



WE ARE PROVIDING CUSTOMIZED SHOPPING SOLUTIONS

The multi-format approach is one of Carrefour's strengths, and it is being adapted to every market at a growing rate. In 2007, hypermarkets went through a process of change and new convenience models emerged to reflect today's diversity of lifestyles.

CUSTOMIZED SHOPPING SOLUTIONS

The Carrefour Group	34
Hypermarkets: the appeal of the new	36
Supermarkets: making life easier	38
Hard discount: the basics at discount prices	39
Convenience: the neighbourhood, my market	40
Cash & carry	41



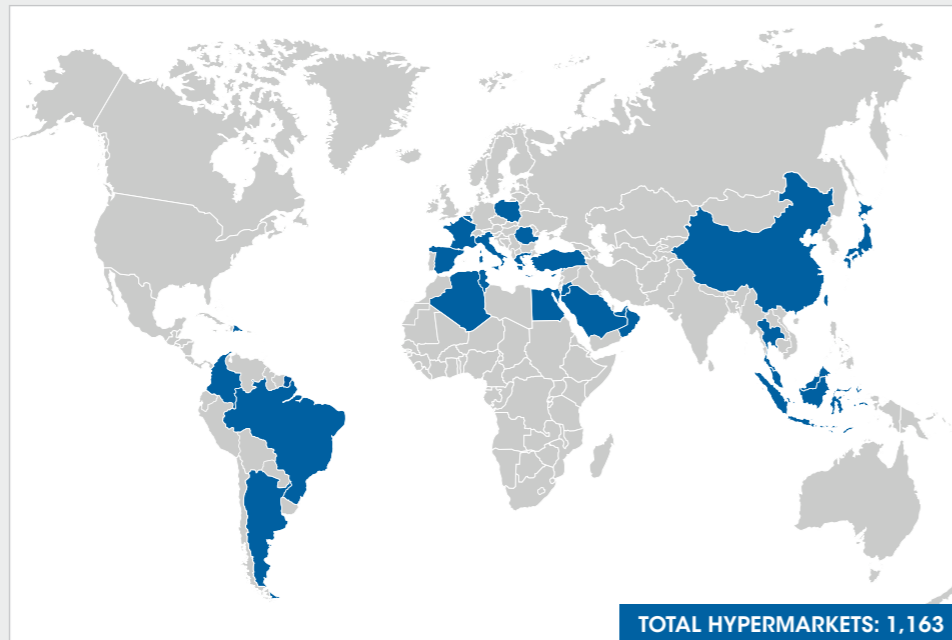
CARREFOUR GROUP

THE WORLD'S LEADING MULTI-FORMAT RETAILER

Store locations at 31 December 2007 (including franchisees and partners)

HYPERMARKETS

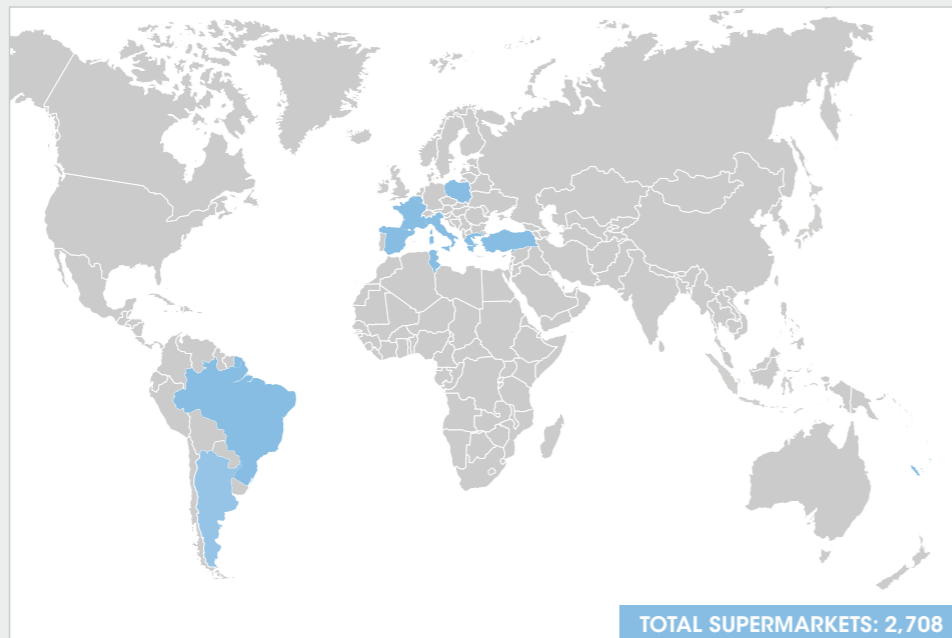
HYPERMARKETS		
	Total	No. of Franchisees
Europe		
France	218	24
Belgium	56	
Spain	161	6
Greece and Cyprus	28	
Italy	59	1
Poland	72	
Romania	11	
Turkey	19	
Total Europe	624	31
America		
Argentina	59	
Brazil	150	
Colombia	46	
Total America	255	
Asia		
China	112	
Indonesia	37	
Malaysia	12	
Singapore	2	
Taiwan	48	
Thailand	27	
Total Asia	238	
Franchisee-partner countries		
Algeria	1	1
Saudi Arabia	7	7
French overseas departments and territories	11	11
Egypt	3	3
United Arab Emirates	10	10
Japan	7	7
Jordan	1	1
Kuwait	1	1
Oman	1	1
Qatar	2	2
Dominican Republic	1	1
Tunisia	1	1
Total	46	46
TOTAL HYPERMARKETS	1,163	77



