



First-quarter 2019: Sales growth of +2.7% (LFL) Rapid progress in the transformation plan

- **First-quarter 2019 sales inc. VAT:**

- Group sales up +2.7% on a like-for-like basis
- Further acceleration in Brazil (+6.6% LFL), where convenience and e-commerce continue their good momentum
- Slight sales rise in France (+1.0% LFL), supported by food (+2.0% LFL)
- Growth of more than 30% in Group food e-commerce sales

- **Rapid progress in the Carrefour 2022 transformation plan:**

- Leader in the food transition for all: Continued growth in organic sales in Q1 2019
- Construction of a sustainable growth model: In Q1 2019, Carrefour launched new initiatives to improve its price and non-price competitiveness and systematize the revamp of the hypermarket
- Culture of operational efficiency and financial discipline: Continued actions to improve operational performance and transform organizations, with new projects in France and Italy

FIRST-QUARTER 2019 KEY FIGURES

	First-quarter 2019			
	Sales inc. VAT (€m)	LFL ⁽¹⁾	Total variation ⁽²⁾	
At current exchange rates			At constant exchange rates	
France	9,034	+1.0%	-3.3%	-3.3%
Europe	5,358	-1.5%	-3.3%	-2.8%
Latin America (<i>pre- IAS 29</i>)	3,880	+14.5%	-2.5%	+15.6%
Asia	1,744	-3.4%	-1.5%	-3.5%
Group (<i>pre-IAS 29</i>)	20,016	+2.7%	-3.0%	+0.5%
IAS 29 ⁽³⁾	(29)			
Group (<i>post-IAS 29</i>)	19,987			

Notes: (1) excluding petrol and calendar effects and at constant exchange rates; (2) variations presented in relation to the restated 2018 sales, i.e. excluding sales of ex-Dia stores that exited the Group's scope; (3) hyperinflation and currency effect in Argentina

FIRST QUARTER 2019 SALES INC. VAT

In the first quarter of 2019, Carrefour's pre-IAS 29 gross sales totaled €20,016m, up 0.5% at constant exchange rates. After taking into account an unfavorable exchange rate effect of -3.4%, mainly due to the depreciation of the Brazilian Real and the Argentine Peso, sales were down -3.0% at current exchange rates. After application of IAS 29, the Group's Q1 2019 consolidated sales inc. VAT totaled €19,987m.

On a like-for-like basis (LFL), sales rose +2.7% in the quarter. Total growth at constant exchange rates (+0.5%) also includes a calendar effect marked by Easter (-1.6%), the contribution of gasoline sales (-1.0%), as well as openings (+1.2%) and scope and other effects (-0.9%).

In **France**, in a new regulatory context (EGALIM law), Carrefour's like-for-like sales rose by +1.0%, driven by a satisfactory performance in food (+2.0% LFL), while non-food remains difficult (-5.4% LFL).

- Price investments have been made in all formats and channels with the new "Primes" programs launched in February. Initiatives are continuing with the launch in April of the "Unbeatable prices" on 10 fruits and vegetables that are part of the daily diet
- Growth momentum in organic products, e-commerce and convenience formats is solid
- Carrefour continued to reduce underproductive sales areas in hypermarkets

The market context remains difficult in **Europe** (-1.5% LFL):

- In **Spain** (-2.8% LFL), the environment remains very competitive. Performance was impacted by some closures on Sunday in the Levante region (new regulations). Following a clean-up in inventory, destocking operations of non-food products are less significant than in 2018. Actions launched in 2018 (strengthening of digital, fresh, organic products and Carrefour-branded products) should accelerate in 2019
- In **Italy** (-3.8% LFL), in a market under pressure, the trend over the quarter remained similar to that of 2018 (-4.0% LFL). Carrefour Italy's transformation plan, unveiled in February 2019, is getting underway
- In **Belgium** (-0.4% LFL), in a persistently competitive market, Carrefour posted a sequential improvement
- Growth continues in **Romania** (+3.3% LFL) and in **Poland** (+3.0% LFL) where commercial initiatives limited the impact of the law imposing store closures on certain Sundays

Strong momentum continued in **Latin America** (+14.5% LFL):

- In **Brazil**, Carrefour posted solid growth of 6.6% on a like-for-like basis, in a market that benefited from further food inflation:
 - Atacadão (+6.8% LFL) continued its expansion with the opening of four new stores
 - The acceleration at Carrefour Retail (+6.1% LFL) continued, notably reflecting the solid performance in proximity formats, strong growth in e-commerce and non-food
 - Financial services maintained their strong growth with a 23.4% increase in billings in Q1 and further growth in the number of cardholders (8.2 million at end-March, of which 1.7 million bearers of Atacadão cards)
- In a complex macroeconomic context, the good commercial momentum continued in **Argentina** (+49.1% LFL), with an acceleration of the growth of sales and volumes, following strong price investments

