



## 2020 results show further strong growth Carrefour commits to Net Free Cash Flow objective of above €1bn

- **Solid growth momentum**
  - Record commercial performance in 2020 (+7.8% LFL): France (+3.6% LFL), Spain (+7.1% LFL) and Brazil (+18.2% LFL). Hypermarkets returned to growth in France (+1.0% LFL in 2020, +3.9% in Q4)
  - Strong increase in customer satisfaction: Progression in Group NPS® accelerated with +12 points in 2020, after +8 points in 2018-19. NPS® ambition raised to +30 points<sup>(1)</sup> by 2022
  - Heightened commercial competitiveness in the Group's key countries. Best half-year of market share trend in France in the last three years; +0.1 point improvement in Q4<sup>(2)</sup>
- **Steady improvement in profitability: Recurring Operating Income (ROI)<sup>(3)</sup> of €2,173m, up +16.4% at constant exchange rates in 2020<sup>(4)</sup>**
  - Increase of +€630m in retail activities ROI
  - Food e-commerce activity growth (above +70% in 2020) now contributing positively to ROI and operating margin improvement
- **Strong increase in cash generation: Net FCF<sup>(5)</sup> of €1,056m in 2020 (vs. €324m in 2019<sup>(4)</sup>)**
- **Bolstered by the success of its transformation plan and confident in its model, Carrefour announces:**
  - A new target of €2.4bn in additional cost savings on an annual basis by 2023; target of €3bn by 2020 achieved
  - A target of Net Free Cash Flow<sup>(5)</sup> generation above €1bn<sup>(6)</sup> per year from 2021
  - The normalization of the dividend policy: €0.48 per share proposed, to be paid fully in cash, with the objective of growing the dividend regularly
  - An explicit capital allocation policy combining operational investments, dividend payment and continuation of the bolt-on M&A strategy

**Alexandre Bompard, Chairman and Chief Executive Officer, declared:** "2020 has been a year of commitment for Carrefour. That of our teams, mobilized in the service of our customers, who have successfully taken on immense sanitary, logistical and human challenges. That of our entire Group, which consistently maintains the same level of extreme sanitary vigilance and the same attention to its social and environmental responsibility.

2020 was also a decisive year for Carrefour. In a crisis which is accelerating changes underway, our Group reached a watershed. Three years ago, the Carrefour 2022 plan marked a first turning point for our Group. Three years of flawless roll-out of our transformation have established a growth model that is based on customer satisfaction and new consumer trends. Today, this model ensures the sustainable dynamism of our sales and the profitability of our Group, and allows us to generate significant financing capacity to continue our development. Our 2020 results are evidence of this.

We are confident for the future, and translate this confidence into new operational and financial commitments."

*Notes: (1) Since the beginning of the plan; (2) Based on NielsenIQ's RMS data for total store value sales (excluding gas) for the 156-week period ending 27/12/2020 for the French total retail market (Copyright © 2021, NielsenIQ); (3) 2020 ROI includes income and expenses related to COVID-19 effects. Exceptional bonuses and similar benefits to Group employees (€128m in H1 2020) are accounted for under other non-current income and expenses; (4) 2019 comparison basis is restated for the IFRS IC decision on IFRS 16; (5) Net Free Cash Flow corresponds to free cash flow after net finance costs and net lease payments. It includes cash-out of exceptional charges; (6) With capex between €1.5bn and €1.7bn, vs. €1.2bn in 2020*

## 2020 KEY FIGURES

(in €m)	2019 restated <sup>(1)</sup>	2020	Variation
Sales inc. VAT	80,672	78,609	+7.8% LFL
Recurring operating income (ROI) <sup>(2)</sup>	2,099	2,173	+16.4%, +€343m (constant FX)
Recurring operating margin	2.9%	3.1%	+17bps
Operating income	1,071	1,686	+57.4% / +€615m
Adjusted net income, Group share	858	1,011	+17.9% / +€154m
Net Free Cash Flow <sup>(3)</sup>	324	1,056	+€732m
Net Free Cash Flow restated for exceptional items	1,045	1,594	+€549m
Net financial debt (at December 31)	2,615	2,616	-€288m (constant FX)

Notes: (1) 2019 restated for the IFRS IC decision on IFRS 16; (2) 2020 ROI includes income and expenses related to COVID-19 effects. Exceptional bonuses and similar benefits to Group employees (€128m in H1 2020) are accounted for under other non-current income and expenses (3) Net Free Cash Flow corresponds to free cash flow after net finance costs and net lease payments. It includes cash-out of exceptional charges

## SOLID GROWTH MOMENTUM

### A record commercial performance

Leader in the food transition for all and driven by the profound transformation it initiated in 2018, Carrefour is now on a sustainable growth path, posting solid performance, particularly in its key countries (France, Spain and Brazil).

In 2020, with like-for-like (LFL) sales growth of +7.8%, Carrefour achieved its best performance in at least 20 years:

- In **France** (+3.6% LFL), **all segments are growing**: Hypermarkets (+1.0% LFL), supermarkets (+6.8% LFL) and convenience (+8.3% LFL)
- **Very good growth momentum was confirmed in Spain** with +7.1% LFL
- **Brazil posted record LFL growth** of +18.2%, driven by both Carrefour Retail (+19.6% LFL) and Atacadão (+17.6% LFL)

LFL growth	Q4 2020	FY 2020
<b>Group</b>	<b>+8.7%</b>	<b>+7.8%</b>
France	+5.5%	+3.6%
Hypermarkets	+3.9%	+1.0%
Supermarkets	+9.8%	+6.8%
Convenience	+5.9%	+8.3%
Spain	+6.0%	+7.1%
Brazil	+22.9%	+18.2%

### Strong increase in customer satisfaction, an asset for future growth

The dynamic of sustainable growth relies on high levels of customer satisfaction.

- In 2020, the Group's NPS® increased by +12 points, after +8 points in 2018-2019
- At +20 points since the beginning of the plan, the Group is already close to its initial target of +23 points for 2018-2022 and thus **raises its ambition to +30 points**
- In **France**, NPS® increased by +16 points in 2020, including +17 points in hypermarkets and +18 points in supermarkets
- The improvement in NPS® notably reflects a better price perception, operational excellence and constant attention to customers

### Strategic initiatives well aligned with current consumption trends

New consumption trends, well-identified in the Carrefour 2022 plan and amplified by COVID-19, support the Group's growth momentum.

- Decisive advance in **food e-commerce** in 2020: **Growth of more than +70%** in food e-commerce GMV to €2.3bn and ambition to reach €4.2bn by 2022 confirmed
- Confirmation of the attractiveness of **organic products**: A leading player in this market, Carrefour posted revenue growth of +18% in 2020 to €2.7bn and confirms the objective of reaching €4.8bn by 2022. The Group took many initiatives, including the acquisition of the urban specialized banner Bio c' Bon
- Strong dynamism of **Carrefour-branded products**: growing faster than the market, +2 points of penetration to 29% of 2020 sales. As drivers of purchasing power and price image, they should keep growing and represent one-third of sales in 2022
- Acceleration in **growth formats** (convenience, Cash & Carry and Supeco): With 1,874 openings at the end of 2020, Carrefour is on track to achieve its objective of opening 2,700 convenience stores between 2018 and 2022

### Targeted acquisitions, a source of additional profitable growth

Bolstered by its strong balance sheet, its commercial and operational know-how and its strengthened market positions, Carrefour is positioned as a natural consolidator in the markets in which it is present. The Group is more attentive than ever to opportunities for moderate-sized acquisitions, offering perfect complementarity with its existing activities. The transactions announced during 2020 and carried out under attractive financial conditions are a perfect illustration of this strategy.