14,991 STORES

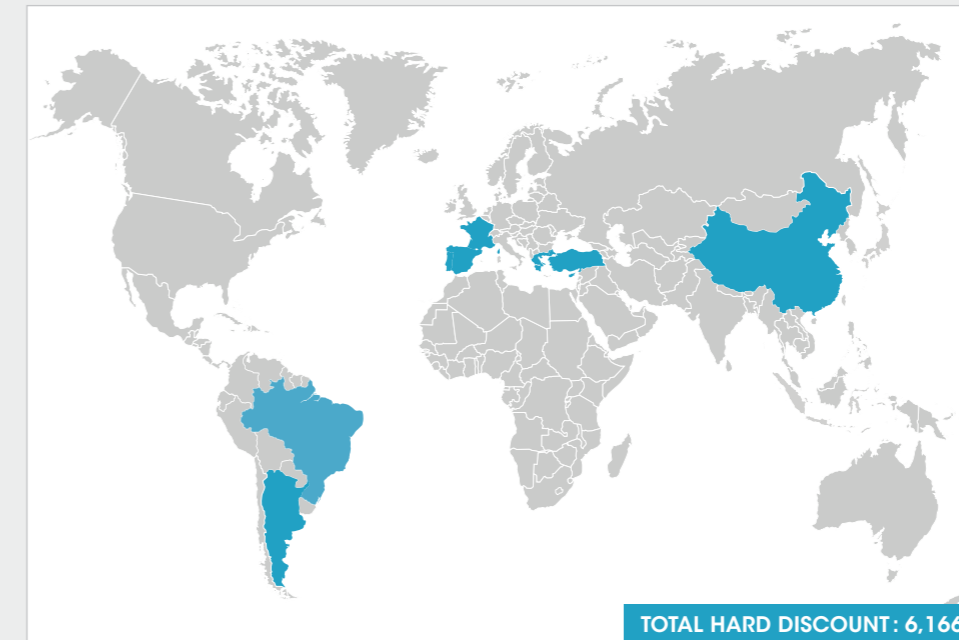
SUPERMARKETS

SUPERMARKETS		
	Total	No. of Franchisees
Europe		
France	1,021	417
Belgium	280	201
Spain	87	1
Greece and Cyprus	210	13
Italy	485	236
Poland	277	30
Turkey	99	
Total Europe	2,459	898
America		
Argentina	103	
Brazil	38	
Total America	141	
Franchisee-partner countries		
Belgium	65	65
French overseas departments and territories	40	40
Tunisia	3	3
Total	108	108
TOTAL SUPERMARKETS	2,708	1,006



TOTAL SUPERMARKETS: 2,708

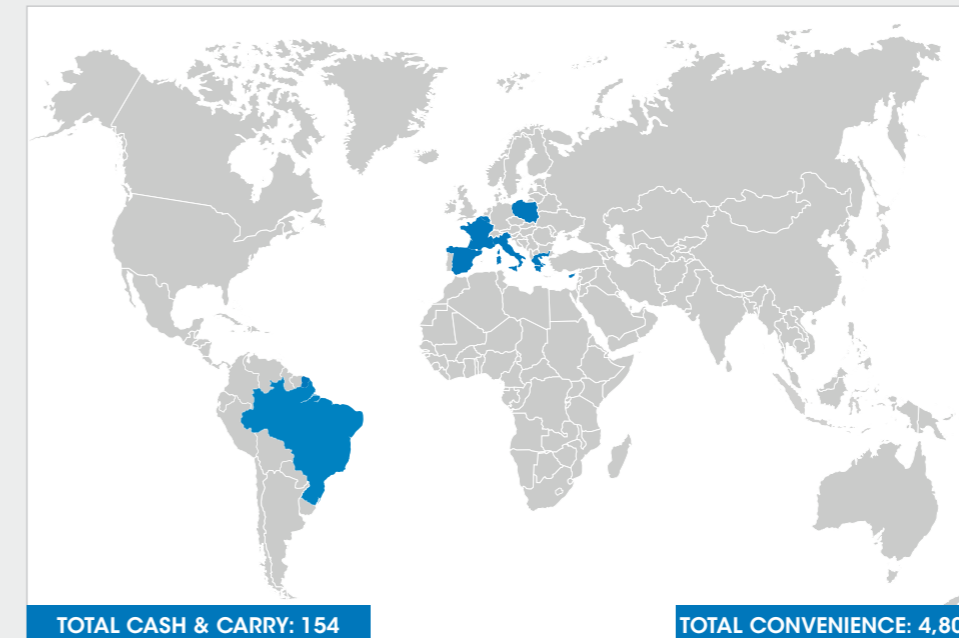
HARD DISCOUNT



TOTAL HARD DISCOUNT: 6,166

WORLDWIDE

CONVENIENCE AND CASH & CARRY



TOTAL CASH & CARRY: 154

TOTAL CONVENIENCE: 4,800

HARD DISCOUNT		
	Total	No. of Franchisees
Europe		
France	897	57
Spain	2,912	840
Greece and Cyprus	397	97
Portugal	471	123
Turkey	519	103
Total Europe	5,196	1,220
America		
Argentina	395	66
Brazil	300	57
Total America	695	123
Asia		
China	275	
Total Asia	275	
TOTAL HARD DISCOUNT	6,166	1,343