LFL sales in **Asia** were down -3.4%:

- In **China** (-4.4% LFL), Carrefour recorded a slightly better performance than in 2018, driven by a strong acceleration in e-commerce. The Group is continuing its transformation initiatives, notably with the opening of a second *Le Marché* store in Shenzhen in March
- In **Taiwan** (-1.1% LFL), activity was hit by challenging market conditions during the Chinese New Year campaign

CARREFOUR 2022 TRANSFORMATION PLAN: NEW INITIATIVES SINCE THE START OF 2019

After launching a powerful transformation dynamic in 2018, establishing itself as the leader in the food transition for all, making significant commercial investments and attaining a sustained pace of cost reductions, Carrefour is continuing its initiatives in 2019.

Leader of the food transition for all

As 2019 gets underway, the Group is strengthening its leadership role with new concrete actions:

- As part of its policy to support the agricultural sector, four agreements to revalue the price of milk paid to producers were concluded in February 2019
- In April, Carrefour and Nestlé announced that they were giving consumers the opportunity to access information from the first Blockchain on a national brand (Mousline) in Europe
- The Too Good To Go application against food waste was deployed in all French supermarket stores from mid-April
- In Brazil, Carrefour is pursuing the development of organic and healthy products. At the end of March 2019, dedicated areas were deployed in 49 hypermarkets, compared with 24 at the end of December 2018

Sales of organic products continue their strong growth momentum, up more than 20% in Q1 2019, particularly in France:

- The dedicated organic areas set up in 2018 are very successful in all types of catchment area and Carrefour is today the leading organic food player in France¹
- Carrefour obtained the necessary authorizations and finalized in early April the acquisition of the specialized So Bio banner. The Group is now concentrating on the development of this specialized banner, which complements Carrefour Bio

Construction of a sustainable growth model

Numerous initiatives to strengthen competitiveness: In early 2019, Carrefour has made strong choices in favor of the consumer and is strengthening its competitiveness.

- In France, in order to encourage customer loyalty, the Group launched permanent price reductions with "Large Brand rewards" and "Loyalty rewards." These operations apply to all formats and channels, a first for Carrefour. In April, Carrefour also launched in hypermarkets the "Unbeatable prices" campaign on 10 fruits and vegetables that are part of the daily diet
- In Argentina, in a hyper-inflationary context, Carrefour has frozen prices of meat for three months and significantly improved its price positioning and perception
- In Spain, the Group initiated investments in fresh products in the southern part of the country
- In Italy, Carrefour launched mid-April a multi-format operation, "Prezzo ribassato," with price reductions on 5,000 products

Hypermarket revamp: In February, Carrefour announced that it will systematize and internationalize the logic of adapting hypermarkets to the specificities of each catchment area, in order to offer a more fluid customer path and a better shopping experience. The Group is continuing to reduce underproductive sales area, mainly non-food (global target of 400,000 m² reduction by 2022).

- Further sales area reduction, notably in favor of Drive, outlets and shopping malls
- Reopening of the Avignon store on April 4th (reduction of sales area and assortments, racking, lower prices, etc.). It is inspired by Maxi in Argentina
- Adjustment of the hypermarket model in Italy, with planned sales area reductions in 5 hypermarkets

¹ Source : Nielsen Homescan CAM 24/03/2019

Highlighting food know-how and adapting the non-food offer: The Group wants to make its stores the showcase of the food transition. It is accelerating the redesign of its commercial proposition and rethinking assortments and services.

- Reduction of assortments (-15% targeted in 2020 globally, -6% already achieved in 2018), with the aim of improving the clarity of the offer
- Continued work on Carrefour-branded products, which should account for one-third of sales by 2022
- In French hypermarkets: New commercial concepts (e.g. Plural Beauty), creation of a « service » area (e.g. Evreux), etc.
- Expansion of Gome partnership in China: Deployment of consumer electronics corners in 140 hypermarkets
- Experimenting new categories: Signature in early April of a partnership to install pharmacies or parapharmacies in hypermarkets in Belgium

Deployment of the omnichannel ecosystem: In Q1 2019, Carrefour stepped up its digital transformation efforts. Food e-commerce sales grew by more than 30% in the first quarter.