- **Supersol**: 172 supermarkets and convenience stores in Spain; completion expected in H1 2021
- **Makro**: 30 cash & carry stores in Brazil; partially completed (25 stores acquired, of which 6 already converted at end-2020)
- **Wellcome**: 224 convenience stores in Taiwan; completed on December 31, 2020
- **Bio c' Bon**: 107 city center organic stores in France; acquired in November 2020
- Potager City, Dejbox and Bioazur completed in 2020

While remaining very selective, this **targeted acquisition policy constitutes an additional source of profitable growth**. The acquisitions announced in 2020, for an enterprise value of c.€760m, should contribute more than 2% of additional sales on a full-year basis.

## STEADY IMPROVEMENT IN PROFITABILITY

### Continuous cost savings momentum

Since 2018, the transformation dynamic has been accompanied by a culture of operational excellence and financial discipline. Carrefour thus **achieved €3.0bn in annual savings in 2020** and has set itself a **new target of an additional €2.4bn on an annual basis by 2023**.

Carrefour is thus continuing to improve its purchasing conditions, both for goods for resale and not for resale, and continues to strengthen operational efficiency in stores and logistics, by relying on massification and process redesign.

### Steady growth in operating income

Commercial momentum in retail activities is reflected today in robust operating leverage and an **increase in recurring operating income from retail activities** of c. +€630m at constant exchange rates in 2020. **This virtuous growth should continue and thus drive steady improvement in profitability going forward.**

In food e-commerce, the strong increase in volumes and better productivity are leading to a structural improvement in the business model. **Food e-commerce growth contributed in 2020, and will continue to contribute, to the improvement in ROI and operating margin.**

## STRONG CASH GENERATION

### Efficient investment policy and steadily reducing inventory

Selectivity and productivity efforts enable good control of the level of capex, while maintaining the quality of assets and the implementation of numerous development projects (notably in expansion and digital). In 2020, capex were reduced to €1,241m in the context of the sanitary crisis. **Annual capex should amount to between €1.5bn and €1.7bn in the coming years.**

The regular drop in the level of inventory also attests to the strong financial discipline.

### Net Free Cash Flow<sup>1</sup> objective from 2021 onwards

Good commercial momentum, combined with financial discipline, enabled the generation of Net Free Cash Flow of €1,056m in 2020, up +€732m compared to 2019.

Confident in its model of sustainable and profitable growth, **Carrefour announces an objective of generating annual Net Free Cash Flow in excess of €1bn<sup>2</sup> from 2021, after payment of exceptional charges.**

## NORMALIZED DIVIDEND POLICY

After almost ten years of offering the option of a scrip dividend, Carrefour is now in a position to normalize its dividend policy.

Hence, the proposed dividend for the 2020 financial year is **0.48 euro per share**. It will be **paid fully in cash** and is subject to the approval of the General Meeting of May 21, 2021.

The ordinary dividend, paid in cash, is expected to **grow regularly**.

## CAPITAL ALLOCATION POLICY

In line with its ambitions of responsible and sustainable growth and Net Free Cash Flow generation, Carrefour has defined a capital allocation policy including:

1. Investments in business and customer offer, serving the “*raison d’être*”
2. An ordinary dividend, fully paid in cash, and intended to grow regularly
3. A bolt-on M&A strategy
4. A solid investment grade rating
5. Potential share buy-backs or equivalent

While continuing its investments to better serve its customers, Carrefour aims to combine a robust balance sheet, enabling it to seize acquisition opportunities, financial efficiency and shareholder return.

<sup>1</sup> Net Free Cash Flow corresponds to free cash flow after net finance costs and net lease payments. It includes cash-out of exceptional charges

<sup>2</sup> Including normalized capex between €1.5bn and €1.7bn vs. €1.2bn in 2020. See appendix for further details on assumptions

## CARREFOUR, A COMMITTED COMPANY

### Exceptional mobilization in the face of the crisis

Faced with the COVID-19 pandemic, Carrefour teams have demonstrated exceptional responsiveness to ensure the continuity of food distribution, and then meet new consumer expectations in a complex and rapidly-changing environment.

The Group immediately implemented strong measures to protect the health of employees and customers. Carrefour continues to adapt to the new sanitary provisions and rules recommended by public authorities in each country. **The integrated stores and warehouses have been certified by the local health security agencies, notably in France, Spain and Brazil, attesting to the high level of protection.**

### Social and societal responsibility measures

In a responsible business approach, exceptional bonuses and similar benefits were paid to field staff in 2020, for a total amount of €128m.

At the same time, the Chairman and CEO, the members of the Board of Directors and of the Executive Committee waived part of their remuneration in 2020. The corresponding sums were allocated to financing solidarity actions for Group employees.

In a labor market impacted by the sanitary crisis, **Carrefour is committed to youth employment and equal opportunities**. The Group plans to **recruit 15,000 young people in France in 2021**. This represents 50% more than in 2020. Half of these recruitments will benefit young people from disadvantaged neighborhoods, in particular the priority areas known as "*Quartiers de la Politique de la Ville*".

### 2020 CSR and food transition index at 115%

In 2020, **the CSR and Food Transition index, which measures the performance of the implementation of Carrefour's commitments, reached 115%**, after 114% in 2019.

The results of the index exceeded expectations, notably for two commitments for which the Group has raised its objectives in 2020:

- **Packaging reduction:** -6,154 tons since 2017. Doubling of the objective to -20,000 tons by 2025, including -15,000 tons of plastic
- **CO2 emissions reduction:** -9% in 2020 vs 2019. New target of reduction of CO2 emissions of -30% in 2030 vs 2019 and -55% in 2040, approved by the Science Based Target initiative (SBTi)

In order to accelerate the **fight against deforestation**, Alexandre Bompard has assumed leadership of an international coalition of 18 manufacturers and retailers that is acting by involving all players in the supply chain.

The rate of female representation in management positions increased in 2020 (+0.4 point for senior managers, +0.5 point for managers). Carrefour also obtained in 2020 GEEIS certification, in order to promote **professional equality and diversity**, in all countries.

External extra-financial indices recognize the Group's good performance: **Carrefour is ranked the number one French retailer for its CSR commitments in the Dow Jones Sustainability Index (DJSI) World and in the Carbon Disclosure Project (CDP).**

## Measures in response to the tragic event in Porto Alegre

**Diversity and inclusion are among Carrefour's major commitments.** In all countries where the Group operates, equal opportunities and a culture of respect are promoted and translated into concrete actions.

**Nothing is more foreign to Carrefour's values than the odious acts of violence that took place in Porto Alegre,** where a client of a Group hypermarket, Joao Alberto Silveira Freitas, was killed on November 19, 2020 by subcontracted security guards.

Beyond supporting the family of Mr. Silveira Freitas and seeking that those responsible are brought to justice, Carrefour Brazil immediately took strong measures to prevent the repetition of such acts and to combat systemic racism. An audit was launched to thoroughly review the training policies for employees and subcontractors in terms of security and respect for diversity and the values of tolerance. This audit was followed by an action plan, defined with a fully independent External Committee for Freedom of Expression on Diversity and Inclusion, tasked with advising Carrefour Brazil in its actions against racism in its stores.

