Transforming Carrefour to create value

Lars Olofsson, CEO

Agenda

Transforming Carrefour to create value

1. **Our plan to transform Carrefour**
2. **Delivering on our strategy**
3. **On track to achieve our 2012 objectives**

1 – Our plan to transform Carrefour

Carrefour's key strengths

Carrefour

- The 2nd largest food retailer in the world and number 1 in Europe
  - €107bn sales under banners in 2009
- A balanced presence in both mature and emerging markets
  - Q1 2010 sales: 41% France, 28% Europe (1) and 31% Emerging markets (2)
- A unique multi-format strategy to serve every client need
  - However, Whenever, Wherever
- An unparalleled 30-year experience in private label
  - €15bn sales in 2009 (3)

(1) Spain, Italy, Belgium, Portugal, Greece
(2) Asia, Latin America, Romania, Turkey, Poland
(3) Sales ex. VAT

A strategy based on three pillars

Carrefour

- **Become the preferred retailer**

  in all our formats to generate a sustainable sales growth

- **Be a leader in all markets**

  priority to France, G4 and main growth markets

- **Improve our organization and operations**

  to ensure better effectiveness, efficiency and profitability

Sustainable sales growth and margin improvement

An ambitious 2010 - 2012 Transformation Plan « en avant! » to execute our strategy

Carrefour

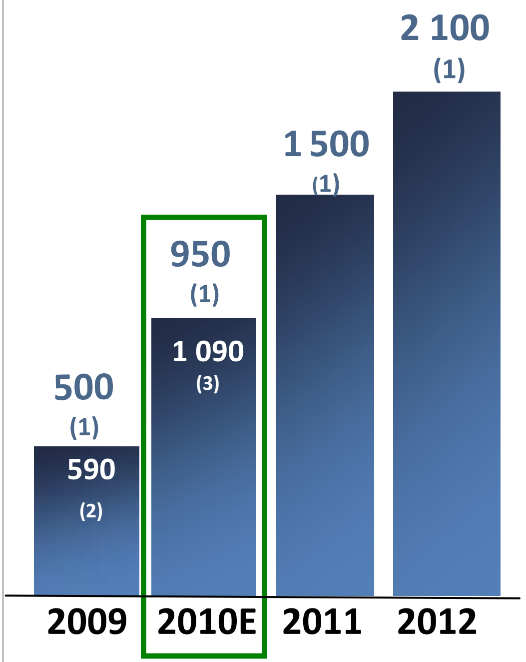
enavant!
CULTURE CLIENT . TRANSFORMATION . INNOVATION

Enhance client culture & innovation	Improve operating effectiveness & efficiency
Revitalize the Carrefour brand	Share best practices and innovation
Improve price image	Redefine the Group organization
Reinvent the hypermarket	Revamp our operating model
	Improve purchasing practices

7 initiatives to deliver sizeable benefits for growth and margins

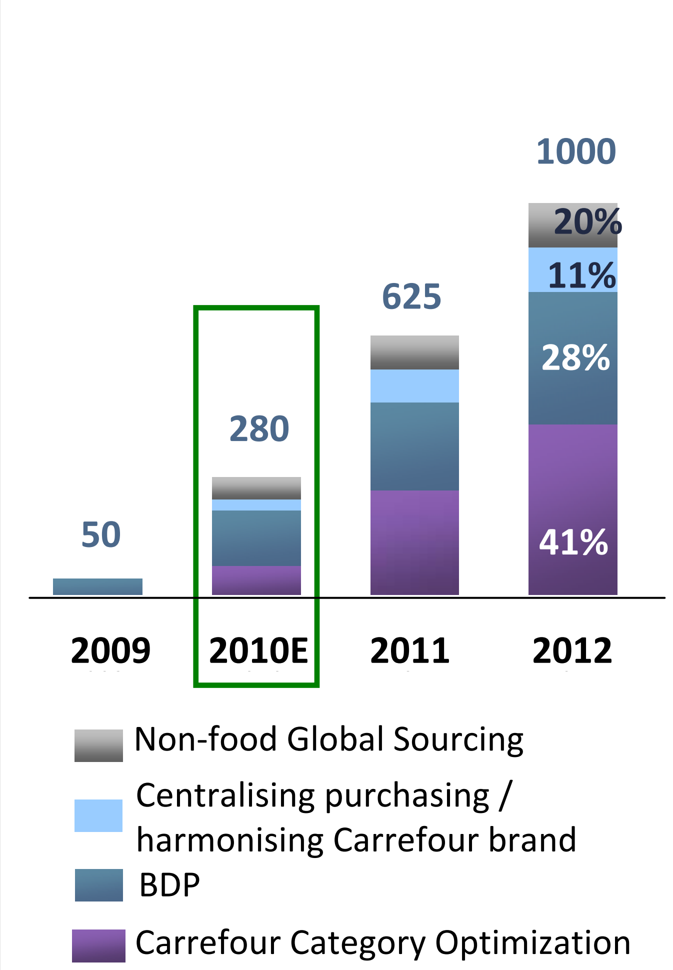
A clear roadmap to 2012 for our Transformation Plan “en avant!”

