



## Q4 2017 revenue up +2.3% at constant exchange rates

- **2017 : A difficult year overall**

- Slowing **sales** momentum in 2017: +1.6% LFL in the full year vs +3.0% in 2016
- **Recurring operating income** expected at around €2.00bn in the full year (non-audited estimate), down about -15% at current exchange rates
- **Free Cash Flow** excluding exceptional items around €950m (non-audited estimate) vs. €1,039m in 2016

- **An improved performance in the fourth quarter following an atypical third quarter**

- Like-for-like growth of 1.9% in Q4, marking a sharp improvement over the previous quarter (+0.5% in Q3) and in line with the first half (+2.1% in H1);
- Improved trends, notably in **France** (+ 1.5 % LFL in Q4 vs -0.9% in Q3), with:
  - more favorable momentum in all formats
  - successful Black Friday and year-end campaigns
- Growth still weak in **Brazil**, impacted by food deflation

- **The Group's transformation plan will be presented on January 23**

	Fourth quarter 2017				Full-year 2017			
	Sales inc. VAT (€m)	LFL*	Total variation		Sales inc. VAT (€m)	LFL*	Total variation	
			At current exchange rates	At constant exchange rates			At current exchange rates	At constant exchange rates
France	10,706	+1.5%	-0.5%	-0.5%	40,096	+0.8%	-0.1%	-0.1%
Other countries	12,621	+2.1%	+0.1%	+4.7%	48,144	+2.2%	+5.6%	+5.1%
<b>Group</b>	<b>23,328</b>	<b>+1.9%</b>	<b>-0.2%</b>	<b>+2.3%</b>	<b>88,240</b>	<b>+1.6%</b>	<b>+3.0%</b>	<b>+2.7%</b>

\*ex petrol and ex calendar and at constant exchange rates

## A difficult full-year 2017

### 2017 Sales: Total growth of +2.7% at constant exchange rates

	Sales inc. VAT (€m)	LFL*	Total variation	
			At current exchange rates	At constant exchange rates
<b>Group</b>	<b>88,240</b>	<b>+1.6%</b>	<b>+3.0%</b>	<b>+2.7%</b>
<b>France</b>	<b>40,096</b>	<b>+0.8%</b>	<b>-0.1%</b>	<b>-0.1%</b>
<b>Other countries</b>	<b>48,144</b>	<b>+2.2%</b>	<b>+5.6%</b>	<b>+5.1%</b>
Europe	23,566	+1.3%	+5.0%	+4.9%
Latin America	18,021	+6.1%	+10.9%	+8.9%
Asia	6,557	-3.7%	-4.7%	-3.3%

\*ex petrol and calendar effects of -0.2% and -0.5% respectively, at constant exchange rate

Carrefour posted sales of €88,240m in full-year 2017, representing total growth of +3.0%. At constant exchange rates, sales were up +2.7%.

The **Group's** like-for-like growth was +1.6% in 2017, to be compared with like-for-like growth of +3.0% in 2016. This evolution notably reflects a slowdown in food sales growth that was particularly marked in the second half. Food sales in Brazil grew at a far slower pace in 2017, impacted by food deflation since the month of June while food inflation had been high in 2016, in particular in the second half. Food sales in France and in Europe in 2017 showed broadly similar trends to 2016.

Non-food sales improved on a like-for-like basis in 2017 vs 2016. Brazil benefited from a revision of its non-food commercial proposition. In France, apparel benefited from a revision of its product lines and its commercial policy.

In **France**, total sales are slightly up, by +0.8% like-for-like in 2017. In a highly competitive environment, Carrefour's commercial momentum was similar to that of 2016.

In a toughening competitive environment in **Europe**, like-for-like growth in the full year stood at +1.3%, notably reflecting improved trends in Northern Europe.

The slowdown in like-for-like growth in **Latin America** (+6.1% in 2017 vs +13.5% in 2016) reflects food deflation in Brazil in the second half, to be compared with double-digit inflation in 2016, as well as high inflation in Argentina in a context that remains challenging.

Sales trends in **Asia** improved over the year, at -3.7% (vs -5.0% in 2016).

### Outlook for recurring Operating Income and Free Cash Flow (non-audited estimates)

**Recurring Operating Income for full-year 2017 should stand at about €2.00bn**, a drop of -15% at current exchange rates.