This action plan reinforces the actions already undertaken by Carrefour Brazil in the fight against racism over several years. It notably includes:

- The internalization of store security
- The inclusion in contracts of a clause to combat racism
- Awareness-raising and training actions within the company (Diversity Day, workshops on unconscious bias, guide on diversity and inclusion for suppliers) and with civil society (signature of the "Entrepreneurial Coalition for Racial and Gender Equity", institutional partnerships and sponsorship of forums in favor of diversity)
- Promotion and recruitment goals that reflect the country's diversity
- The creation of a fund endowed with c. BRL 40m to promote diversity and fight racism
- The donation of all the profits recorded on November 20, 2020 and Black Friday (November 26 and 27, 2020) to actions against racism

## COMMERCIAL AND OPERATING PERFORMANCE BY REGION

### France: Strongest growth in almost 20 years and ROI up +13.2%

**In 2020, all segments grew and Carrefour experienced in H2 2020 its best half-year in terms of market share trends in 3 years<sup>1</sup>.**

- 2020 sales were up +3.6% LFL, including +1.0% in hypermarkets
- Customer satisfaction improved significantly, with NPS<sup>®</sup> up +16 points in one year, including +17 points in hypermarkets and +18 points in supermarkets
- The "TOP"<sup>2</sup> operational efficiency project has been rolled-out to date in more than 130 hypermarkets and almost 20 supermarkets. It should be rolled out across the entire store network by the end of summer 2021

**Q4 2020 sales are up +5.5% LFL (+5.4% LFL in food, +5.7% LFL in non-food). This quarter, market share increased +0.1 point and Carrefour outperformed in each of the benchmark channels: hypermarkets, supermarkets, convenience and Drive<sup>1</sup>.**

- In hypermarkets (+3.9% LFL in Q4), efforts made on operational excellence and customer satisfaction are bearing fruit and leading to a marked improvement in commercial dynamics
- Supermarkets (+9.8% LFL in Q4) and convenience (+5.9% LFL in Q4) confirmed their solid momentum, significantly outperforming the market
- Promocash's activities remained particularly penalized by restaurant closures and the second lockdown
- Food e-commerce grew by +58% in Q4

**Recurring operating income for 2020 was up +13.2%** (+€73m) to €629m, compared to €555m in 2019. Operating margin increased by +24bps to 1.8%. This reflects the excellent dynamics of retail activities, whose profitability is up c. +€160m. ROI for France was impacted to the tune of -€90m by the drop in the contribution of financial services and the sharp slowdown in the activities of services (travel agencies, ticketing, etc.) and Promocash.

### Europe (ex France): Accelerating momentum, notably in Spain and Belgium

**2020 sales growth improved sharply compared to previous years, at +3.5% LFL.**

- In **Spain**, strong NPS<sup>®</sup> growth and improving price perception underscore its continued enhanced attractiveness for consumers. Carrefour posted strong growth momentum in every quarter (+7.1% LFL in 2020)
- Carrefour returned to market share gains in 2020 in **Belgium** and strengthened its price positioning

**In Q4 2020, LFL growth reached +1.8%.**

- In **Spain** (+6.0% LFL), Carrefour is continuing its very good commercial momentum, in particular thanks to hypermarkets. Food e-commerce grew by +73%
- In **Italy** (-7.6% LFL), performance was impacted by measures linked to COVID-19, in particular the closure of shopping malls hosting hypermarkets, and marked exposure to the northern region, which was particularly affected. In an encouraging sign, customer satisfaction and price image improved in all formats
- In **Belgium** (+5.7% LFL), Carrefour has continued its uninterrupted market share gains since the start of the year. The Group is on the offensive and froze the prices of 20,000 products during the second lockdown

<sup>1</sup> Based on NielsenIQ's RMS data for total store value sales (excluding gas) for the 156-week period ending 27/12/2020 for the French total retail market (Copyright © 2021, NielsenIQ)

<sup>2</sup> The "TOP" project changes the organization of tasks in the stores. It is structured around 3 teams: A Front team mainly in charge of shelving, a Scan team that ensures compliance with various management parameters (labels, expiration dates, shortage) and a Back team in charge of the organization of flows (storage management, routing of goods and equipment necessary for shelving)

- In **Poland** (-4.2% LFL), the Group was penalized by the slowdown in inflation and its high exposure to stores located in shopping centers that were closed due to the health crisis. Carrefour has also made major price investments on 1,000 products in early 2021
- In **Romania** (+1.6% LFL), Carrefour posted a very solid performance in a market impacted by travel restrictions, limiting the return to the country of workers abroad during the holiday season. The Group benefits in particular from its dominant position in food e-commerce

**Europe's recurring operating income rose to €698m in 2020, compared to €659m in 2019, an increase of +6.4% (+€42m) at constant exchange rates.** Operating margin improved by +15bps to 3.3%. Almost all countries posted an increase in ROI. The profitability of retail activities increased by c.+€150m thanks to good commercial momentum and lower costs. ROI in Europe was impacted to the tune of -€110m by the drop in the contribution of financial services and the slowdown in sales to professionals.

### Latin America: Another exceptional performance

**In 2020, commercial momentum accelerated in Latin America, with LFL sales growth of +23.0%.**

- In **Brazil**, Carrefour's ecosystem confirmed its attractiveness. The Group posted exceptional sales growth of +18.2% LFL
- In **Argentina**, good commercial momentum continued with +49.3% LFL sales growth

**In Q4 2020, Latin America sales were up +25.3% LFL.**

- **Brazil** continued its exceptional momentum with sales up +24.5% at constant exchange rates, with LFL growth of +22.9%, a contribution from openings of +3.9% and a negative petrol effect of -2.2%. The currency effect was an unfavorable -36.3%
  - Carrefour Retail posted its third consecutive quarter of double-digit growth, at +13.3% LFL. The high NPS® level demonstrates the strength of its positioning and highlights excellent execution. The Group continued to gain market share this quarter
  - Atacadão's sales were up +32.4% at constant exchange rates, with like-for-like growth of +27.0% and a contribution from openings of +5.5%. Carrefour reinforced its price competitiveness, notably for B2B customers. With 14 openings and the conversion of 6 Makro stores, or 20 new stores over the year, expansion momentum continues. The remaining Makro stores will be gradually converted in H1 2021
  - Food e-commerce, recently enriched by a promising Atacadão platform, posted growth of +163% in the quarter
  - Financial services activities have improved since June; billings grew by +19.2% in Q4
- In **Argentina** (+39.6% LFL), volumes increased and Carrefour gained market share

**2020 recurring operating income of Latin America increased by +26.4% (+€220m) at constant exchange rates, to €786m.** Operating margin increased by +25bps to 5.9%, reflecting a commercial strategy favoring volume growth.

- The sharp increase in activity in **Brazil** was accompanied by increased cost discipline and greater operational efficiency. The profitability of retail activities improved by c.+€280m, offsetting the drop in the contribution from financial services of c.-€90m. **Brazil** ROI thus reached €764m, up +22.0% (+€184m) at constant exchange rates
- **Argentina's** ROI improved significantly and stood at €22m, with a €-25m impact from the application of IAS 29

**Taiwan (Asia): Strengthened position**

In **Taiwan (Asia)**, 2020 sales were up +3.7% at constant exchange rates (+1.3% in Q4) and +1.2% LFL (+0.1% in Q4). Carrefour strengthened its position at the end of December with the completion of the acquisition of 224 Wellcome convenience stores. These stores will be converted to the Carrefour banner in H1 2021.

Profitability improved again with ROI rising to €94m vs €83m in 2019, with an operating margin increasing to 4.5% from 4.2% in 2019. This increase reflected the good momentum of expansion and strict cost control.

## 2020 INCOME STATEMENT<sup>1</sup>

**Full-year 2020 gross sales increased by +7.8% on a like-for-like basis.** The Group's gross sales stood at €78,820m pre-IAS 29, an increase of + 4.4% at constant exchange rates.

