



**enavant!**  
CULTURE CLIENT . TRANSFORMATION . INNOVATION



# Carrefour's three-year transformation program

*Lars Olofsson*

### Continued efforts on our priorities: clients, costs, cash

#### In G4

- Implement transformation program to reduce costs
- Continue to invest in prices to enhance our commercial dynamics
- Extend banner convergence
- Work on Belgium and Italy turnarounds

#### Outside G4

- Pursue selective expansion in growth markets

#### Throughout the Group

- Optimize capex and inventories

► If current sales trends continue, we expect to post full year 2009 Activity Contribution of between €2.7bn and €2.8bn

# Our transformation is a three-year process



## Transformation will deliver sizeable benefits by 2012

**~€3.1bn  
effect on  
P&L**



**Reduce operating costs**  
(support functions, supply chain, stores)

**Improve G4 purchasing terms**

**~€1.4bn  
effect on  
balance sheet  
and cash**



**Improve operating  
working capital**

*Expected impact  
in 2012*

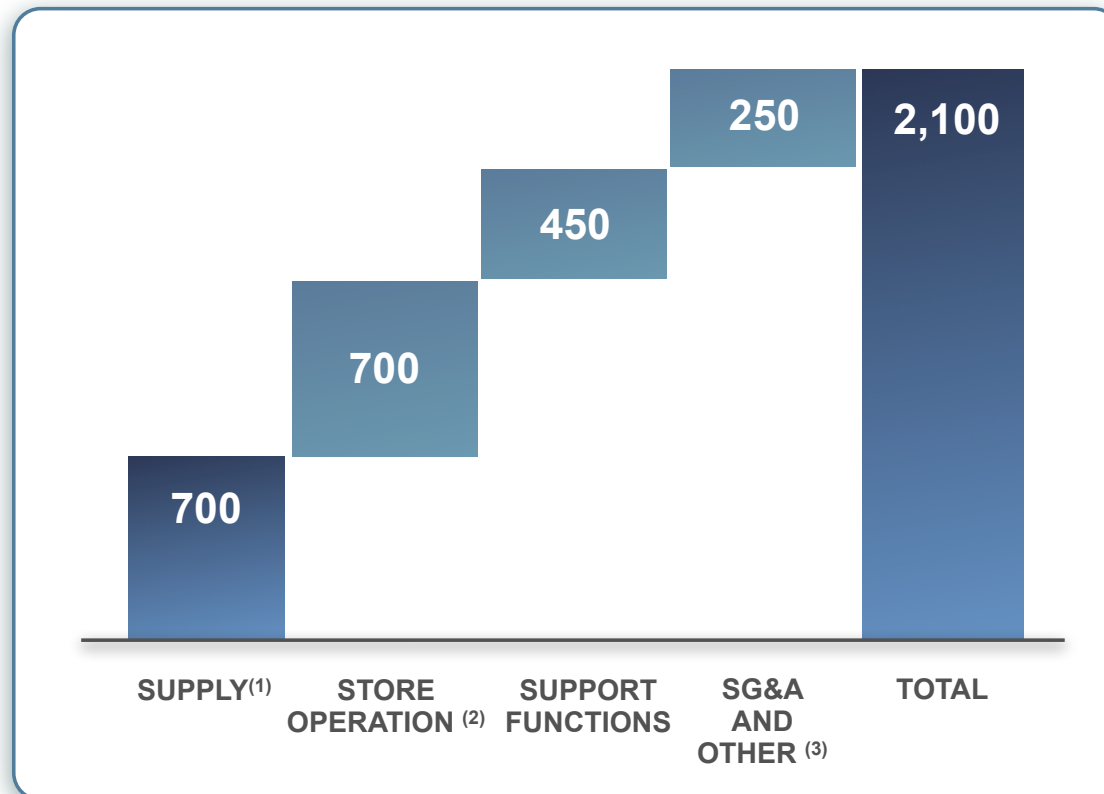
**~€ 2.1bn**

**~€ 1.0bn**

**~€ 1.4bn**

All company activities will contribute to transformation efforts

► Breakdown of planned operating cost reductions by activity (€m, 2012)



