



Carrefour presentation June 2007

Agenda

- Our convictions
- 2006: our growth model is taking shape
- 2007- 2008: consistent strategy, faster execution
- Conclusion





Our convictions





The main elements of our strategy have already been defined

- We are consistent in our commitment to the strategy we defined in 2005 – 2006
- This strategy is focused on customers and growth

Customers

- Choice (assortment) and services are key points of differentiation
- Low prices and strong promotions are non negotiable and basic customer requirements



Customers

- Markets are tough. Almost everywhere the food industry is characterised by low growth, deflation and competitiveness
- To win, we must focus on the changing needs of our customers
- Price leadership is non-negotiable but this is only our “ticket to play the game”. We need to offer our customers much more

Growth

- Developing "emerging" markets with high potential
- Increasing our scope of action: new countries
- Actively participating in local consolidation





Growth

- Adding new m² is a necessary source of growth. If we have a commercial model that works, we must roll it out as quickly as possible
- Regional and local consolidation is accelerating. This gives us additional opportunities for growth
- A strong brand is key



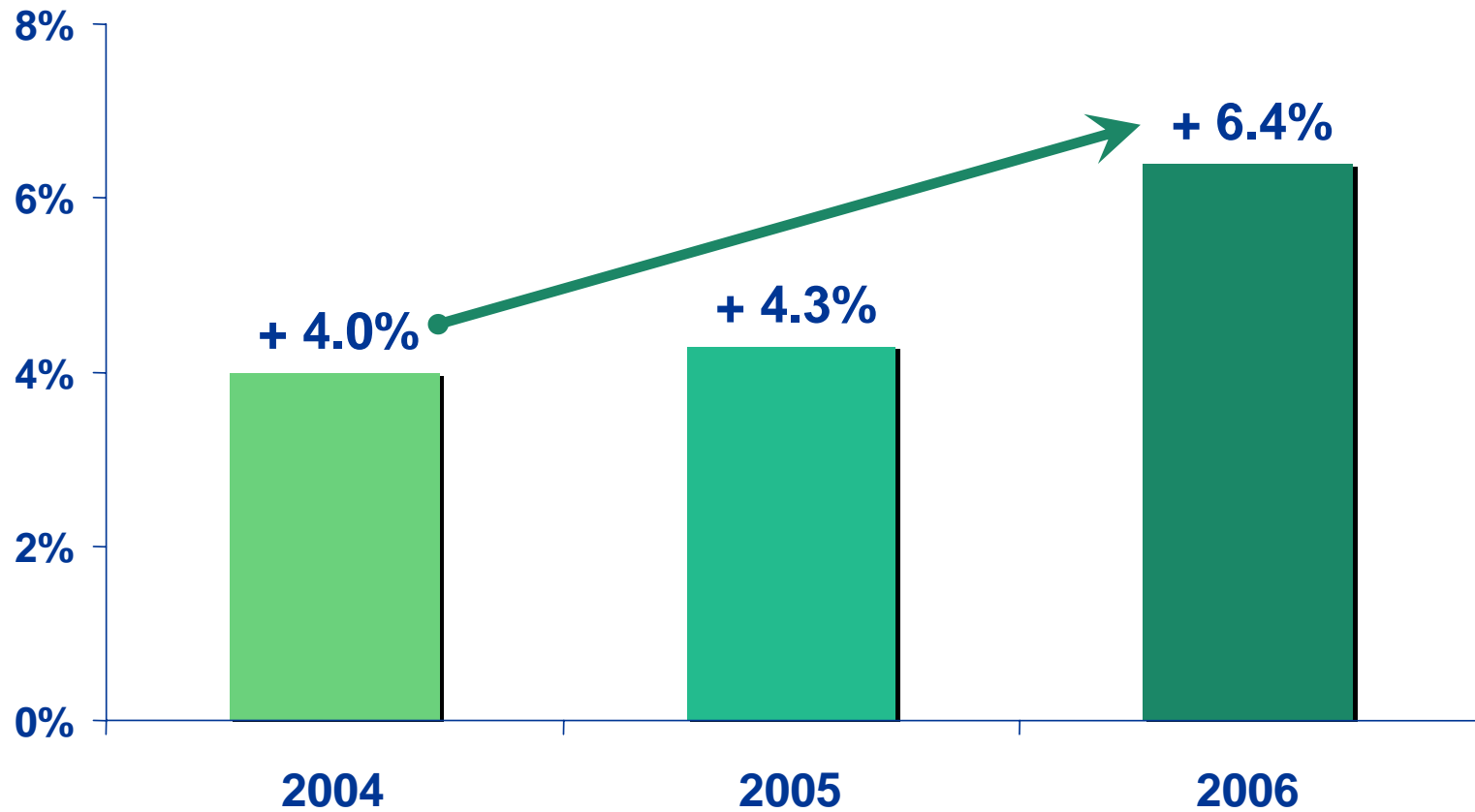
2006: our growth model is taking shape

We achieved our main objectives in 2006

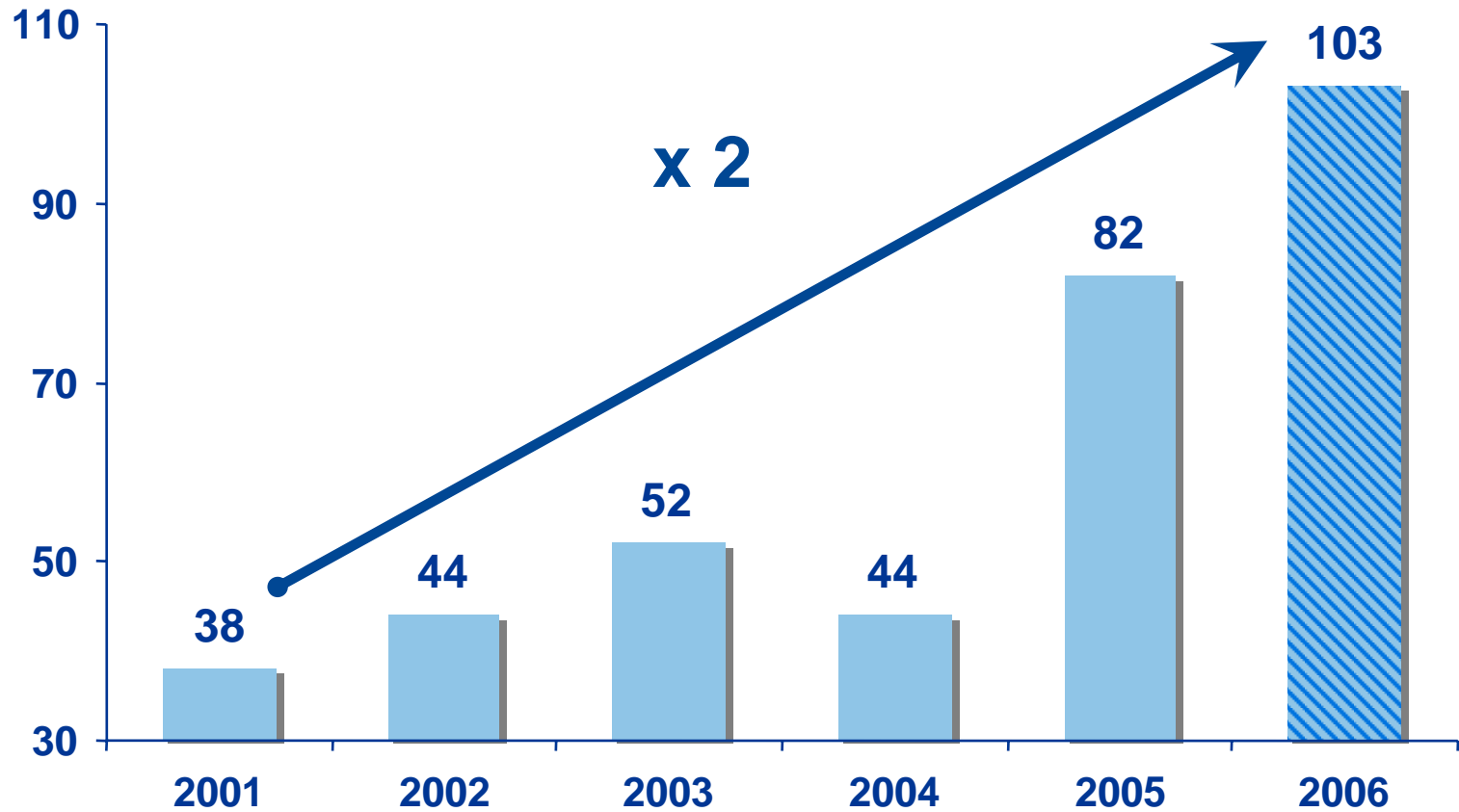
	2006 targets	2006 results
Sales growth on constant exchange rates	2006 > 2005	+6.4% vs +4.3%
Activity Contribution	> 0%	+3.4%
Net debt	Down	Reduction of €481m
France food market share*	Gain	+0.5%
New store openings	1,000	968
New hypermarkets	100	103
New m ²	1.5 million	1.4 million