**Net sales** amounted to €70,719m.

**Gross margin** stood at 21.8% of net sales, down -39bps, reflecting price investments, the temporary increase in logistics costs and the evolution of the integrated/franchisee mix, partly offset by purchasing gains.

**Distribution costs** were down -56bps to 15.9% of net sales, compared to 16.4% in 2019. They benefited from cost savings plans and include costs related to store openings and new services offered to customers, notably in digital.

Group **EBITDA** reached €4,465m, representing a margin of 6.3%, up +21bps.

Group **Recurring operating income** (ROI) reached €2,173m, up +€343m (+16.4%) at constant exchange rates (the currency effect was negative at -€269m, notably due to the depreciation of the Brazilian Real). Operating margin was up +17bps, to 3.1%.

The sharp rise in ROI (+€343m at constant exchange rates) reflected:

- The good overall performance of retail activities (c. +€630m)
- The decrease in the contribution of financial services (c. -€200m at constant exchange rates/c. -€240m at current exchange rates), notably from the increase in the cost of risk and the decrease in net banking income
- The total impact of around -€80m of sanitary measures on the Group's adjacent activities, notably services (e.g. travel agencies, ticketing) and sales to professionals (HoReCa) in Europe (including France)

**Non-recurring income and expenses** stood at €(474)m, vs €(1,030)m in 2019. It notably included the payment of exceptional bonuses and similar benefits to Group employees for an amount of €(128)m in H1. Restructuring charges were down to €(93)m, compared to €(549)m in 2019.

**Net income, Group share** stood at €641m. It includes the following items:

- **Net financial expenses** of €(334)m, down -€18m from 2019
- An income tax charge of €(498)m, compared to €(503)m the previous year. This charge reflects the increase in pre-tax income, offset by a drop in the **normative tax rate** to 30.1%<sup>2</sup> (compared to 31.4% in 2019)
- **Net income from discontinued operations**, Group share of €(22)m. It amounted to €1,097m in 2019 with, notably, the capital gain on the sale of activities in China

**Adjusted net income, Group share** improved by + €154m to €1,011m compared to €858m in 2019.

<sup>1</sup> 2019 comparison basis is restated for the IFRS IC decision on IFRS 16

<sup>2</sup> Excluding non-current income and taxes not assessed on pre-tax income

## CASH FLOW AND DEBT<sup>1</sup>

**Net Free Cash Flow<sup>2</sup>** stood at €1,056m in 2020, up +€732m compared to 2019.

- This evolution notably reflects the increase in **EBITDA** of +€49m
- It also includes the following elements:
  - The payment of **exceptional bonuses** and similar benefits to Group employees (€128m)
  - A lower cash-out for **restructuring** costs of €341m vs. €580m in 2019
  - The decrease in dividend paid by Carmila (€24m in 2020 vs. €73m in 2019)
  - An improvement of the **change in working capital requirement** by +€135m reflecting notably:
    - A dynamic activity
    - A decrease in the level of inventories
    - Lower tax payables as a result of lower petrol sales
    - A decrease in SG&A payables linked to cost reductions
  - A decrease in **capex** to €1,241m in 2020 compared to €1,725m in 2019. Investments continue to benefit from selectivity and productivity measures and were reduced in the sanitary crisis context
  - A decrease in the **cost of net financial debt** by €43m thanks to better refinancing of bond issues

**Net Free Cash Flow adjusted for exceptional items and discontinued operations** stood at €1,594m, up +€549m compared to 2019.

**Net financial debt** decreased by €288m at constant exchange rates to €2,616m at December 31, 2020, compared to €2,615m at December 31, 2019. This change reflects the generation of Net Free Cash Flow of €1,056m, acquisitions for a total cash-out of €640m, the payment of dividends for an amount of €169m and other items (€41m).

**Shareholders' equity, Group share**, amounted to €9,795m at December 31, 2020, compared to €9,937m at December 31, 2019.

## ENHANCED LIQUIDITY AND SOLID BALANCE SHEET

Since 2018, the Group has demonstrated great financial discipline and has strengthened its balance sheet and liquidity. Carrefour has one of the **strongest balance sheets in the industry**. This is an important asset in the current context, marked by rapid changes in food retail and the COVID-19 pandemic.

As of December 31, 2020, the Group was rated Baa1 negative outlook by Moody's and BBB stable outlook by Standard & Poor's.

The Group's **liquidity** was reinforced during the year by the bond issue closed in April for an amount of €1bn, maturing in December 2027. The success of this largely oversubscribed transaction attests to the great confidence of investors in the Carrefour signature.

In April, the Group repaid a bond in the amount of €802m.

In addition, Carrefour Brazil obtained bank financing in April for BRL 1.5bn over two and three years. At the end of December, the Brazilian subsidiary redeemed a bond maturing in April 2021, for an amount of BRL 1.0bn.

Finally, the Group has two bank credit facilities totaling €3.9bn, undrawn to date. In June 2020, these two facilities were the subject of a one-year maturity extension agreement, for 95% of the total amount, bringing their maturity to June 2025.

<sup>1</sup> 2019 comparison basis is restated for the IFRS IC decision on IFRS 16

<sup>2</sup> Net Free Cash Flow corresponds to free cash flow after net finance costs and net lease payments. It includes cash-out of exceptional charges

## OBJECTIVES

**Carrefour reiterates the orientations of the Carrefour 2022 strategic plan and strengthens its commitments with additional objectives.**

### Operational objectives

- Objective of Group NPS® improvement by 2022 raised to +30 points since the start of the plan (vs +23 points initially)
- Target to reduce hypermarket sales areas by 350,000 sqm worldwide by 2022: Suspended in the context of the sanitary crisis
- Target to reduce assortments by -15% by 2020: Achieved
- Carrefour-branded products accounting for one-third of food sales in 2022
- 2,700 convenience store openings by 2022

### Financial objectives

- €4.2bn in food e-commerce GMV in 2022
- €4.8bn sales of organic product in 2022
- Objective of €3.0 billion cost savings on an annual basis by end-2020: Achieved
- €2.4bn in additional cost savings by 2023 on an annual basis (in addition to €3.0bn already achieved since the start of the plan)
- Net Free Cash Flow at a level above €1bn per year from 2021 (after cash-out of exceptional charges, notably related to restructuring plans)
- Annual level of capex of around €1.5bn to €1.7bn
- €300m in additional disposals of non-strategic real estate assets by 2022

## AGENDA

- First-quarter 2021 sales: April 21, 2021
- General Shareholders' Meeting: May 21, 2021
- Second-quarter and half-year 2021 sales: July 29, 2021

*The Carrefour Board of Directors met on February 17, 2021 under the chairmanship of Alexandre Bompard and approved the consolidated financial statements for the 2020 financial year. These accounts have been audited and the certification report is being issued.*

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## APPENDIX

## FOURTH-QUARTER 2020 SALES INC. VAT

The Group's sales amounted to €20,975m pre-IAS 29. Foreign exchange had an unfavorable impact in the fourth quarter of -7.9%, largely due to the depreciation of the Brazilian Real and the Argentine Peso. Petrol had an unfavorable impact of -3.8%. The calendar effect was an unfavorable -0.1%. Openings contributed for +1.1%. The impact of the application of IAS 29 was -€86m.

