 2 additional openings

Supermarkets Brazil : pursuit of plan to ensure successful turnaround

- **Reinforcement of price image** :
 - Daily check on competitors + immediate reaction in store
 - Decentralization of assortments and advertising (leaflets) by region
- **Stock-outs reduction following harmonization of systems**
 - Zero stock outs on promotions / leaflets
 - Acceleration of automatic re-ordering
- **Management**
 - Reinforcement of management teams in Rio region
 - 3 biggest supermarkets in Rio transformed into Carrefour hypermarkets

Hard discount Brazil : Development of Dia network in San Paolo. 70 stores at year end.

2002 prospects Latin America

Argentina

Same strategy as during 1H in hypermarkets : deep discount,
focus on availability of basic food products, management of inflationary environment

Continue remodelings of Norte supermarkets (40 completed at the end of August);
Good performance in Buenos Aires and suburbs;
Parallel currencies not accepted in other provinces.

Hard Discount will continue to benefit from low prices strategy

Other countries

7 openings during second half (vs only 1 in 1H) in **Mexico** (3 openings),
Colombia (3 openings) and **Chile** (1 opening).

2002 prospects

Asia : 125 hypermarkets at year end

China

Reorganization of legal entities approved : re-launch of expansion

3 new stores opened since May : 30 stores in total, including 1st store in Guangzhou

Taiwan

Aggressive discount to continue to gain market shares in a tough economic environment

Development of new concept on fresh department

Korea

New concepts in fresh and non food + 3 openings in 2H

Other countries

Increasing sales and profits in **Thailand** and **Indonesia** with a strong business model (discount, new concepts in fresh, strong promotions in non food)

2002 prospects

Conclusion

- 1H shows good execution of Group priorities for 2002
- 2002 objectives confirmed : Sales around +5% *on constant exchange rates*
EPS : +10% to +15%
- Latin American currencies impact significantly sales and equity,
but only marginally results
- 2002 priorities will remain guidelines for 2003 : Sales
Costs
Cash

Appendices

Consolidated net sales per format / zone

million €	France	Europe	Americas	Asia	Total	% sales
Hypermarkets	8 864	5 933	2 235	2 315	19 347	58.5%
Supermarkets	3 413	2 192	702	0	6 307	19.1%
Hard discount	814	1 718	78	0	2 611	7.9%
Other	3 570	1 256	0	0	4 826	14.5%
Total	16 661	11 099	3 015	2 315	33 090	100%
% zone	50.4%	33.5%	9.1%	7.0%	100%	-

Sales incl VAT (*incl. franchisees and partners*) per format / zone -

million €	France	Europe	Americas	Asia	Total	% sales
Hypermarkets	11 133	7 623	2 615	2 593	23 964	58.1%
Supermarkets	6 255	3 723	844	0	10 822	26.2%
Hard discount	888	1 958	94	0	2 940	7.1%
Other	2 601	950	0	0	3 551	8.6%
Total	20 877	14 254	3 553	2 593	41 277	100%
% zone	50.6%	34.5%	8.63%	6.3%	100%	-

P&L 1st H 2002

million €	1H 02	%sales	1H 01	% sales	chge (%)
Sales	33 090	100.0	33 467	100.0	-1.1
Gross margin	7 229	21.8	7 334	21.9	-1.4
SG&A	(5 662)	(17.1)	(5 916)	(17.7)	-4.3
Other income	355	1.1	474	1.4	-25.1
EBITDA	1 922	5.8	1 892	5.7	+ 1.5
Depreciation & provisions	(837)	(2.5)	(854)	(2.6)	- 2.0
EBIT	1 085	3.3	1 039	3.1	+ 4.4
Financial income	(283)	(0.8)	(343)	(1.0)	-17.3
Income before tax	802	2.4	696	2.1	+ 15.2
Income tax	(242)	(0.7)	(215)	(0.6)	+12.3
Net income from rec. operations	560	1.7	481	1.4	+ 16.4
Equity accounted companies	44	ns	54	ns	-19.5
Recurring net profit Gp share bef gw amort.	558	ns	498	ns	+ 11.9
Goodwill amortization	(158)	ns	(178)	ns	-11.5
Recurring net profit Gp share after gw amort	400	ns	320	ns	+ 25.0
Non recurring items Gp share	59	ns	121	ns	ns
Net profit Gp share	459	ns	441	ns	+ 4.1

Store network (exc. franchisees and partners)

	Hyper	Super	Hard Disc	C&C	Conv.	Total
Argentina	23	129	237			389
Brazil	77	124	33			234
Chile	4					4
Colombia	5					5
Mexico	20					20
AMERICAS	129	253	270			652
China	26					26
Korea	22					22
Japan	3					3
Taiwan	27					27
Indonesia	9					9
Malaysia	6					6
Singapor	1					1
Thailand	16					16
ASIA	110					110
FRANCE	177	543	466	126	-	1 312
Spain	110	165	1 672	29	-	1 976
Belgium	57	73				130
Switzerland	8					8
Greece	11	132	202			345
Italy	34	193		11	87	325
Poland	11	54				65
Portugal	5		278			283
Czeck rep	11					11
Turkey	9	3	112			124
EUROPE	256	620	2 264	40	87	3 267
TOTAL GROUP	672	1 416	3 000	166	87	5 341

Stores under banners (incl. franchisees and partners)

	Hyper	Super	Hard -disc	C&C	Conv.	Total
Argentina	23	129	242			394
Brazil	77	124	33			234
Chile	4					4
Colombia	5					5
Mexico	20					20
AMERICAS	129	253	275			657
China	29					29
Korea	22					22
Japan	3					3
Taiwan	27					27
Indonesia	9					9
Malaysia	6					6
Singapor	1					1
Thailand	16					16
ASIA	113					113
FRANCE	214	997	467	155	1 553	3 386
Spain	115	165	2 440	29		2 749
Belgium	57	281			111	449
Switzerland	11					11
Greece	11	132	237			380
Italy	37	324		11	576	948
Poland	11	54				65
Portugal	5		330			335
Czeck rep	11					11
Turkey	9	3	112			124
Other	20	100			57	177
EUROPE	287	1 059	3 119	40	744	5 249
TOTAL GROUP	743	2 309	3 861	195	2 297	9 405