CONVENIENCE		
	Total	No. of Franchisees
Europe		
France	3,245	3,245
Belgium	257	257
Spain	3	
Greece and Cyprus	216	184
Italy	1,015	838
Poland	4*	
Total Europe	4,736	4,524
America		
Brazil	5	
Total America	5	
Franchisee-partner countries		
French overseas departments and territories	59	59
Total	59	59
TOTAL CONVENIENCE	4,800	4,583

CASH & CARRY		
	Total	No. of Franchisees
Europe		
France	134	73
Italy	20	3
Total Europe	154	76
TOTAL CASH & CARRY	154	76

* Figure includes supermarkets.

HYPERMARKETS

THE APPEAL OF THE NEW

In 2007, the Carrefour Group opened 149 hypermarkets — a driving force in its conquest of emerging markets — and developed the strong potential of its brand in this format.



WORLD LEADER IN THE HYPERMARKET SEGMENT

With 1,163 hypermarkets in 30 countries, the Carrefour Group is widening its No.1 global position in this format. In 2007, expansion accelerated outside France, particularly in Asia, with the building of 36 new hypermarkets, including 22 in China – where the Group broke its record for store openings in a one-year period. In Europe, 51 new hypermarkets came on board, including the 160th in Spain and the 71st in Poland following integration of the 15 Ahold Polska hypermarkets. In Latin America, the Group became the number one food retailer in Brazil after acquiring the 34 Atacadao discount hypermarkets and inaugurating 62 new hypermarkets.

CARREFOUR GROOMS ITS BRAND IMAGE

France adopted a new law on 1 January 2007 authorizing the retail sector to advertise on television. In January, Carrefour France launched its first advertising campaign on terrestrial channels with the new promise of "Quality for all". The commercials used Carrefour products to demonstrate the brand's quality commitment and its loyalty programme to illustrate its price commitment. A campaign in the print press highlighted the Carrefour Ligne Alerte Prix (Price Hotline), which guarantees the lowest prices on major brands' products. A range of customer commitments, which are posted in the 218 French hypermarkets, rounded out the campaign and strengthened customers' confidence in the Carrefour brand.

New concept in hypermarkets

■ By purchasing the Brazilian Atacadao chain, the Carrefour Group has embraced a new format: discount hypermarkets that mainly offer grocery products, which account for 90% of sales. Most of Atacadao's customers come from low-income households. With this acquisition, the Group can now reach customers other than those who shop in existing formats. The assortment is limited to around 6,000 items sold at very competitive prices. This retail model meets the needs of a large proportion of the Brazilian population. It was rolled out in certain less profitable hypermarkets located in low-income trading areas.

CARREFOUR'S OFFERING: MORE AND BETTER

In 2007, Carrefour expanded its selection of non-food products and promoted the Carrefour brand. Tableware, Carrefour Home and Carrefour Selection (gourmet foods) made a grand entrance and drew rave reviews. Carrefour's services are providing new opportunities to customers worldwide. Our services include mobile phones, home computer support, travel services, credit cards and savings products. The launch of the Tex by Max Azria women's ready-to-wear brand, created exclusively for Carrefour by the world-renowned designer, upgraded the clothing line in 600 Carrefour hypermarkets in Europe. In the same vein, the exclusive distribution agreement for Europe signed with American personal computer maker Dell added new appeal to the hypermarket offering in France, Spain and Belgium starting 15 January 2008.

149
new Carrefour hypermarkets worldwide

40%
rise in sales in Brazil after Atacadao acquisition

Testimonial

JACQUES C.,
a Carrefour customer in France



■ "It's not easy to set up a computer at home all by yourself! When I was doing my shopping I found out that Carrefour offers home computer support so I tried it out. It's fast and professional."



MINI HYPERMARKETS: A PILOT PROJECT

In June 2007, seven HyperChampion hypermarkets adopted the Carrefour name in France. This pilot project marked a new stage in the Group's multi-format and single-brand strategy. The switch to a single brand could help stores to capitalize on the Carrefour image and develop synergies. The Group may thus introduce a new growth format in France: small hypermarkets of 3,000 to 6,000 sq.m, already adopted in several countries in 2006.

First online hypermarket

■ Carrefour's products are just a click away on its online markets: Ooshop for groceries, Carrefour Online for non-food items, Carrefour Spectacles, and Carrefour Mobile, Pass, Carrefour Assurance (insurance) and Carrefour Voyages for services. The carrefour.fr portal was also upgraded in 2007 to provide more services and information to Internet users. In Spain, carrefour.es – both an e-commerce and information site – reinforces Carrefour's multi-channel sales and loyalty strategy.