	Sales inc. VAT (€m)	Variation ex petrol ex calendar		Total variation inc. petrol	
		LFL	Organic	At current exchange rates	At constant exchange rates
<b>France</b>	<b>10,073</b>	<b>+5.5%</b>	<b>+3.8%</b>	<b>-2.6%</b>	<b>-2.6%</b>
Hypermarkets	5,298	+3.9%	+3.0%	-3.2%	-3.2%
Supermarkets	3,332	+9.8%	+6.1%	-0.1%	-0.1%
Convenience/other formats	1,443	+2.0%	+2.0%	-5.9%	-5.9%
<b>Other European countries</b>	<b>6,429</b>	<b>+1.8%</b>	<b>+2.1%</b>	<b>-0.3%</b>	<b>+0.4%</b>
Spain	2,796	+6.0%	+6.4%	+2.3%	+2.3%
Italy	1,188	-7.6%	-8.7%	-10.0%	-10.0%
Belgium	1,198	+5.7%	+6.0%	+6.8%	+6.8%
Poland	590	-4.2%	-3.5%	-7.6%	-2.9%
Romania	656	+1.6%	+5.4%	+3.6%	+5.9%
<b>Latin America (pre-IAS 29)</b>	<b>4,008</b>	<b>+25.3%</b>	<b>+28.5%</b>	<b>-10.7%</b>	<b>+26.5%</b>
Brazil	3,417	+22.9%	+26.7%	-11.7%	+24.5%
Argentina (pre-IAS 29)	592	+39.6%	+39.6%	-4.6%	+38.8%
<b>Asia</b>	<b>464</b>	<b>+0.1%</b>	<b>-1.0%</b>	<b>+0.2%</b>	<b>+1.3%</b>
Taiwan	464	+0.1%	-1.0%	+0.2%	+1.3%
<b>Group total (pre-IAS 29)</b>	<b>20,975</b>	<b>+8.7%</b>	<b>+8.6%</b>	<b>-3.5%</b>	<b>+4.4%</b>
IAS 29 <sup>(1)</sup>	(86)				
<b>Group total (post-IAS 29)</b>	<b>20,889</b>				

Note: (1) hyperinflation and currencies

## 2020 SALES INC. VAT

The Group's sales amounted to €78,820m pre-IAS 29. Foreign exchange had an unfavorable impact in 2020 of -6.8%, largely due to the depreciation of the Brazilian Real and the Argentine Peso. Petrol had an unfavorable impact of -3.6%. The calendar effect was a favorable +0.1%. Openings contributed for +1.2%. The impact of the application of IAS 29 was -€211m.

	Sales inc. VAT (€m)	Variation ex petrol ex calendar		Total variation inc. petrol	
		LFL	Organic	At current exchange rates	At constant exchange rates
<b>France</b>	<b>37,937</b>	<b>+3.6%</b>	<b>+2.6%</b>	<b>-2.4%</b>	<b>-2.4%</b>
Hypermarkets	19,126	+1.0%	+0.4%	-4.5%	-4.5%
Supermarkets	12,792	+6.8%	+4.7%	-0.2%	-0.2%
Convenience /other formats	6,020	+5.2%	+5.5%	0.0%	0.0%
<b>Other European countries</b>	<b>23,606</b>	<b>+3.5%</b>	<b>+3.5%</b>	<b>+1.1%</b>	<b>+1.6%</b>
Spain	10,013	+7.1%	+7.2%	+3.0%	3.0%
Italy	4,665	-5.2%	-6.6%	-7.6%	-7.6%
Belgium	4,509	+8.3%	+8.4%	+8.6%	+8.6%
Poland	2,093	-0.6%	-0.6%	-4.4%	-1.1%
Romania	2,327	+2.1%	+5.3%	+3.6%	+5.6%
<b>Latin America (pre-IAS 29)</b>	<b>15,085</b>	<b>+23.0%</b>	<b>+26.3%</b>	<b>-8.4%</b>	<b>+24.5%</b>
Brazil	12,711	+18.2%	+22.1%	-9.8%	+20.1%
Argentina (pre-IAS 29)	2,375	+49.3%	+49.0%	-0.2%	+48.9%
<b>Asia</b>	<b>2,191</b>	<b>+1.2%</b>	<b>+4.3%</b>	<b>+6.7%</b>	<b>+3.7%</b>
Taiwan	2,191	+1.2%	+4.3%	+6.7%	+3.7%
<b>Group total (pre-IAS 29)</b>	<b>78,820</b>	<b>+7.8%</b>	<b>+8.1%</b>	<b>-2.4%</b>	<b>+4.4%</b>
IAS 29 <sup>(1)</sup>	(211)				
<b>Group total (post-IAS 29)</b>	<b>78,609</b>				

Note: (1) hyperinflation and currencies

## Geographic breakdown of 2020 net sales and recurring operating income

(in €m)	Net sales				Recurring operating income			
	2019 restated <sup>(1)</sup>	2020	Variation at constant exchange rates	Variation at current exchange rates	2019 restated <sup>(1)</sup>	2020	Variation at constant exchange rates	Variation at current exchange rates
France	34,765	34,135	(1.8%)	(1.8%)	555	629	13.2%	13.2%
Europe (ex-France)	20,999	21,239	1.6%	1.1%	659	698	6.4%	5.9%
Latin America	14,665	13,245	22.6%	(9.7%)	833	786	26.4%	(5.7%)
Asia	1,968	2,100	3.7%	6.7%	83	94	9.8%	13.0%
Global functions	-	-	-	-	(32)	(33)	2.0%	2.7%
<b>TOTAL</b>	<b>72,397</b>	<b>70,719</b>	<b>4.3%</b>	<b>(2.3%)</b>	<b>2,099</b>	<b>2,173<sup>(2)</sup></b>	<b>16.4%</b>	<b>3.6%</b>

Note: (1) 2019 restated for the IFRS IC decision on IFRS 16; (2) 2020 ROI includes income and expenses related to COVID-19 effects. Exceptional bonuses and similar benefits to Group employees (€128m in H1 2020) are accounted for under other non-current income and expenses