This full-year evolution notably reflects:

- strong commercial pressure, particularly in France,
- an increase in distribution costs in our main markets,
- an increase in depreciation after a period of significant investments,
- a more difficult situation in Argentina.

The full-year Recurring Operating Income also includes sources of losses that continue to weigh on profitability, notably the ex-Dia store network for about -€150m.

**Free cash flow in full-year 2017, excluding exceptional items, should stand around €950m vs. €1,039m in 2016.**

Capital expenditure in the full year should stand at €2,145mn ex Cargo.

## FOURTH QUARTER 2017 SALES: LIKE-FOR-LIKE GROWTH OF +1.9%

	Sales inc. VAT (€m)	LFL*	Total variation	
			At current exchange rates	At constant exchange rates
<b>Group</b>	<b>23,328</b>	<b>+1.9%</b>	<b>-0.2%</b>	<b>+2.3%</b>
<b>France</b>	<b>10,706</b>	<b>+1.5%</b>	<b>-0.5%</b>	<b>-0.5%</b>
<b>Other countries</b>	<b>12,621</b>	<b>+2.1%</b>	<b>+0.1%</b>	<b>+4.7%</b>
Europe	6,509	+0.4%	+3.4%	+3.3%
Latin America	4,673	+5.9%	-2.4%	+8.4%
Asia	1,439	-3.0%	-5.4%	-0.7%

\*ex petrol and calendar effects of -0.3% and -0.6% respectively, at constant exchange rates

Carrefour's fourth-quarter 2017 sales stood at €23,328m, up +1.9% like-for-like, an improvement over the previous quarter (+0.5%), principally linked to activity in France.

In a persistently competitive environment, **France** posted like-for-like growth of +1.5% vs -0.9% in the third quarter, reflecting more favorable momentum in all formats and successful Black Friday and year-end campaigns. Sales at **hypermarkets**, up +0.7% like-for-like, also benefited from the Carrefour Anniversary campaign, which took place in October this year instead of in September, as in 2016.

**Europe's** performance (+0.4% like-for-like and +3.4% in total at current exchange rates) was in line with that of Q3:

- In **Spain**, like-for-like sales were down -0.6%. This evolution reflects a high comparable base and continued competitive pressure in this market. Total growth was +6.0%, notably taking into account the Eroski stores acquired and integrated in the first half;
- Like-for-like sales in **Italy** were down -1.1%. This evolution reflects strong comparables over the past two years, notably supported by the momentum of store remodelings and the roll-out of clusterization in supermarkets, as well as a toughening competitive environment;
- Like-for-like sales in **Belgium** were up +0.8%;
- Sales in **Poland** were up by +1.9% on a like-for-like basis despite a high comparable base in Q4 2016. The strong momentum continued in **Romania**, with sales up +7.8%.

In **Latin America**, like-for-like sales were up +5.9%:

- In **Brazil**, like-for-like sales rose +1.4%, impacted by food deflation that continued in the fourth quarter (of around -5%) while Q4 2016 saw food inflation of +13%. In this context, Atacadão's like-for-like sales still posted 2.2% growth, with higher volumes, notably thanks to an excellent Black Friday campaign. Like-for-like sales at Carrefour Retail were broadly stable at -0.1%.
- Like-for-like sales in **Argentina** increased by +23.2%, a level close to the country's inflation rate.

In **Asia**, sales were down -3.0% on a like-for-like basis. **China** posted a like-for-like sales drop of -5.4%, in line with trends observed over the past quarters, while favorable trends continued in **Taiwan**, where like-for-like sales rose for the twelfth consecutive quarter, by +3.5%.

## AGENDA

- Presentation of the transformation plan: January 23, 2018
- Full-year 2017 results: February 28, 2018 (conference call after market close)
- First-quarter 2018 sales: April 11, 2018

## CONTACTS

### **Investor Relations**

Mathilde Rodié, Anne-Sophie Lanaute and Louis Igonet

Tel: +33 (0)1 41 04 28 83

### **Shareholder Relations**

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

### **Group Communication**

Tel: +33 (0)1 41 04 26 17

## VARIATION OF FULL-YEAR 2017 SALES INC. VAT

The Group's sales in the full year stood at €88,240m. In the period, currencies had a favorable effect of +0.3%. The petrol effect was a favorable +0.2% and the calendar effect was an unfavorable -0.5%.