SUPERMARKETS

MAKING LIFE EASIER

In 2007, the Carrefour Group opened 326 supermarkets, mainly in Europe, and moved faster to update this format, constantly striving to make the shopping experience easier for its customers.



HARD DISCOUNT

THE BASICS AT DISCOUNT PRICES

In 2007, the hard discount format spread its wings, with 654 stores opening in a variety of locations to build on its success.



SETTING COURSE FOR EASTERN EUROPE

Ten years after the Group first set foot in Poland, the integration of 183 Ahold Polska supermarkets vaulted Carrefour to the second spot in the food retailing sector. In Romania, Carrefour's acquisition of Artima gave the Group a foothold in the supermarket segment, providing visibility to the new Carrefour Express banner the 21 supermarkets will display in 2008. At year-end 2007, the Carrefour Group had 2,708 supermarkets in 10 countries.

SINGLE-BRAND STRATEGY MOVES FORWARD

In Spain, all the supermarkets have switched to the Carrefour Express banner, and in Brazil to Carrefour Bairro. Customers have come to know and enjoy the Carrefour brand in a format other than the hypermarket. To prove the point, sales have risen by 30% in Spain based on comparable floor area. In Poland, Belgium, Turkey and Argentina, the Carrefour brand has gradually replaced local retailers, including Globi, GB, Gima and Norte. In France, the Group launched the first brand convergence tests in October. Six Champion supermarkets in Brittany switched to the Carrefour Market name, combining Champion's convenience with Carrefour's strength.

MORE FLOOR AREA, MORE CHOICE

In France, 17 new supermarkets opened, 107 were remodelled and 63 were expanded to the target size of 2,000 sq.m, totalling an additional 77,000 sq.m. Twenty-three percent of products were replenished across the year and the offering enhanced with 100 own-brand products promoting the trend towards organic, fair trade and eco-friendly products. Champion also came up with new ideas in its service offering, selling 20,000 mobile phone contracts in 2007 and providing personal services that make life easier for its 5.6 million loyalty card holders.

Testimonial

ILLONA., a Carrefour Express customer in Poland

"I come here for my weekly shopping. It's practical in terms of the selection, the quality of products – and most of them are Polish – the good prices and the store hours. Before the store was Globi; now it's Carrefour Express, and I can get Carrefour products there."



DIAMARKET: A NEW GROWTH ENGINE

In 2007, Carrefour added a new retail model to the hard discount format that made the lowest prices available to all consumers. DiaMarket is a convenience store of around 400 sq.m with a focus on everyday shopping needs and high-traffic departments, including self-service fruits and vegetables, meat, poultry and fish, and a new section with prepared foods, such as sandwiches and individual salads. Over 70 DiaMarket stores opened in just one year and have met with great success. Launched in 2006, the MaxiDia concept is a supermarket with discount prices. Larger than a traditional store, at about 1,200 sq.m, this format features a larger selection of non-food items. Two years after it entered the market, MaxiDia already boasts 222 stores.

LOW PRICES, HIGH AMBITIONS

Dia International, Carrefour's hard discount segment, aims for top-three ranking wherever it sets up shop. In 2007, its total surface area grew by 13.6%, reaching 2.5 million sq.m with 6,166 stores in eight countries: Spain, France (Ed brand), Portugal (Minipreço), Greece, Turkey, Argentina, Brazil and China. The segment's sales also rose by 8.1%, evidence that the Carrefour Group had the right approach to this format: the basics at discount prices.

SPAIN: A MARKET MODEL

With 2,912 stores out of a total of 6,166, Spain has become both the Carrefour Group's hard discount territory and its testing ground. It is here that Carrefour tests its new Maxi-Dia and DiaMarket models, new services like mobile phones and Dia own-brand products before they are introduced in other countries. In 2007, the acquisition of Plus Supermercados from German retailer Tengelmann added 250 stores to the Dia network, widening its lead as the country's top chain of discount stores.

Testimonial

ANTONIO H., a MaxiDia customer in Spain

"When you have four kids, shopping is a big part of your budget. I've been coming to MaxiDia since it opened last year. Mainly for the prices, which are unbeatable as far as food is concerned, and because they have everything I need, and also for the parking – it's really practical!"



SUPERMARKETS

HARD DISCOUNT

183 new Carrefour Express supermarkets in Poland

250 "Plus" stores switch to the Dia name in Spain

CONVENIENCE

MY NEIGHBOURHOOD, MY MARKET

In 2007, Carrefour opened 224 convenience stores and tested future models of this format, the Group's spearhead for conquering large cities.



FORMAT ADAPTED TO DIFFERENT LIFESTYLES

In 2007, the Group opened 224 convenience stores, including 67 in France, 152 in other European countries and the first five of their kind in Brazil. The Group is responding to socio-demographic changes, such as the growing number of single-person households and people settling in city centres and rural residential areas. Carrefour has a wide-ranging portfolio of convenience stores, including Marché Plus, Shopi, 8 à Huit, Proxi and Sherpa in France, DìperDì in Italy, 5' Marinopoulos in Greece and Carrefour Express in Belgium, which gives priority to brand convergence. All of the stores are located along customers' daily routes and tailor their offering and hours to the local community's specific needs.