- Development of online order preparation tools: Opening in January of a new order preparation platform on the outskirts of Paris
- Pick-up and delivery services: 1,678 Drives worldwide (+62 in Q1), including 62 pedestrian Drives in France at end-March (vs 51 at end-February)
- Carrefour has announced a partnership with Rappi, the express delivery app in Brazil
- Continued deployment of new technologies and services: Self check-out with payment through facial recognition available in all stores in China since mid-April
- Opening of the Carrefour-Google Lab in March 2019 and implementation of the first experiments

Roll-out of new stores in growth formats: Carrefour continues to expand rapidly, with the opening of new convenience stores (target of 3,000 openings by 2022) and Cash & Carry.

- Opening of 91 new convenience stores in Q1 2019
- Opening of 4 Atacadão in Brazil in Q1 2019 (20 planned in 2019)
- Conversion of 4 stores to the Maxi banner in Argentina in Q1 2019

Culture of operational efficiency and financial discipline

Transformation of organizations: In Q1 2019, Carrefour launched new initiatives to transform its organizations and make them simpler and more agile.

- In France, the transformation plan notably includes the reduction in sales area and simplification of in-store organization (decompartmentalization of functions and greater staff versatility). A new GPEC agreement was signed in March to promote internal mobility. In addition, to support employees whose job is more specifically affected, the Group has opened negotiations to establish a Collective Contractual Severance agreement
- In Italy, in order to be more efficient, the transformation plan includes the reorganization of the head office and is expected to result in a reduction of a maximum of 590 full-time positions, i.e. around 4% of the workforce, of which half in stores

Operational efficiency and financial discipline: In all countries, Carrefour is pursuing a cost reduction drive and is strengthening the selectivity and productivity of its investments.

- Purchasing alliances unveiled in 2018 (Tesco, Système U, Pam & Vege, Provera) enabled Carrefour to break out of isolation. The Group confirms that the first gains will come in 2019
- Carrefour continues to implement an industrialized approach in the revamp of operating processes and goods not for resale

Solid balance sheet: Carrefour reaffirms its commitment to a solid balance sheet, which is an important asset in the context of rapid changes in food retail. At March 31, 2019, the Group was rated Baa1 with negative outlook by Moody's and BBB with a stable outlook by Standard & Poor's.

FINANCIAL OUTLOOK

The strong transformation momentum initiated in 2018 and continued in Q1 2019, in a complex macroeconomic context, reinforces management's confidence in the relevance of the Carrefour 2022 plan that supports the Group's ambition: To be the leader of the transition food for all.

In 2019, the Group will continue its transformation, deepening the initiatives taken in 2018.

Carrefour confirms the financial targets of the Carrefour 2022 plan:

- Cost reduction plan of €2.8bn on an annual basis by 2020
- €5bn of food e-commerce sales in 2022
- €5bn in sales of organic products in 2022
- The disposal of non-strategic real estate assets for €500m by 2020

DIVIDEND

The proposed dividend for the 2018 financial year amounts to €0.46 per share. This dividend will be proposed in cash or in shares, at the shareholder's choice, and will be submitted to the approval of the Annual General Meeting on June 14, 2019.

The ex-dividend date would be June 20, 2019 and the record date would be June 21, 2019. Shareholders would be able to opt for a payment in cash or shares between June 24 and July 5, 2019. The dividend would be payable from July 11, 2019.

Shareholders who opt for payment in shares, would benefit from a 10% discount on the average of the opening price of the twenty trading days preceding the day of the Annual General Meeting, minus the net dividend and rounded up to the nearest euro cent.

ACCOUNTING STANDARDS

Since January 1, 2019, Carrefour has applied IFRS 16, which concerns the principles of accounting for leases, and replaces IAS 17 - *Leases* and its interpretations. The Group opted for the simplified retrospective approach, without restating the 2018 Consolidated Financial Statements. The consolidated financial statements for the first half of 2019, to be published end-July, will be established in accordance with IFRS 16 accounting rules. Carrefour estimates the new IFRS 16 lease liability at about €5.0bn at January 1, 2019. This estimate is subject to change until the Group presents its first-half consolidated financial statements, including First Time Application on opening balance sheet.

CONTACTS

Investor Relations

Selma Bekhechi, Anthony Guglielmo and Antoine Parison

Tel : +33 (0)1 64 50 79 81

Shareholder Relations

Tel : 0 805 902 902 (toll-free in France)

Group Communication

Tel : +33 (0)1 58 47 88 80

APPENDIX

Application of IFRS 16 - Principles of Accounting for Leases

IFRS 16, which replaces IAS 17 – *Leases* and the related interpretations as from January 1, 2019, sets out the principles for recognizing leases and introduces major changes in the accounting for leases by lessees, since it eliminates the distinction for lessees between operating and finance leases.