	Sales inc. VAT (€m)	Variation ex petrol ex calendar		Total variation inc. petrol	
		LFL	Organic	At constant exchange rates	At current exchange rates
<b>France</b>	<b>40,096</b>	<b>+0.8%</b>	<b>-0.3%</b>	<b>-0.1%</b>	<b>-0.1%</b>
Hypermarkets	20,783	-0.5%	-1.0%	-0.2%	-0.2%
Supermarkets	12,824	+0.9%	-1.0%	-1.4%	-1.4%
Convenience/other formats	6,489	+4.7%	+3.6%	+2.8%	+2.8%
<b>Other countries</b>	<b>48,144</b>	<b>+2.2%</b>	<b>+4.1%</b>	<b>+5.1%</b>	<b>+5.6%</b>
<b>Other European countries</b>	<b>23,566</b>	<b>+1.3%</b>	<b>+2.0%</b>	<b>+4.9%</b>	<b>+5.0%</b>
Spain	9,609	+0.4%	+1.1%	+7.2%	+7.2%
Italy	5,510	+0.9%	+0.1%	+0.5%	+0.5%
Belgium	4,375	+0.3%	+0.2%	-0.2%	-0.2%
Poland	2,062	+3.6%	+6.0%	+5.5%	+8.2%
Romania	2,010	+7.7%	+12.9%	+20.2%	+18.0%
<b>Latin America</b>	<b>18,021</b>	<b>+6.1%</b>	<b>+9.8%</b>	<b>+8.9%</b>	<b>+10.9%</b>
Brazil	14,526	+3.0%	+7.6%	+6.7%	+13.0%
Argentina	3,495	+17.6%	+18.4%	+18.1%	+2.9%
<b>Asia</b>	<b>6,557</b>	<b>-3.7%</b>	<b>-2.6%</b>	<b>-3.3%</b>	<b>-4.7%</b>
China	4,619	-5.5%	-5.0%	-5.7%	-9.0%
Taiwan	1,938	+1.2%	+4.1%	+3.1%	+7.3%
<b>Group total</b>	<b>88,240</b>	<b>+1.6%</b>	<b>+2.2%</b>	<b>+2.7%</b>	<b>+3.0%</b>

## EVOLUTION OF FOURTH-QUARTER 2017 SALES INC. VAT

Group sales stood at €23,328m. Currencies had an unfavorable -2,5% effect. The petrol effect was an unfavorable -0.3% and the calendar effect was an unfavorable -0.6%.

	Sales inc. VAT (€m)	Variation ex petrol ex calendar		Total variation inc. petrol	
		LFL	Organic	At constant exchange rates	At current exchange rates
<b>France</b>	<b>10,706</b>	<b>+1.5%</b>	<b>+0.6%</b>	<b>-0.5%</b>	<b>-0.5%</b>
Hypermarkets	5,757	+0.7%	+0.1%	0.0%	0.0%
Supermarkets	3,303	+1.0%	-0.9%	-2.9%	-2.9%
Convenience/other formats	1,647	+5.6%	+5.2%	+2.9%	+2.9%
<b>Other countries</b>	<b>12,621</b>	<b>+2.1%</b>	<b>+3.9%</b>	<b>+4.7%</b>	<b>+0.1%</b>
<b>Other European countries</b>	<b>6,509</b>	<b>+0.4%</b>	<b>+1.3%</b>	<b>+3.3%</b>	<b>+3.4%</b>
Spain	2,681	-0.6%	+0.4%	+6.0%	+6.0%
Italy	1,457	-1.1%	-1.4%	-1.3%	-1.3%
Belgium	1,189	+0.8%	+1.2%	+0.3%	+0.3%
Poland	612	+1.9%	+3.8%	+3.5%	+7.3%
Romania	570	+7.8%	+10.4%	+9.4%	+6.6%
<b>Latin America</b>	<b>4,673</b>	<b>+5.9%</b>	<b>+9.3%</b>	<b>+8.4%</b>	<b>-2.4%</b>
Brazil	3,745	+1.4%	+5.8%	+4.9%	-2.7%
Argentina	928	+23.2%	+23.2%	+23.0%	-0.9%
<b>Asia</b>	<b>1,439</b>	<b>-3.0%</b>	<b>-2.3%</b>	<b>-0.7%</b>	<b>-5.4%</b>
China	1,019	-5.4%	-5.4%	-3.9%	-9.1%
Taiwan	419	+3.5%	+6.4%	+8.5%	+5.0%
<b>Group total</b>	<b>23,328</b>	<b>+1.9%</b>	<b>+2.4%</b>	<b>+2.3%</b>	<b>-0.2%</b>