Estimated operating cost reductions (€m)

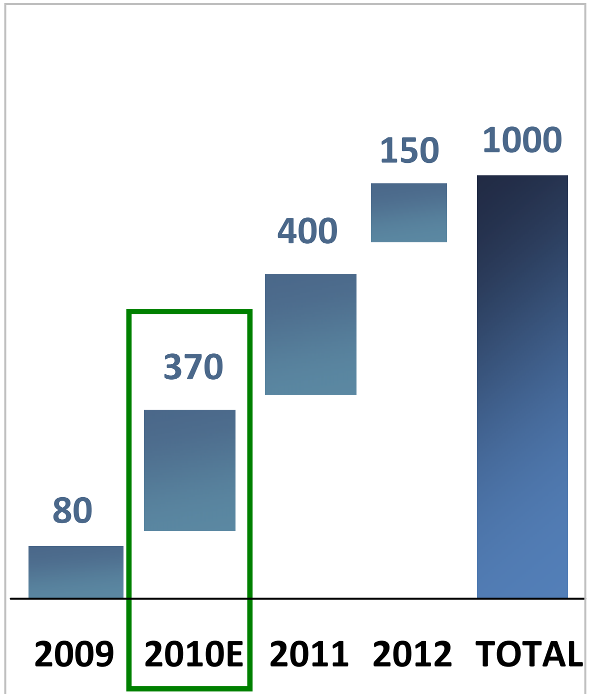


(1) Initial estimates
(2) Achieved in 2009
(3) Target for 2010

Breakdown of purchasing savings (€m)



One-off expenses (€m)*



* Excluding Belgium

A strategy aiming at improving shareholder return

TRANSFORMATION PLAN

To drive growth

Customer/consumer

Enhance client culture & innovation

- Revitalize the Carrefour brand
- Improve price image
- Reinvent the hypermarket

Operations

Improve operating effectiveness & efficiency

- Share best practices and innovation
- Redefine the Group organization
- Revamp our operating model
- Improve purchasing practices

To drive profit

Shareholder value creation

Optimise financial strategy

- Strict CAPEX discipline
- Portfolio asset optimization
- Consolidate a strong A-rating

To drive ROCE and Cash-flow

2. Delivering on our strategy

Delivering on our strategy:

- Brand
- Price image
- Market share gains
- Operating decisions
- Asset portfolio
- Shareholder return

Leveraging the attractiveness of our brands

Store banner rejuvenation

- **Ambitious banner convergence program in G4**
- **New concepts driving strong customer response**


Leveraging the attractiveness of our brands

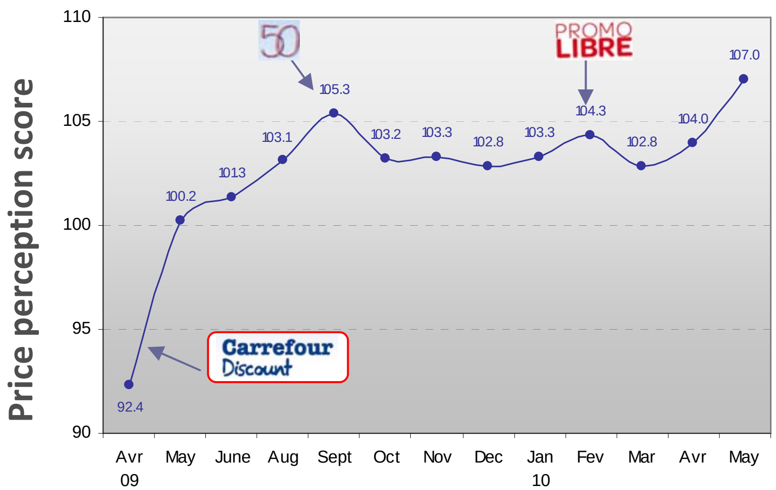
Product innovation

- Successful launch of Carrefour Discount
- Increased contribution of Carrefour branded products
- 2000 new Carrefour products in 2009