## Consolidated income statement 2020 vs 2019

(in €m)	2019 published	2019 restated <sup>(1)</sup>	2020	Variation at constant exchange rates	Variation at current exchange rates
<b>Net sales</b>	<b>72,397</b>	<b>72,397</b>	<b>70,719</b>	<b>4.3%</b>	<b>(2.3%)</b>
<b>Net sales, net of loyalty program costs</b>	<b>71,651</b>	<b>71,651</b>	<b>69,967</b>	<b>4.3%</b>	<b>(2.4%)</b>
Other revenue	2,491	2,491	2,183	(3.7%)	(12.4%)
<b>Total revenue</b>	<b>74,142</b>	<b>74,142</b>	<b>72,150</b>	<b>4.0%</b>	<b>(2.7%)</b>
Cost of goods sold	(58,054)	(58,051)	(56,705)	4.5%	(2.3%)
<b>Gross margin</b>	<b>16,088</b>	<b>16,091</b>	<b>15,445</b>	<b>2.5%</b>	<b>(4.0%)</b>
<i>As a % of net sales</i>	22.2%	22.2%	21.8%	(38bps)	(39bps)
SG&A	(11,906)	(11,906)	(11,233)	0.3%	(5.7%)
<i>As a % of net sales</i>	16.4%	16.4%	15.9%	(63bps)	(56bps)
<b>Recurring operating income before D&amp;A (EBITDA)<sup>(2)</sup></b>	<b>4,417</b>	<b>4,417</b>	<b>4,465</b>	<b>9.0%</b>	<b>1.1%</b>
<i>EBITDA margin</i>	6.1%	6.1%	6.3%	27bps	21bps
Amortization	(2,093)	(2,086)	(2,039)	1.3%	(2.2%)
<b>Recurring operating income (ROI)</b>	<b>2,088</b>	<b>2,099</b>	<b>2,173<sup>(3)</sup></b>	<b>16.4%</b>	<b>3.6%</b>
<i>Recurring operating margin</i>	2.9%	2.9%	3.1%	34bps	17bps
Income from associates and joint ventures	2	2	(13)		
<b>Recurring operating income including income from associates and joint ventures</b>	<b>2,090</b>	<b>2,101</b>	<b>2,160</b>		
Non-recurring income and expenses	(1,030)	(1,030)	(474) <sup>(3)</sup>		
<b>Operating income</b>	<b>1,060</b>	<b>1,071</b>	<b>1,686</b>		
Financial result	(338)	(352)	(334)		
Finance costs, net	(214)	(214)	(171)		
Net interests related to leases commitment	(107)	(121)	(113)		
Other financial income and expenses	(17)	(17)	(50)		
Income before taxes	722	719	1,351		
Income tax expense	(504)	(503)	(498)		
<b>Net income from continuing operations</b>	<b>219</b>	<b>216</b>	<b>853</b>		
Net income from discontinued operations	1,092	1,092	(22)		
<b>Net income</b>	<b>1,311</b>	<b>1,308</b>	<b>831</b>		
<b>of which Net income, Group share</b>	<b>1,129</b>	<b>1,126</b>	<b>641</b>		
of which continuing operations	32	29	663		
of which discontinued operations	1,097	1,097	(22)		
<b>of which Net income, Non-controlling interests</b>	<b>182</b>	<b>182</b>	<b>190</b>		
of which continuing operations	187	187	190		
of which discontinued operations	(5)	(5)	-		
<b>Net Income, Group share, adjusted for exceptional items</b>	<b>861</b>	<b>858</b>	<b>1,011</b>		
Depreciation from supply chain (in COGS)	(235)	(232)	(253)		
<b>Net Income, Group share, adjusted for exceptional items, per share</b>	<b>1.09</b>	<b>1.09</b>	<b>1.26</b>		
Weighted average number of shares pre-dilution (in millions)	791	791	806		

Notes: (1) 2019 restated for the IFRS IC decision on IFRS 16; (2) Recurring Operating Income Before Depreciation and Amortization (EBITDA) also excludes depreciation and amortization from supply chain activities which is booked in cost of goods sold; (3) 2020 ROI includes income and expenses related to COVID-19 effects. Exceptional bonuses and similar benefits to Group employees (€128m in H1 2020) are accounted for under other non-current income and expenses

## Consolidated balance sheet

<i>(in €m)</i>	December 31, 2019 Restated <sup>(1)</sup>	December 31, 2020
<b>ASSETS</b>		
Intangible assets	9,429	9,358
Tangible assets	11,370	10,505
Financial investments	2,753	2,384
Deferred tax assets	824	679
Investment properties	312	259
Right-of-use asset	5,050	4,506
Consumer credit from financial-service companies – Long-term	2,283	1,933
Other non-current assets	569	490
<b>Non-current assets</b>	<b>32,590</b>	<b>30,115</b>
Inventories	5,867	5,326
Trade receivables	2,669	2,526
Consumer credit from financial-service companies – Short-term	4,007	3,295
Tax receivables	838	608
Other current assets	738	788
Other current financial assets	252	368
Cash and cash equivalents	4,466	4,439
<b>Current assets</b>	<b>18,837</b>	<b>17,349</b>
<b>Assets held for sale</b>	<b>37</b>	<b>124</b>
<b>TOTAL</b>	<b>51,464</b>	<b>47,588</b>
<b>LIABILITIES</b>		
Shareholders' equity, Group share	9,937	9,795
Minority interests in consolidated companies	1,736	1,502
<b>Shareholders' equity</b>	<b>11,673</b>	<b>11,297</b>
Deferred tax liabilities	655	467
Provision for contingencies	3,297	2,670
Borrowings – Long-term	6,303	6,305
Lease liabilities – Long-term	4,297	3,787
Bank loans refinancing – Long-term	1,817	1,506
Tax payables – Long-term	335	214
<b>Non-current liabilities</b>	<b>16,703</b>	<b>14,949</b>
Borrowings – Short-term	997	1,084
Lease liabilities – Short-term	941	936
Trade payables	13,646	12,560
Bank loans refinancing – Short-term	3,712	3,067
Tax payables – Short-term	1,095	1,039
Other current payables	2,649	2,617
<b>Current liabilities</b>	<b>23,040</b>	<b>21,303</b>
<b>Liabilities related to assets held for sale</b>	<b>49</b>	<b>39</b>
<b>TOTAL</b>	<b>51,464</b>	<b>47,588</b>

Note: (1) 2019 restated for the IFRS IC decision on IFRS 16

## Consolidated cash-flow statement

<i>(in €m)</i>	2019 Restated <sup>(1)</sup>	2020
<b>NET DEBT AT OPENING</b>	<b>(3,510)<sup>(2)</sup></b>	<b>(2,615)</b>
Gross cash-flow (continuing operations)	3,286	3,462
Change in working capital requirement	(149)	(14)
Impact of discontinued operations	109	(54)
<b>Cash-flow from operations</b>	<b>3,247</b>	<b>3,395</b>
Capital expenditure	(1,725)	(1,241) <sup>(3)</sup>
Change in net payables to fixed assets suppliers	99	(75)
Net asset disposals	98	145
Impact of discontinued operations	(33)	-
<b>Free cash flow</b>	<b>1,686</b>	<b>2,223</b>
<b>Free cash flow excluding exceptional items and discontinued operations</b>	<b>2,229</b>	<b>2,761</b>
Financial investments	(110)	(595)
Proceeds from disposals of subsidiaries	441	20
Others	208	(65)
Impact of discontinued operations	13	-
<b>Cash flow after investments</b>	<b>2,238</b>	<b>1,583</b>
Capital increase	75	1
Dividends paid	(223)	(170)
Cost of net financial debt	(214)	(171)
Operating leases payment incl. interests	(1,003)	(1,032)
Others	21	(212)
<b>NET DEBT AT CLOSE</b>	<b>(2,615)</b>	<b>(2,616)</b>

Notes: (1) 2019 restated for the IFRS IC decision on IFRS 16; (2) Finance lease liabilities recognized in accordance with IAS 17 were reclassified in lease commitments at January 1, 2019; (3) Restated for Makro

## EBITDA to free cash flow bridge

(in €m)	2019 Restated <sup>(1)</sup>	<b>2020</b>	Variation
<b>EBITDA</b>	<b>4,417</b>	<b>4,465</b>	<b>49</b>
Income tax	(499)	(477)	22
Financial result (excl. cost of debt and interest related to leases obligations)	(17)	(50)	(33)
Cash impact of restructuring items and others	(614)	(475)	139
<b>Gross cash flow (excl. discontinued)</b>	<b>3,286</b>	<b>3,462</b>	<b>176</b>
Change in working capital requirement	(149)	(14)	135
Discontinued operations	109	(54)	(163)
<b>Operating cash flow (incl. exceptional items and discontinued)</b>	<b>3,247</b>	<b>3,395</b>	<b>148</b>
Capital expenditure	(1,725)	(1 241) <sup>(2)</sup>	484
Change in net payables to fixed asset suppliers	99	(75)	(174)
Net asset disposals (business-related)	98	145	46
Discontinued operations	(33)	-	33
<b>Free cash flow</b>	<b>1,686</b>	<b>2,223</b>	<b>537</b>
<b>Free cash flow from continuing operations, excl. exceptional items</b>	<b>2,229</b>	<b>2,761</b>	<b>532</b>
<i>Exceptional items and discontinued operations<sup>(3)</sup></i>	<i>(543)</i>	<i>(538)</i>	<i>5</i>
Operating leases payment (incl. interests) (financial lease IAS 17) – Excl. China	(42)	(37)	5
Operating leases payment (incl. interests) net of financial sub-lease payment received – Excl. China	(927)	(959)	(31)
Operating leases payment (incl. interests) – China	(178)	-	178
Cost of debt	(214)	(171)	43
<b>Net Free Cash Flow</b>	<b>324</b>	<b>1,056</b>	<b>732</b>
<b>Net Free Cash Flow from continuing operations, excl. exceptional items</b>	<b>1,045</b>	<b>1,594</b>	<b>549</b>
<i>Exceptional items and discontinued operations</i>	<i>(721)<sup>(4)</sup></i>	<i>(538)</i>	<i>183</i>