## EXPANSION UNDER BANNERS – FOURTH-QUARTER 2017

Thousands of sq. m	Dec. 31, 2016	Sept. 30, 2017	Openings/ Store enlargements	Acquisitions	Closures/ Store reductions	Total Q4 2017 change	Dec. 31, 2017
France	5,719	5,752	35	-	-23	12	5,764
Europe (excluding France)	5,449	5,584	87	-	-72	15	5,599
Latin America	2,335	2,386	25	-	-2	22	2,408
Asia	2,758	2,730	7	-	-2	6	2,736
Others <sup>1</sup>	920	986	125	-	-	125	1,111
<b>Group</b>	<b>17,181</b>	<b>17,438</b>	<b>279</b>	<b>-</b>	<b>-99</b>	<b>180</b>	<b>17,618</b>

## STORE NETWORK UNDER BANNERS – FOURTH-QUARTER 2017

N° of stores	Dec 31, 2016	Sept 30, 2017	Openings	Acquisitions	Closures/ Disposals	Transfers	Total Q4 2017 change	Dec 31, 2017
<b>Hypermarkets</b>	<b>1,480</b>	<b>1,515</b>	<b>23</b>	<b>-</b>	<b>-10</b>	<b>-</b>	<b>13</b>	<b>1,528</b>
France	243	247	-	-	-	-	-	247
Europe (excluding France)	439	459	6	-	-5	-	1	460
Latin America	334	342	3	-	-	-	3	345
Asia	374	370	-	-	-5	-	-5	365
Others <sup>1</sup>	90	97	14	-	-	-	14	111
<b>Supermarkets</b>	<b>3,212</b>	<b>3,201</b>	<b>92</b>	<b>-</b>	<b>-21</b>	<b>1</b>	<b>72</b>	<b>3,273</b>
France	1,065	1,060	3	-	-3	-	-	1,060
Europe (excluding France)	1,777	1,752	50	-	-18	1	33	1,785
Latin America	150	147	1	-	-	-	1	148
Asia	38	47	11	-	-	-	11	58
Others <sup>1</sup>	182	195	27	-	-	-	27	222
<b>Convenience</b>	<b>7,072</b>	<b>7,269</b>	<b>198</b>	<b>-</b>	<b>-139</b>	<b>-1</b>	<b>58</b>	<b>7,327</b>
France	4,219	4,275	65	-	-73	-	-8	4,267
Europe (excluding France)	2,312	2,412	100	-	-65	-1	34	2,446
Latin America	468	494	28	-	-1	-	27	521
Asia	27	37	4	-	-	-	4	41
Others <sup>1</sup>	46	51	1	-	-	-	1	52
<b>Cash &amp; carry</b>	<b>171</b>	<b>171</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>172</b>
France	143	143	1	-	-	-	1	144
Europe (excluding France)	13	13	-	-	-	-	-	13
Asia	2	2	-	-	-	-	-	2
Others <sup>1</sup>	13	13	-	-	-	-	-	13
<b>Group</b>	<b>11,935</b>	<b>12,156</b>	<b>314</b>	<b>-</b>	<b>-170</b>	<b>-</b>	<b>144</b>	<b>12,300</b>
France	5,670	5,725	69	-	-76	-	-7	5,718
Europe (excluding France)	4,541	4,636	156	-	-88	-	68	4,704
Latin America	952	983	32	-	-1	-	31	1,014
Asia	441	456	15	-	-5	-	10	466
Others <sup>1</sup>	331	356	42	-	-	-	42	398

<sup>1</sup> Africa, Middle East and Dominican Republic.

## DEFINITIONS

**LFL sales growth:** Sales generated by stores opened for at least twelve months, excluding temporary store closures, at constant exchange rates.

**Organic growth:** Sales plus net openings over the past twelve months, including temporary store closures, at constant exchange rates.

**Sales under banners:** Total sales under banners, including sales by franchisees and international partnerships.