Continuing to improve our price image

Consolidating clear signs of improvement in our price image

- Improving in-store communication
- Striking and promising launch of Promolibre in France

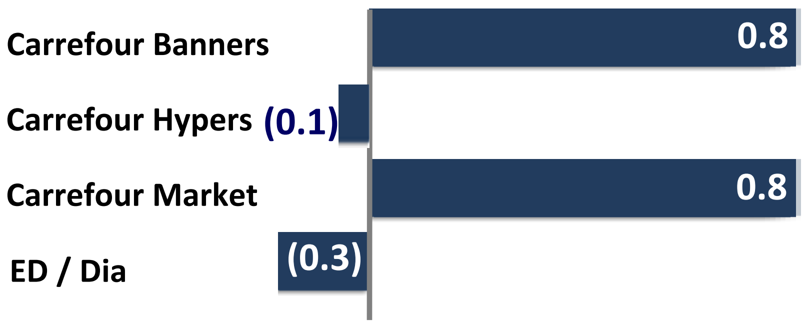


Focus on market share gains in France

Consolidating market share of 24%*

- **Strong 80bp market share gains for Carrefour banners on constant selling area year-to-date, supported by strong gains at Carrefour Market and flat Carrefour hyper share *(Nielsen)***
- **10bp market share for Carrefour banners, including expansion, *Kantar (2)***

Market share evolution
at constant selling space* (1)



(1) Nielsen - from 04/01/10 to 25/04/10
(2) Kantar Worldpanel from 28/12/2009 to 16/05/2010

* Carrefour banners excluding convenience

Taking radical operating decisions

Reviewing Costs, Capex and Organization

- **Unprecedented cost savings of €590m in 2009**
- **30% reduction in capex to about €2.1bn in 2009**
- **A new organization**
  - A new 7-person Executive Board focused on strategy
  - A new Executive Committee to ensure execution

Taking radical operating decisions

Shaking up the group's status quo positions

Belgium: turnaround plan for sustainable and profitable growth

- New strategic plan presented in February to unions, followed by 3 months of negotiation

Italy: refocusing on the North

- Exiting unprofitable South
- Improving operating costs
- Optimizing head-office costs

Taking radical operating decisions

Actively managing our asset portfolio by freeing up under-used resources…

- **Unwinding of our Finiper agreement in Italy**
  - Leading to about €1.6bn positive impact for Carrefour balance sheet compared to the situation of full exercise of Finiper's put
- **Decision to exit Russia**
- **Decision to exit hard discount in Greece and convert stores to Carrefour banners**
- **Strict capex control in mature countries**

Taking radical operating decisions

… while reinforcing our presence in key growth countries

- Acquisition of supermarket chain Ipek in Turkey
- Key partnership in Indonesia with Para CT
- Creation of a new joint-venture with Marinopoulos in the Balkans
- Pursuing strong organic growth in China and Brazil

Further improving shareholder return through share buyback

- Buyback of 6% of the Group's share capital over one year
- EPS enhancing
- Clear signal of confidence in the Transformation Plan
- Limited/no impact on financial headroom

3. On track to achieve our 2012 objectives

2010 outlook: flawlessly execute our strategy in a challenging environment

- **Encouraging sales growth in Q1**
  - With notable market share gains in France for Carrefour banners
- **Economic environment remains uncertain in Western Europe**
  - … While Latin America and China continue to perform well, supported by sustained expansion
- **Flawless execution of the Transformation Plan remains our priority:**
  - For growth and market share gains
  - For AC improvement
- **Financial discipline to further enhance ROCE and ROE**
  - Continued focus on strategic capex, in line with 2009
  - Announced share buy-back program of 6% of capital

On track to reach our 2009 - 2012 objectives

- **Confirmed guidance for 2009-2012 Transformation Plan**
  - €2.1bn operating cost savings, of which €500m in 2010
  - €1.0bn purchasing savings, of which €230m in 2010
  - €1.4bn or 7-day reduction in inventories, of which 2 days in 2010
  - Increased competitiveness in France
  - Turnaround of Italy and Belgium
  - Rapid expansion in Brazil and China

Sustainable sales growth and margin improvement for enhanced long-term shareholder returns

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