A CAPITAL VICTORY

In 2007, the Carrefour Group tested new convenience formats in large city centres, adapting them to local factors. In Poland, the Group inaugurated four convenience stores under the 5 Minut Carrefour name and plans to open between 20 and 40 more in new residential neighbourhoods in large metropolitan areas in 2008. They offer between 2,500 and 4,500 products in stores ranging in size from 80 to 500 sq.m. The Group will be able to rely on the franchise format to expand more quickly while taking full advantage of its investment. In Spain, the Group is also developing the convenience

concept by capitalizing on the Carrefour brand. The Group will test its three leading convenience stores in the heart of Madrid under the Carrefour City name. In premises measuring 350 to 500 sq.m, these stores offer a selection of 3,800 items, including 1,200 under the Carrefour brand. The Group plans to open 25 to 30 Carrefour City stores in Madrid, Barcelona and Valencia in 2008. In Brazil, the Group is testing the first convenience stores in Latin America; the stores will bear the Carrefour Express name. Five shops located at service stations offer 1,000 items in a 100 sq.m space in the city centre of Porto Alegre. If the test proves to be conclusive, this new format will ensure that Carrefour is active in all retail formats and offers solutions to the needs of all Brazilians.

Testimonial

SOPHIA D.,
a DìperDì customer in Italy

"I'm 84 and I can tell you that having a little store like this in the middle of Rome is really practical. I live 200 metres away and I come here almost every day; the cashiers know me so we chat. There are always people here and they even have a section that's open at night, which is good for young people."



CASH & CARRY

Promocash, Carrefour's cash & carry retailer in France, is strengthening its close relationship with customers and launching the types of services expected by catering and food service businesses.



BENEFITS OF FRANCHISING

In 2007, Promocash introduced lease-management in 42 stores. In late December, most stores were operated as franchises - 73 out of a total of 134, representing over 50% of Promocash sales. In 2008, Promocash will continue on the same path, setting up franchises in 43 stores. Every day, the cash & carry format assists customers as their businesses evolve.

SERVING BUSINESS CUSTOMERS

To help its customers comply with applicable regulations, Promocash has created a range of training packages on the issues of health and food safety checks. Promocash also offers kits to restaurants that help them plan turnkey events to boost sales of food products. In addition, Promocash customizes non-food products with the names of specific restaurants, adding value to their service in the eyes of their clientele. In 2007, its portfolio of 1,200 own-brand products, which represent more than 10% of sales, reinforced customers' confidence in Promocash expertise.

Testimonial

BRUNO G., restaurant owner and Promocash customer

"I know the manager; it's his shop and I can count on him for placing orders but also for advice - on health regulations, for example. They have a pack and everything you need's inside. They also print the name of the restaurant on the napkins and place mats. It saves me loads of time!"



CONVENIENCE

CASH & CARRY

4,800
convenience stores
worldwide



WE ARE BUILDING A RESPONSIBLE FUTURE

Respect for people and the environment, universal access to the highest-quality products, and solidarity with surrounding communities underpin Carrefour's efforts to build a responsible future.

A RESPONSIBLE FUTURE

Mobilizing skills and energy	44
Renewing confidence in the future	46
Earning our partners' loyalty	48
Satisfying consumer preferences	50
Actively protecting the planet	52

MOBILIZING SKILLS AND ENERGY

The top private employer in France and ninth in the world, with over 490,000 employees and some 100,000 new hires every year, the Carrefour Group strives to promote diversity, develop skills and ensure a sense of well-being at work.

ENCOURAGING DIVERSITY IN LOCAL HIRING

Operating in 30 countries, Carrefour gives top priority to hiring local residents. Offering some 30 retail trades and recruiting mainly in their catchment area, our stores reflect the diversity of the communities they serve. Creative methods are used to recruit candidates from varied backgrounds. In Turkey, the Group held an event with 4,000 new graduates, followed by a day-long open house that led to the hiring of dozens of young people. In France, hypermarkets are introducing recruitment channels available to all job seekers. Thanks to our partnership with youjob.com, candidates can now post video CVs on the job board. Another partner, Mobilijob, provides access to all of our job vacancies from a mobile phone. And candidates can talk directly to our Human Resources Department at recrute.carrefour.fr during recruitment campaigns. The March 2007 campaign attracted 18,000 visitors, who asked 2,500 questions.

WIDE-RANGING CAREER OPPORTUNITIES

Each country defines its own training policy in line with its priorities and needs, and offers training programmes that encourage skill development and internal promotion. Carrefour Malaysia, for example, held two fast-track training programmes to prepare young graduates and employees for section supervisor (35 days) and store manager (48 days) positions. In the Carrefour Group, talent counts as much a diploma: 50% of all managers and 80%

of hypermarket managers rose through the ranks. To better identify talented employees and ensure fair career management, the Group developed special software called Cap Careers. This software thoroughly and objectively assesses managers' skills and performance during individual interviews. Tested in France, Poland and Belgium in 2007, it is now being implemented in every country.