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

Acceleration of sales growth on constant exchange rates

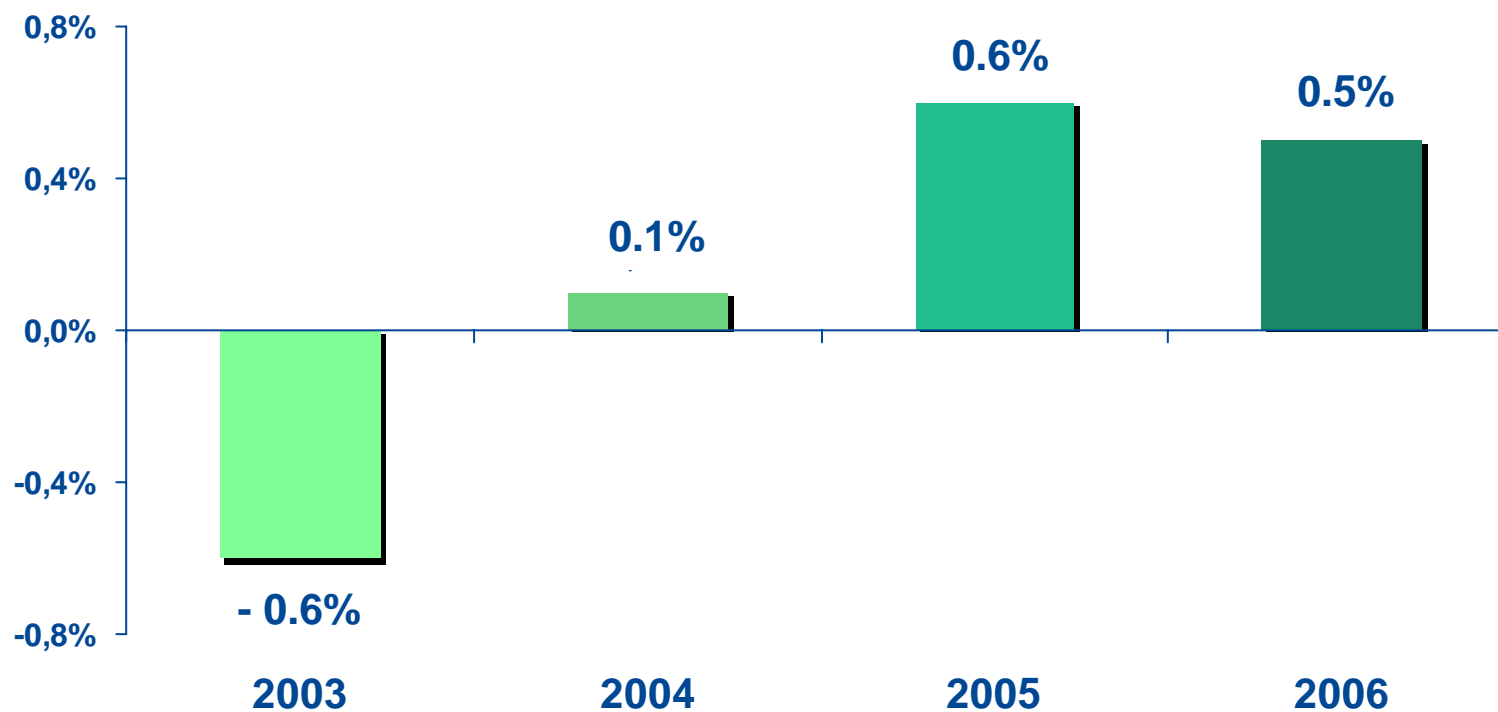


We doubled the number of hypermarkets openings compared to 2001 - 2004

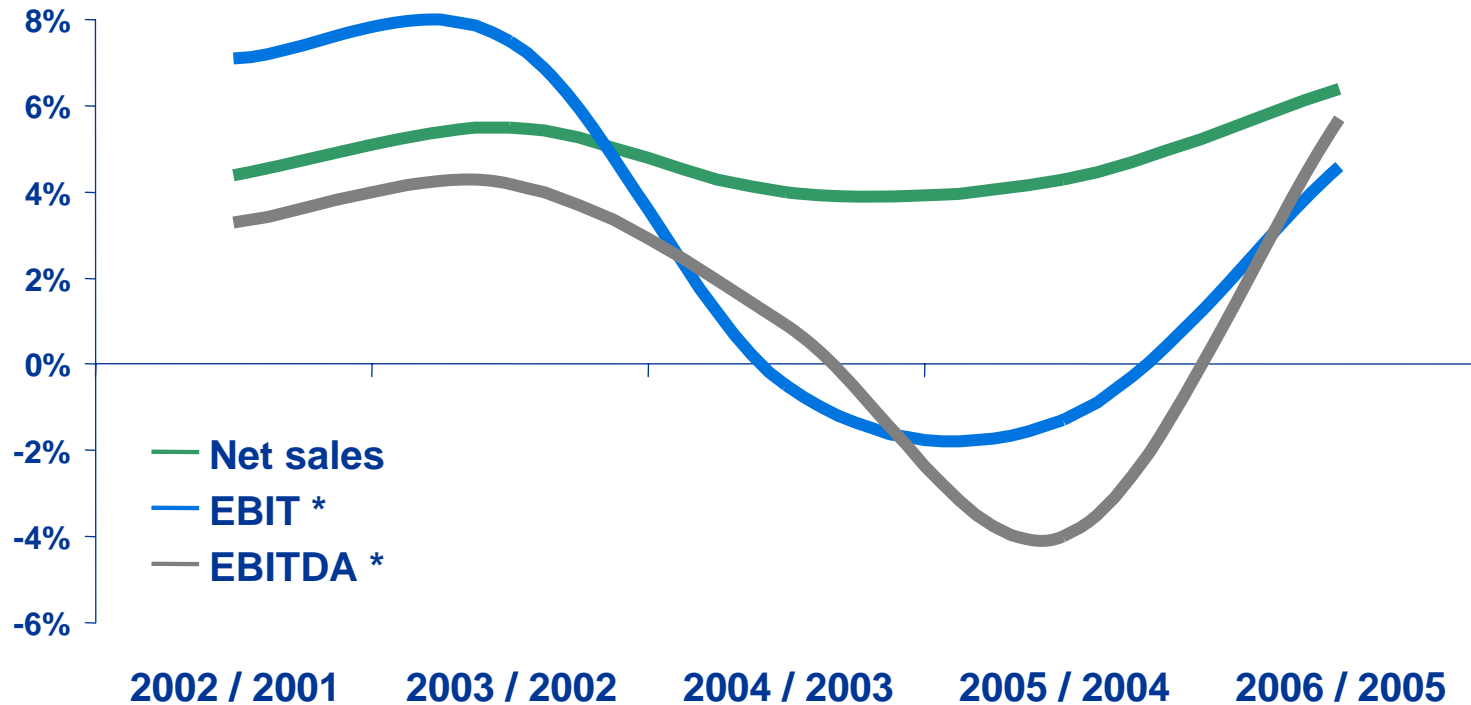


Overall, +1.1% market share gains in France in the period 2005-2006

■ *Food market share evolution Carrefour Group in France*



Our sales driven model is beginning to work



**EBIT and EBITDA are under IFRS from 2004*



**2007 - 2008 : consistent strategy,
faster execution**



Our objectives

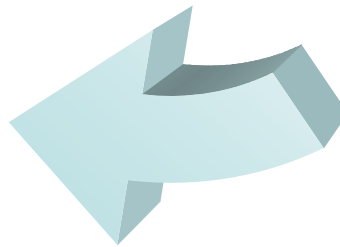
- We must consistently create value-added across all our business units to improve shareholder returns
- To reach this goal, we need to :
 - Grow sales faster and manage costs better
 - Allocate capital rigorously
 - Optimise the financing of our asset base