Under IFRS 16, all leases are to be brought onto the statement of financial position by recognizing a right-of-use asset and a lease liability corresponding to the present value of the lease payments due over the reasonably certain term of the lease. IFRS 16 will therefore affect the presentation of lease transactions in the income statement (with rental expense replaced by a depreciation expense and interest expense) and in the statement of cash flows (lease payments, representing payment of interest and repayment of the outstanding liability, will impact financing cash flows).

The decision has been made to transition to IFRS 16 as of January 1, 2019 using the simplified retrospective approach, without restating the 2018 consolidated financial statements. The consolidated financial statements for the first half of 2019, to be published end-July, will be established in accordance with IFRS 16 accounting rules. Carrefour estimates the new IFRS 16 lease liability at about €5.0bn at January 1, 2019. This estimate is subject to change until the Group presents its first half consolidated financial statements, including First Time Application on opening balance sheet.

Application of IAS 29 - Accounting treatment of hyperinflation for Argentina as from July 1st, 2018, effective January 1st, 2018

In Argentina, the cumulative inflation rate over the last three years is greater than 100%, according to a combination of indices used to measure the country's inflation (inflation of wholesale prices and consumer prices having exceeded the 100% threshold), and no significant decrease in inflation is expected in 2019 in a context in which, moreover, the Argentine peso has depreciated.

As a result, the criteria of the IAS 29 norm are fulfilled and according to a consensus shared by the AMF and ESMA, Argentina is considered a hyperinflationary economy within the meaning of IFRS as of July 1, 2018. Thus, the terms of IAS 29 relating to financial reporting in hyperinflationary economies become applicable from January 1st, 2018 as if Argentina had always been in hyperinflation.

The impact on Q1 2019 revenue is presented in the table below:

Sales inc. VAT (€m)	2018 ⁽¹⁾	LFL ⁽²⁾	Calendar effect	Scope effect and others	Petrol effect	2019 at constant exchange rates	2019 at current exchange rates	2019 at current exchange rates post- IAS 29		
						Currencies	IAS 29 ⁽³⁾	IAS 29		
Q1	20,626	+2.7%	-1.6%	+0.3%	-1.0%	20,722	-3.4%	20,016	(29)	19,987

Notes: (1) restated for IFRS 5; (2) excluding petrol and calendar effects and at constant exchange rates; (3) hyperinflation and currencies

FIRST-QUARTER 2019 SALES INC. VAT

	Sales inc. VAT (€m)	Variation ex petrol ex calendar		Total variation inc. petrol	
		LFL	Organic	at current exchange rates	at constant exchange rates
France	9,034	+1.0%	0.0%	-3.3%	-3.3%
Hypermarkets	4,659	+0.1%	-0.3%	-3.4%	-3.4%
Supermarkets	3,003	+1.5%	-0.7%	-3.1%	-3.1%
Convenience /other formats	1,372	+2.6%	+2.5%	-3.2%	-3.2%
Other countries	10,982	+3.9%	+4.9%	-2.7%	+3.5%
Other European countries	5,358	-1.5%	-1.7%	-3.3%	-2.8%
Spain	2,161	-2.8%	-2.4%	-1.9%	-1.9%
Italy	1,214	-3.8%	-5.6%	-7.7%	-7.7%
Belgium	987	-0.4%	-1.8%	-3.5%	-3.5%
Poland	494	+3.0%	+2.8%	-3.4%	-0.6%
Romania	502	+3.3%	+7.1%	+3.2%	+5.0%
Latin America (pre-IAS 29)	3,880	+14.5%	+18.0%	-2.5%	+15.6%
Brazil	3,306	+6.6%	+11.3%	+1.4%	+8.8%
Argentina (pre-IAS 29)	574	+49.1%	+47.0%	-20.0%	+46.5%
Asia	1,744	-3.4%	-3.6%	-1.5%	-3.5%
China	1,198	-4.4%	-5.3%	-4.0%	-5.7%
Taiwan	546	-1.1%	+0.4%	+4.5%	+1.6%
Group total (pre-IAS 29)	20,016	+2.7%	+2.8%	-3.0%	+0.5%
IAS 29 ⁽¹⁾	(29)				
Group total (post-IAS 29)	19,987				

Variations ex calendar and ex petrol are presented in relation to the restated 2018 sales, i.e. excluding sales of ex-Dia stores that exited the Group's scope.