Notes : (1) 2019 restated for the IFRS IC decision on IFRS 16; (2) Restated for Makro; (3) Discontinued operations, restructuring (€341m in 2020 vs €580m in 2019), payment of exceptional bonuses and similar benefits to Group employees (€128m in 2020), Cargo capex cashed out (€35m in 2019) and others; (4) €(721)m = €(543)m [Exceptional items and discontinued operations<sup>(3)</sup>] + €(178)m [Operating leases payment (incl. interests) – China]

## Change in shareholders' equity

<i>(en €m)</i>	Total shareholders' equity	Shareholders' equity, Group share	Minority interests
<b>At December 31, 2019 (restated)<sup>(1)</sup></b>	<b>11,673</b>	<b>9,937</b>	<b>1,736</b>
2020 total net income	831	641	190
Other comprehensive income/(loss), after tax	(1,061)	(726)	(335)
Dividends	(166)	(57)	(108)
Impact of scope and others	20	0	20
<b>At December 31, 2020</b>	<b>11,297</b>	<b>9,795</b>	<b>1,502</b>

Note: (1) 2019 restated for the IFRS IC decision on IFRS 16

## Net income, Group share, adjusted for exceptional items

<i>(en €m)</i>	2019 Restated <sup>(1)</sup>	2020
<b>Net income, Group share</b>	<b>1,126</b>	<b>641</b>
Restatement for non-recurring income and expenses (before tax)	1,030	474
Restatement for exceptional items in net financial expenses	23	29
Tax impact <sup>(2)</sup>	(106)	(147)
Restatement on share of income from companies consolidated by the equity method	(17)	-
Restatement on share of income from minorities	(100)	(8)
Restatement for net income of discontinued operations, Group share	(1,097)	22
<b>Adjusted net income, Group share</b>	<b>858</b>	<b>1,011</b>

Notes: (1) 2019 restated for the IFRS IC decision on IFRS 16; (2) Tax impact of restated items (non-recurring income and expenses and financial expenses) and exceptional tax items

## Impact of COVID-19 pandemic on the 2020 financial statements

**Impact in Income Statement:** The costs incurred in connection with the Covid-19 health crisis were recognized in recurring operating income for 2020, including necessary costs relating to logistics or product distribution in stores or to customers' homes, as well as costs relating to protecting the health of employees, customers and service providers.

In accordance with the Group's accounting principles, which have been applied consistently, exceptional bonuses and similar benefits were recognized in non-recurring expenses for a total amount of 128 million euros during the first half of 2020. These bonuses did not compensate employees for their work as such. Rather, they represented an act of corporate social responsibility, offering tax and employee benefits. The exceptional bonuses supplemented the usual components of fixed and variable compensation awarded to the employees concerned (in respect of overtime pay, various types of bonuses, profit-sharing, etc.), i.e., without replacing said components.

**Others:** For further detail, please refer to note 2.1 of the Consolidated Financial statements.

### Application of IAS 29

The impact on Group sales is presented in the table below:

Sales incl. VAT (€m)	2019					Scope and others <sup>(3)</sup>	Petrol	2020 at constant rates pre-IAS 29	Forex	2020 at current rates pre-IAS29	IAS 29 <sup>(4)</sup>	2020 at current rates post-IAS 29
	pre-IAS 29 <sup>(1)</sup>	LFL <sup>(2)</sup>	Calendar	Openings								
Q1	18,819	+7.8%	+0.9%	+1.3%	-0.8%	-1.5%	+7.5%	-4.2%	19,445	(10)	19,435	
Q2	19,974	+6.3%	-0.4%	+1.2%	-1.0%	-5.8%	+0.3%	-6.7%	18,710	(66)	18,644	
Q3	20,199	+8.4%	-0.2%	+1.1%	-0.9%	-2.9%	+5.5%	-8.0%	19,690	(49)	19,641	
Q4	21,743	+8.7%	-0.1%	+1.1%	-1.3%	-3.8%	+4.4%	-7.9%	20,975	(86)	20,889	
FY	80,735	+7.8%	+0.1%	+1.2%	-1.0%	-3.6%	+4.4%	-6.8%	78,820	(211)	78,609	

Notes: (1) Restated for IFRS 5; (2) Excluding petrol and calendar effects and at constant exchange rates; (3) Including transfers; (4) Hyperinflation and currencies

### Application of IFRS 16

Comparative data for 2019 have been restated (indicated as "2019 restated" or "31/12/2019 restated") in the consolidated financial statements as of December 31, 2020 to reflect the decision by the IFRS Interpretation Committee (IFRS IC) published in December 2019 on leases falling within the scope of IFRS 16 (cf. note 4 of the Consolidated Financial Statements).

## Acquisitions and disposals in 2020

Acquisitions	Country	Announcement	Status	Completion date
Potager City	France	January 2020	Completed	January 2020
DejBox	France	January 2020	Completed	January 2020
30 Makro stores	Brazil	February 2020	Partially completed	Expected H1 2021
Wellcome	Taiwan	June 2020	Completed	December 2020
Supersol	Spain	August 2020	Signed	Expected H1 2021
Bio c' Bon	France	November 2020	Completed	November 2020
Bioazur	France	October 2020	Completed	November 2020
Disposals				
Rue du Commerce	France	November 2019	Completed	April 2020
60% of MarketPay	France	October 2020	Signed	Expected H1 2021

## Objectives

	End-2019	End-2020	Objective
<b>Operational objectives</b>			
Improvement in the Group NPS® since the beginning of the plan	+8 points	+20 points	<b>RAISED</b> +30 points by 2022
Sales of Carrefour-branded products	27% of sales +2 points yoy	29% of sales +2 points yoy	1/3 of sales by 2022
Convenience store openings	+1,042	+1,874	+2,700 by 2022
<b>Financial objectives</b>			
Food e-commerce GMV	€1.3bn	€2.3bn	€4.2bn by 2022
Sales of organic products	€2.3bn	€2.7bn	€4.8bn by 2022
Cost-reduction plan	€2.0bn	First target of €3.0bn achieved	<b>ACHIEVED + NEW</b> Additional €2.4bn on an annual basis by 2023
Net Free Cash Flow <sup>(1)</sup>	€0.3bn	€1.1bn	<b>NEW</b> > €1bn/an
Capex	€1.7bn	€1.2bn	<b>NEW</b> €1.5bn to €1.7bn/year
Disposals of non-strategic real estate assets	First target of €500m achieved	€100m	€300m additional by 2022

Note: (1) Net Free Cash Flow corresponds to free cash flow after net finance costs and net lease payments. It includes cash-out of exceptional charges

## CSR and food transition index at 115% in 2020

Carrefour's CSR and food transition index assesses Carrefour's annual extra-financial results. Designed to measure the performance of CSR policies over several years, the index sets an annual target for 17 indicators. The overall index score is a simple average of the scores for these 17 indicators.