Grow sales faster and manage costs better

**Sales growth
(comparable stores,
development)**



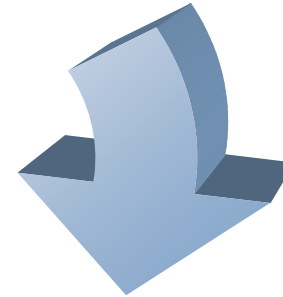
**Competitiveness
investment
EBITDA**



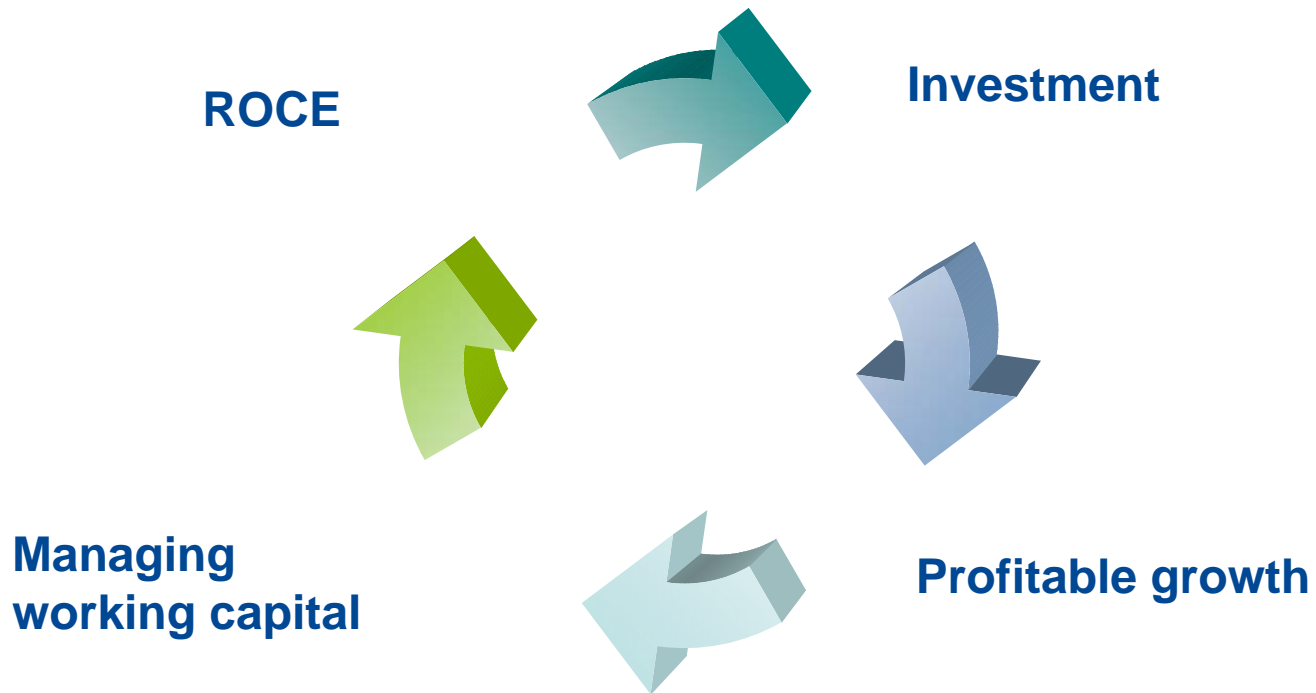
Market share



**Purchasing conditions
Amortization of fixed costs**



Allocate capital rigorously





Three key priorities

- **Improve the commercial model**
- Accelerate growth in new m2
- Optimise the financing of our asset base

Improving the commercial model

- Local price leadership
- Roll out of dry grocery model
- Roll out of new non-food model
- Development of a multi-format, single-brand, strategy





Three key priorities

- Improve the commercial model

- **Accelerate growth in new m2**

- Optimise the financing of our asset base



Accelerating growth in new m2

- Acceleration of expansion in our growth markets
- Russia and India: the new frontiers
- Pragmatic approach to tactical acquisitions



Three key priorities

- Improve the commercial model
- Accelerate growth in new m2
- **Optimise the financing of our asset base**



Optimising the financing of our asset base

- Rigorous capital allocation
- Better management of working capital
- Leverage of property assets



Conclusion



Conclusion

- We will not betray our pricing strategy
- We will improve our non-food performance
- We will manage our costs better
- We will allocate capital more rigorously and optimise our cash flows
- Execution and speed

Q & A