Note: (1) hyperinflation and currencies

EXPANSION UNDER BANNERS – FIRST-QUARTER 2019

Thousands of sq. m	Dec 31. 2018	Openings/ Store enlargements	Acquisitions	Closures/ Store reductions	Total Q1 2019 change	March 31 2019
France	5,546	15	-	-13	+2	5,548
Europe (ex France)	5,598	21	-	-27	-5	5,593
Latin America	2,510	23	-	-	+23	2,534
Asia	2,667	0	-	-9	-9	2,658
Others ¹	1,223	25	-	-2	+23	1,246
Group	17,545	85	-	-50	+35	17,579

STORE NETWORK UNDER BANNERS – FIRST-QUARTER 2019

N° of stores	Dec. 31 2018	Openings	Acquisitions	Closures/ Disposals	Transfers	Total Q1 2019 change	March 31 2019
Hypermarkets	1,384	3	-	-1	1	+3	1,387
France	247	-	-	-	1	+1	248
Europe (ex France)	452	1	-	-	-	+1	453
Latin America	189	-	-	-	-	-	189
Asia	372	-	-	-1	-	-1	371
Others ¹	124	2	-	-	-	+2	126
Supermarkets	3,319	21	-	-17	-1	+3	3,322
France	1,056	3	-	-3	-1	-1	1,055
Europe (ex France)	1,776	6	-	-12	-	-6	1,770
Latin America	147	1	-	-	-	+1	148
Asia	73	-	-	-1	-	-1	72
Others ¹	267	11	-	-1	-	+10	277
Convenience stores	7,029	91	-	-112	-	-21	7,008
France	3,918	42	-	-46	-	-4	3,914
Europe (ex France)	2,511	47	-	-62	-	-15	2,496
Latin America	516	1	-	-	-	+1	517
Asia	29	1	-	-4	-	-3	26
Others ¹	55	-	-	-	-	-	55
Cash & carry	379	7	-	-1	-	+6	385
France	144	1	-	-	-	+1	145
Europe (ex France)	49	2	-	-1	-	+1	50
Latin America	173	4	-	-	-	+4	177
Asia	-	-	-	-	-	-	-
Others ¹	13	-	-	-	-	-	13
Group	12,111	122	-	-131	-	-9	12,102
France	5,365	46	-	-49	-	-3	5,362
Europe (ex France)	4,788	56	-	-75	-	-19	4,769
Latin America	1,025	6	-	-	-	+6	1,031
Asia	474	1	-	-6	-	-5	469
Others ¹	459	13	-	-1	-	+12	471

¹ Africa, Middle East and Dominican Republic.

DEFINITIONS

Like for like sales growth

Sales generated by stores opened for at least twelve months, excluding temporary store closures, at constant exchange rates, excluding petrol and calendar effects and excluding IAS 29 impact.

Organic sales growth

Like for like sales growth plus net openings over the past twelve months, including temporary store closures, at constant exchange rates.

Gross margin

Gross margin is the difference between the sum of net sales, other income, reduced by loyalty program costs and the cost of goods sold. Cost of sales comprise purchase costs, changes in inventory, the cost of products sold by the financial services companies, discounting revenue and exchange rate gains and losses on goods purchased.

Recurring Operating Income (ROI)

Recurring Operating Income is defined as the difference between gross margin and sales, general and administrative expenses, depreciation and amortization and provisions.

Recurring Operating Income Before Depreciation and Amortization (EBITDA)

Recurring Operating Income Before Depreciation and Amortization (EBITDA) excludes depreciation from supply chain activities which is booked in cost of goods sold and excludes non-recurring items as defined below.

Operating income (EBIT)

Operating Income (EBIT) is defined as the difference between gross margin and sales, general and administrative expenses, depreciation, amortization and non-recurring items.

Non-recurring income and expenses are certain material items that are unusual in terms of their nature and frequency, such as impairment, restructuring costs and expenses related to the revaluation of pre-existing risks on the basis of information that the Group became aware of during the accounting period.

Free cash flow

Free cash flow is defined as the difference between funds generated by operations (before net interest costs), the variation of working capital requirements and capital expenditures.

DISCLAIMER

This press release contains both historical and forward-looking statements. These forward-looking statements are based on Carrefour management's current views and assumptions. Such statements are not guarantees of future performance of the Group. Actual results or performances may differ materially from those in such forward looking statements as a result of a number of risks and uncertainties, including but not limited to the risks described in the documents filed with the Autorité des Marchés Financiers as part of the regulated information disclosure requirements and available on Carrefour's website (www.carrefour.com), and in particular the Annual Report (Document de Référence). These documents are also available in English on the company's website. Investors may obtain a copy of these documents from Carrefour free of charge. Carrefour does not assume any obligation to update or revise any of these forward-looking statements in the future.