SAFETY AT EVERY SITE WORLDWIDE

Reducing workplace accidents is a Group priority and is the subject of awareness-raising campaigns, training sessions, procedures and regular audits in stores and warehouses. In countries with lax regulations, our hypermarkets and supermarkets follow the lead of France's particularly strict safety norms in order to raise standards. In 2007, for example, Carrefour Polska partnered with a campaign led by the Polish occupational health and safety agency regarding the prevention of risks associated with the handling of heavy objects in stores, with demonstrations of proper lifting techniques. Currently, the Carrefour Group is striving to combat the psychosocial risks experienced by store personnel. A risk analysis audit was performed in several test stores, together with a survey of workplace stress. In France and Belgium, training programmes are being held to prevent and manage tense situations.



CONSTRUCTIVE LISTENING

To assess labour relations, Carrefour set up a system called Listening to Staff, in which an outside facilitator encourages small groups of employees to anonymously express their opinions about various issues. The results are then presented to all employees, enabling them to identify any problems and develop corrective action plans. In 2007, 20,504 employees participated in the groups, representing 180 hypermarkets and 109 supermarkets in Argentina, Brazil, China, Columbia, Spain, France, Greece, Indonesia, Italy, Poland and Turkey.

SHARED VALUES

The principles that guide Carrefour's human resources policy are based on seven corporate values adopted in 2002. Acceptance of the Group's values by its entire staff lends greater consistency to their actions in every retail banner. These values are freedom, accountability, sharing, respect, integrity, solidarity and progress.

Nearly
60,000
new hires in France in 2007

490,042
employees worldwide

Carrefour solidarity

■ With the support of local staff, the Carrefour International Foundation funds local initiatives in countries with Group operations. Its dual aim is to provide assistance to people in emergency situations and to fight poverty and exclusion. The foundation's initiatives primarily focus on the Group's areas of expertise: logistical support and the supply of essential items; the financing of entrepreneurial microprojects, whose subsequent products are often sold in Carrefour stores, and support for welfare grocery stores. To cite one example, Carrefour employees in Johor State in Malaysia distributed €10,400 worth of basic necessities to flood victims in early 2007. Carrefour Malaysia collected €14,000 from its customers, and the Carrefour International Foundation donated €114,000 to rebuild the devastated village of Kampung Peta. Fifty Carrefour employees volunteered for the project. Greek employees showed the same community spirit during the fires that ravaged the Peloponnesian peninsula. Carrefour and Champion Marinopoulos staff delivered 50 tonnes of essential items to 30 affected villages that had yet to receive any emergency aid.

Testimonial



KARINE, 31,
Head cashier

■ "I manage a staff of 120 people. At my age, I never would've had so much responsibility at any other company! Every day, I organize everyone's work while trying to keep my employees as happy as possible, without ever losing sight of the customer. That's who we're putting in so much effort for..."

RENEWING CONFIDENCE IN THE FUTURE

Knowing how to identify and assess risk is essential for a multi-national retailer. The Carrefour Group is rallying its staff and taking many steps to ensure that its business and future growth are secure.



ANTICIPATING GLOBAL RISKS

Certain countries with Group operations have experienced a high accident rate in recent years. To include all risks related to each location, we updated the mapping of country risks. Drawing on multiple sources of expertise, the situation in each country was closely examined on the basis of nine criteria – political, health, economic, terrorist, natural, employment, infrastructure, crime-related and social-environmental. Out of concern for objectivity, the social-environmental risk assessment was conducted with the Global Risk Ratings tool developed by Ethifinance, a rating agency.

MANAGING CRISES MORE EFFECTIVELY

In 2007, the Carrefour Group developed new prevention tools to professionalize the management of potential risks. All decision outcomes can be taken into consideration using risk-management awareness modules. Turkey, for example, organized earthquake simulations with the participation of the country's Executive Committee.

Testimonial

EMMANUEL DE LA VILLE,
Ethifinance

■ "Carrefour asked us to participate in its risk mapping effort, especially to assess country risk in terms of employment, environmental and social challenges. By taking part in this effort, we gained a better understanding of the Group's gradual, systematic approach to making risk an integral part of business development."



PROTECTING INTANGIBLE ASSETS

Whether strategic or competitive, the Group's information must be protected. In 2007, employees attended awareness-raising sessions in most central locations, and training modules helped the various countries adopt the programme. To educate staff, an Information Safety Passport explaining the key rules was distributed to employees.

DISSEMINATING CARREFOUR'S ETHICS CODE

The Carrefour Ethics Code, updated in 2007, guides employee behaviour and helps them fight corruption. In the most sensitive countries like Argentina, China, Columbia, Indonesia and Turkey, employees, suppliers and customers can call ethics hotlines to report any behaviour that conflicts with the Group's values.

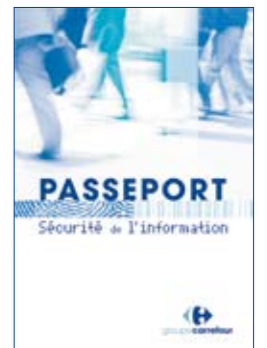
ENSURING RESPECT FOR HUMAN RIGHTS

The Carrefour Group closely monitors working conditions at production plants worldwide in partnership with the FIDH (International Federation of Human Rights). The Social Charter, developed with the federation's support in 2000 and updated in 2005, is signed by all suppliers of own-brand products. The charter is based on six provisions from the Universal Declaration of Human Rights as well as the principles of the International Labour Organization (ILO). To ensure compliance, particularly in sensitive countries like China, India and Bangladesh, the Group commissions independent firms to conduct social audits. In 2007, 609 audits were performed, compared to 390 in 2006. The audits verified, among other issues, compliance with the new law raising the minimum wage in Bangladesh. Carrefour went even further in 2006 when it took part in the creation of the Global Social Compliance Programme (GSCP), part of the International Committee

of Food Retail Chains (CIES). Bringing together retailers and several large manufacturers, the programme aims to harmonize social audit standards and to pool best practices.