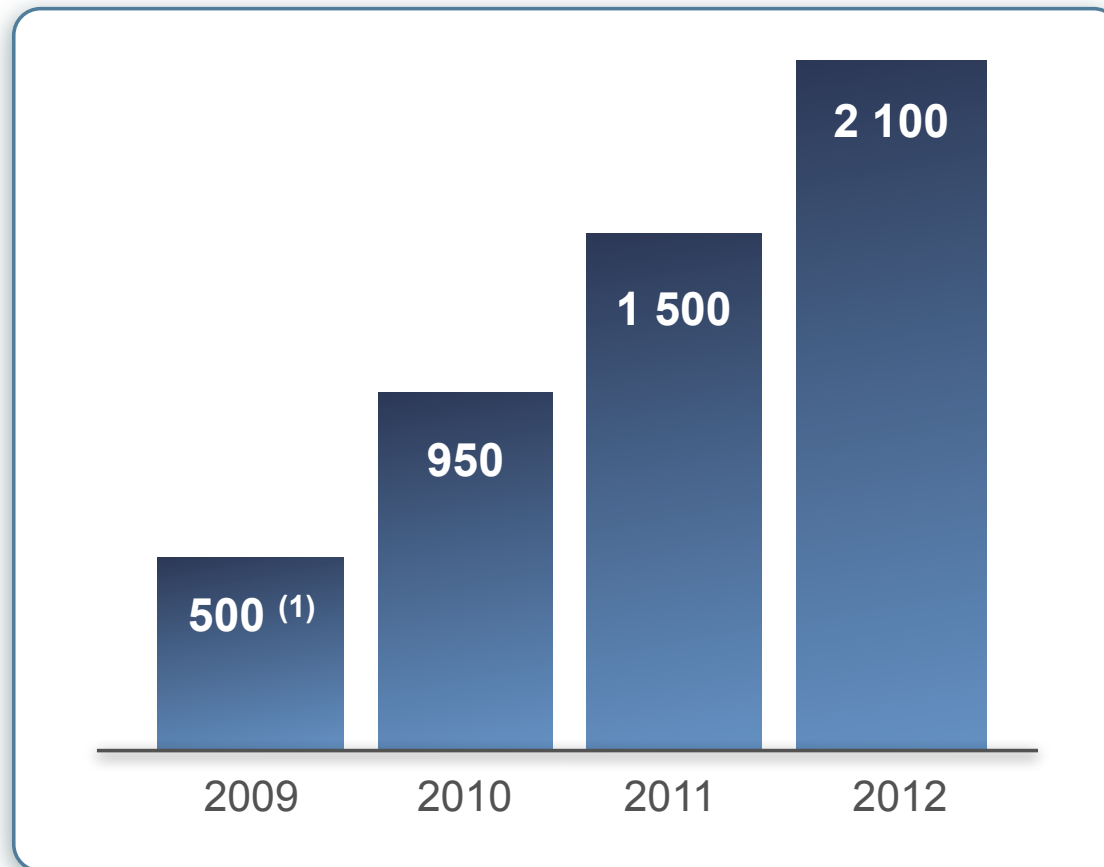
(1) Including in-store reception

(2) Includes shrinkage

(3) Rents, IT, fees

## These cost reductions will build up over time

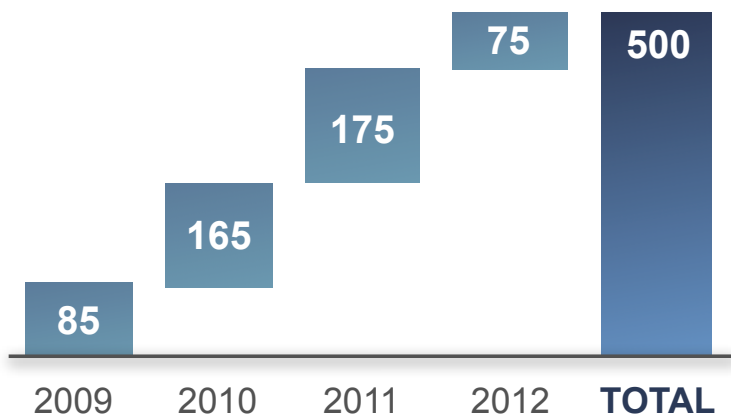
▶ Estimated operating cost reductions (€m- 2009- 2012)



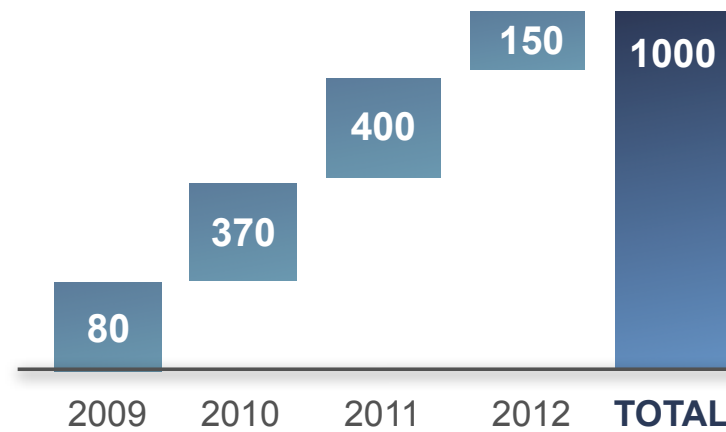
(1) Of which 350m€ related to the transformation program