Category	Objective	2019	2020	Score 2020
<b>Products</b>				<b>106%</b>
1. Organic agriculture	4.8 billion euros in sales of organic products by 2022	€2.3bn	€2.7bn	90%
2. Agroecology	10% Carrefour Quality Lines products within Fresh Products by 2022	6.6%	7.4%	101%
3. Sustainable fishing	50% of Carrefour fish sold from sustainable fishing by 2020	47%	44%	88%
4. Sustainable forests	Roll-out of a Sustainable Forests action plan deforestation-linked products by 2020	68%	83%	83%
5. Packaging	Save 10,000 tons of packaging by 2025 (since 2017)	3,460	6,154	168%
<b>Stores</b>				<b>163%</b>
6. Food waste	Reduce food waste by 50% by 2025 (vs. 2016)	-10%	-29%	191%
7. Waste	Recover 100% of waste by 2025	66.5%	66.2%	96%
8. CO2 emissions	Reduce CO2 emissions by 30% by 2030 vs. 2019 (scopes 1 & 2)	-	-9%	303% <sup>(1)</sup>
9. "Food transition superheroes"	2,000 employees identified as "food transition superheroes" in stores by 2020	870	2,286	114%
<b>Customers</b>				<b>100%</b>
10. Food transition	80% of customers think that Carrefour helps them enjoy a healthy and responsible diet alimentation by 2022	72%	77%	106%
11. Local products and purchasing	100% of countries roll out a program focused on local products and purchasing by 2020	44%	93%	93%
12. Act For Food program	100% of countries implement an annual Act for Food communication program	100%	100%	100%
13. Healthier Diet action plan	100% of countries rolling out a Healthier Diet action plan by 2020	56%	100%	100%
<b>Employees</b>				<b>90%</b>
14. Gender equality	40% women among those appointed to key positions by 2025	32%	23%	88%
	& 100% of countries roll out GEEIS certification by 2020	78%	100%	
15. Disability	Disabled employees to account for 4% of total Group employees by 2025	3.8%	3.6%	103%
16. Training	13 training hours per Group employee by 2025	12	8	69%
17. Health and safety in the workplace	100% of countries implement an action plan on health/safety/quality of life in the workplace by 2020	89%	100%	100%

Note: (1) The score is capped to 250% in the calculation of the index

## Expansion under banners – Fourth-quarter 2020

Thousands of sq. m	Dec. 31 2019	Sept. 30 2020	Openings/ Store enlargements	Acquisitions	Closures/ Store reductions/ Disposals	Q4 2020 change	Dec. 31 2020
France	5,475	5,469	+30	+35	-27	+38	5,507
Europe (ex Fr)	5,596	6,106	+78	-	-20	+59	6,165
Latin America	2,616	2,648	+39	+30	-0	+69	2,717
Asia	1,050	1,032	+3	-	-0	+3	1,035
Others <sup>(1)</sup>	1,379	1,422	+64	-	-1	+64	1,486
<b>Group</b>	<b>16,116</b>	<b>16,677</b>	<b>+215</b>	<b>+65</b>	<b>-48</b>	<b>+232</b>	<b>16,910</b>

Note: (1) Africa, Middle East and Dominican Republic

## Store network under banners – Fourth-quarter 2020

N° of stores	Dec. 31 2019	Sept. 30 2020	Openings	Acquisitions	Closures/ Disposals	Transfers	Total Q4 2020 change	Dec. 31 2020
<b>Hypermarkets</b>	<b>1,207</b>	<b>1,205</b>	<b>+8</b>	<b>-</b>	<b>-1</b>	<b>-</b>	<b>+7</b>	<b>1,212</b>
France	248	248	-	-	-	-	-	248
Europe (ex France)	455	454	+3	-	-1	-	+2	456
Latin America	188	185	-	-	-	-	-	185
Asia	175	172	-	-	-	-	-	172
Others <sup>(1)</sup>	141	146	+5	-	-	-	-	151
<b>Supermarkets</b>	<b>3,344</b>	<b>3,413</b>	<b>+55</b>	<b>+105</b>	<b>-14</b>	<b>+2</b>	<b>+148</b>	<b>3,561</b>
France	1,071	1,074	+5	+105	-6	+1	+105	1 179
Europe (ex France)	1,798	1,850	+29	-	-7	+1	+23	1 873
Latin America	150	150	+1	-	-	-	+1	151
Asia	9	9	+1	-	-	-	+1	10
Others <sup>(1)</sup>	316	330	+19	-	-1	-	+18	348
<b>Convenience stores</b>	<b>7,261</b>	<b>7,729</b>	<b>+155</b>	<b>+14</b>	<b>-69</b>	<b>-2</b>	<b>+98</b>	<b>7,827</b>
France	3,959	3,970	+62	+14	-27	-1	+48	4,018
Europe (ex France)	2,646	3,113	+81	-	-37	-1	+43	3,156
Latin America	530	524	+10	-	-4	-	+6	530
Asia	68	65	+2	-	-1	-	+1	66
Others <sup>(1)</sup>	58	57	-	-	-	-	-	57
<b>Cash &amp; carry</b>	<b>413</b>	<b>428</b>	<b>+15</b>	<b>+6</b>	<b>-1</b>	<b>-</b>	<b>+20</b>	<b>448</b>
France	146	147	-	-	-	-	-	147
Europe (ex France)	60	65	+4	-	-1	-	+3	68
Latin America	193	202	+7	+6	-	-	+13	215
Asia	-	-	-	-	-	-	-	-
Others <sup>(1)</sup>	14	14	+4	-	-	-	+4	18
<b>Group</b>	<b>12,225</b>	<b>12,775</b>	<b>+233</b>	<b>+125</b>	<b>-85</b>	<b>-</b>	<b>+273</b>	<b>13,048</b>
France	5,424	5,439	+67	+119	-33	-	+153	5,592
Europe (ex France)	4,959	5,482	+117	-	-46	-	+71	5,553
Latin America	1,061	1,061	+18	+6	-4	-	+20	1,081
Asia	252	246	+3	-	-1	-	+2	248
Others <sup>(1)</sup>	529	547	+28	-	-1	-	+27	574

Note: (1) Africa, Middle East and Dominican Republic

## DEFINITIONS

### Free cash flow

Free cash flow corresponds to cash flow from operating activities before net finance costs and net interests related to lease commitment, after the change in working capital, less net cash from/(used in) investing activities.

### Net Free Cash Flow

Net Free Cash Flow corresponds to free cash flow after net finance costs and net lease payments.

### Like for like sales growth (LFL)

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 corresponds to the sum of net sales and other income, reduced by loyalty program costs and 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 corresponds to the gross margin lowered by sales, general and administrative expenses, depreciation and amortization.

### Recurring Operating Income Before Depreciation and Amortization (EBITDA)

Recurring Operating Income Before Depreciation and Amortization (EBITDA) also excludes depreciation and amortization from supply chain activities which is booked in cost of goods sold.

### Operating Income (EBIT)

Operating Income (EBIT) corresponds to the recurring operating income after income from associates and joint ventures and non-recurring income and expenses. This latter classification is applied to certain material items of income and expense that are unusual in terms of their nature and frequency, such as impairment of non-current assets, gains and losses on sales of non-current assets, restructuring costs and provisions recorded to reflect revised estimates of risks provided for in prior periods, based on information that came to the Group's attention during the reporting year.

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*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](http://www.carrefour.com)), and in particular the Universal Registration Document. 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.*