Improving dialogue

■ In December 2007, the annual meeting of Carrefour stakeholders brought together 35 participants, including rating agencies, fund managers, NGOs, consumer groups, trade unions, national and international authorities and sustainable development think tanks. The participants and the Chairman of Carrefour's Management Board initiated dialogue on such vital issues as the management of fish stocks, environmental product information, relations with small vendors, dwindling supplies of raw materials and responsible communications. Carrefour gives the highest priority to all of these sustainable development challenges.



609
social audits
of our suppliers

EARNING OUR PARTNERS' LOYALTY

The Carrefour Group shares growth and economic development opportunities with small farm producers, hundreds of franchise entrepreneurs and thousands of SMEs.



HELPING OUR SUPPLIERS GROW

Guaranteeing customers the best value for their money is the raison d'être of Carrefour's partnerships. For Carrefour-brand food products, the Group gives priority to partnerships with local suppliers to ensure long-lasting quality and expertise. In 2007, the Group developed a new Carrefour Quality Line in Thailand for cantaloupe, a type of melon. As another example, Carrefour Italy launched a high-quality range of fruit and vegetables, called Terra d'Italia, which is grown by small producers. Through these partnerships, the Group can guarantee its suppliers long-term markets for their products. In France, our hypermarkets sign agreements to purchase a certain quantity even before the crops are harvested. In 2007, these Carrefour Guaranteed Partnerships involved 224 suppliers and 220,000 tonnes of fruit and vegetables. In return, Carrefour expects its suppliers to provide high-quality, competitive, eco-friendly products produced in a manner that respects human rights. To that end, the Group works closely with suppliers in an approach that focuses on ongoing improvement, based on information sharing and regular audits of their performance. As a result of this policy, producers remain loyal to Carrefour and store brands achieve success. To cite one example, 80% of the 140 SMEs supplying Reflets de France have worked with Carrefour since the brand was launched 10 years ago.

Testimonial ■■■

LUC CHABERT,
Reflets de France partner,
Pays de Savoie region



■ "In 1995, I was asked to make cheese for the Reflets de France brand, a regional brand that was due to come on the market in 1996. We got our real start in mass merchandising with the Reflets de France brand. And since 1996, we've doubled our sales, going from €25 million to over €50 million. Our family business now has 180 employees compared with 80 in 1996."



SHARING GROWTH WITH OUR FRANCHISEES

From hypermarkets to convenience stores, the Carrefour Group operates all of its formats as franchises or partnerships. Operating teams dedicated to each format help these entrepreneurs scout locations, tailor their store concept to local consumers, and develop their assortment and price policy. In 2007, Carrefour Italy inaugurated a cutting-edge training centre for its partners and franchisees. The Insegna centre includes two full-scale mock-ups to replicate actual sales outlets. The training sessions, led by Carrefour Italy staff or outside instructors, focus on four topics: regulations, retail trade, employees and customers. In France, the Shopi, 8 à Huit and Marché Plus convenience stores are using creative new approaches to make it easier to open a franchise. In 2007, for example, a partnership with the French Postal Service offered training to post office workers who wished to become franchisees.



Mrs Abiven, Shopi franchisee in Artemare, France ■

28,459
suppliers of Carrefour Quality
Line products

SATISFYING CONSUMER PREFERENCES

Thanks to its diverse formats, Carrefour can respond in a variety of ways to consumers' wide-ranging expectations worldwide, with one unwavering commitment: to offer the best products and services at the best prices.



LISTENING AT ALL TIMES

To understand changing lifestyles and consumer trends across the globe, the Group conducts market research in the countries in which it operates. It also carries out satisfaction surveys with consumer panels. And to handle complaints as quickly as possible, it provides Customer Care Departments and toll-free numbers, whose details are displayed on the packaging of its own-brand products.

GUARANTEEING THE LOWEST PRICES

To remain competitive in its catchment areas, the Group continually expands its own-brand offering, combining low-priced products with core market-priced items.

Our own brands are available in every department, including fresh products, such as meat, dairy, fruit and vegetables, and put a well-balanced diet within everyone's reach.

Local initiatives expand consumer access. Carrefour Colombia has launched an insurance package (life, automotive, homeowner) called Carrefour en tu vida* that offers customers with modest incomes the option of paying their premiums every time they check out.

* Carrefour in your life

Testimonial

RICHARD EDERY, Manager, Carrefour Customer Service



■ "One of our store's major commitments is our lowest-price guarantee to our customers. That's why we set up the Carrefour Ligne Alerte Prix (Price Hotline) in 2006. If customers find a less expensive product somewhere else, they can call us on 32 35 from a landline free of charge. After we check the information, our store promises to lower the price of that product."