## Transformation will require significant capital expenditure and one-off expenses

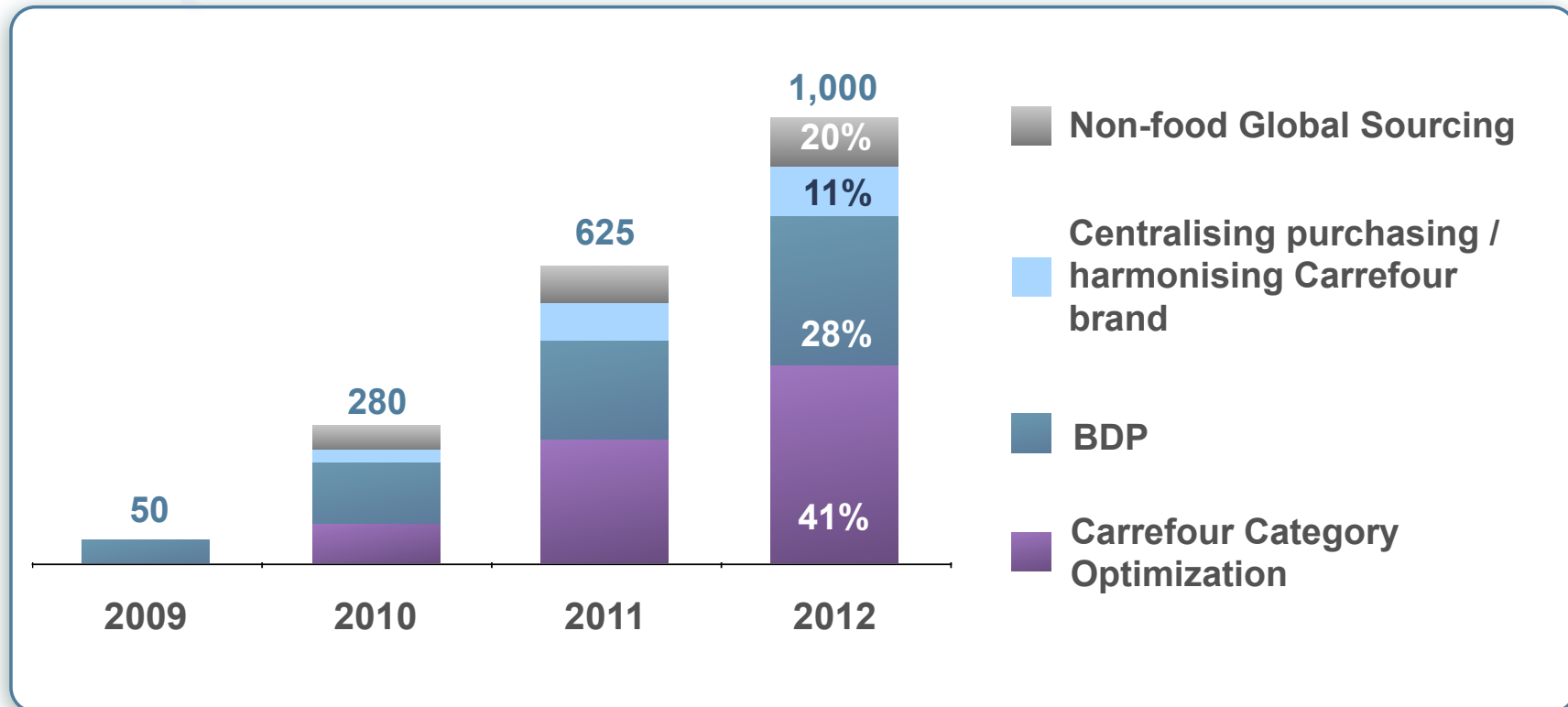
### Capex (€m)



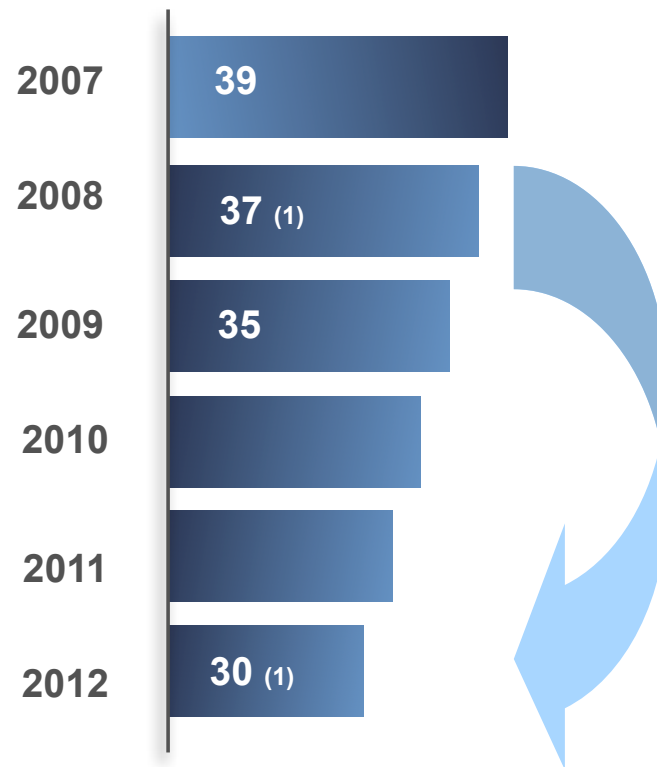
### One-off expenses (€m)



➤ Breakdown of purchasing savings (2009-2012, € m)



## A 7-day reduction of inventories, or €1.4bn, by 2012



(1) Days of cost of goods sold (2008)

**enavant!**

CULTURE CLIENT . TRANSFORMATION . INNOVATION



Carrefour's three-year  
transformation program