EXPANDING SOCIALLY RESPONSIBLE CONSUMPTION

Consumers are showing increasing interest in organic and eco-friendly products, fair trade, responsible tourism and ethical savings. Under its own brand names, the Group lists and develops socially and environmentally responsible products in order to make them available to the widest number of consumers. Carrefour Agir is the offering's flagship brand and includes the following product ranges: Bio, Nutrition (for a balanced diet), Solidaire (fair trade products or a portion of the profits is donated to humanitarian organizations) and Éco Planète (environmentally friendly products).

In France, Carrefour introduced responsible savings products in large retail outlets, offering three SRI funds sold under the Carrefour Référence brand. Two socially responsible trips to India and Thailand were also launched in 2007, under the Agir Solidaire brand. A portion of the price for one of the trips is donated to local NGOs that care for children.

UNCOMPROMISING COMMITMENT TO FOOD SAFETY

All products developed by Carrefour must meet very strict specifications, which are signed by suppliers and double-checked by regular audits at their manufacturing site.

With the Quality Scorecard, we can track every food product throughout its commercial life cycle and respond at an early stage in the event of a crisis. In China, Carrefour opened small laboratories to test for pesticide residue in fruits and vegetables.

Certain non-food products require greater vigilance. HabillemeT textile clothing designed for babies and children receives special attention with the help of experts, toxicologists and allergists. Health, cosmetic and personal care products are selected after laboratory tests are performed by a team of in-house experts. Suppliers of own-brand cosmetics pledge not to test any of their products on animals or have such testing conducted by others. Some 8,000 laboratory tests were carried out during the 2007 listing process for Christmas toys.

Promoting good nutrition

■ Providing food to 100 million customers gives Carrefour special responsibility all over the world. Carrefour Argentina has taken special measures to safeguard the health of customers suffering from coeliac disease (gluten intolerance). Coeliac organizations helped select low- or gluten-free products, presented in a special, easy-to-locate department in all Carrefour stores. During Nutrition Week, nutritionists answered customer and employee questions in 200 Carrefour Brazil stores, while Carrefour Singapore offered its customers body mass index (BMI) measurements free of charge.



Over
1,050
employees responsible for food quality and safety in the Group

ACTIVELY PROTECTING THE PLANET

Carrefour is increasing its efforts to reduce the environmental impact of its stores, logistics and retail trade, not only to be a good corporate citizen but also to ensure the long-term viability of its businesses.

CONFRONTING DWINDLING NATURAL RESOURCES

The Group favours certified Forest Stewardship Council (FSC) wood from sustainably managed forests for the production of garden furniture sold in its major European markets. It is also increasing the use of paper made from recycled fibres and certified wood for its catalogues and advertising fliers. The rapidly growing demand for palm and soy oil is having a serious impact on biodiversity and contributing to the greenhouse gas effect. Supporting the establishment of sustainable networks, Carrefour joined the Roundtable on Sustainable Palm Oil (RSPO) in 2006 and the Roundtable on Responsible Soy (RTRS) in 2007.

RESPONSIBLE FISHING POLICY

At Carrefour facilities in France, more than 3,000 annual inspections ensure compliance with the ban on catching juvenile fish. Carrefour Quality Line fishing techniques preserve sea beds and species. In France and Belgium, the Responsible Fishing frozen product range guarantees optimal traceability and respect for the ecosystem. In 2008, French hypermarkets are launching Marine Stewardship Council (MSC) frozen products under the Carrefour Agir Éco Planète brand as well as MSC fresh products. Lastly, to counteract the growing scarcity of Mediterranean blue fin tuna, Carrefour Spain and Italy stopped selling it in 2007. Furthermore, Carrefour France removed this fish from its catalogues in order to gradually reduce its consumption, leading to a 50% decrease in sales in 2007 and 2006.

ENERGY SAVINGS

The Group has committed to reducing its energy consumption by 20% by 2020 compared to 2004 levels. In most countries, it has already taken steps to reduce stores' power consumption and to optimize merchandise shipping.

Energy efficiency, a top priority, is based on the Centralised Technical Management project, which allows us to remotely measure and control consumption. Armed with an analysis that reveals the highest consuming areas of the store, we can then channel investment into new equipment, such as closed freezers, night covers for "cold" units and low energy lamps. At the same time, the Group is testing photovoltaic technology in France and Spain. In terms of logistics, Carrefour's number one goal is a reduction in driving by optimizing truck loading, rationalizing transport flows and using alternative means of transport, particularly river and rail in countries with adequate infrastructure, currently the case in France, Belgium and Spain.



CREATING INCREASINGLY SUSTAINABLE STORES

During store renovation and construction, Carrefour tests technical solutions with low environmental impact and ensures that its stores blend harmoniously into the landscape.

In 2007, the Group used sustainable materials and technologies in several French hypermarkets. Carrefour used a flexible bitumen membrane as a waterproof roofing material for its stores in Sens and Crèches. The membrane's white colour reflects heat, limiting the building's air conditioning needs. Because it is lightweight, the membrane eliminates the need to reinforce the roof's steel structures and avoids metal and energy consumption. In addition, the product can be incinerated at the end of its life cycle. A green roof was installed atop the Saint-Quentin-en-Yvelines store. This type of roofing retains rainwater, provides thermal and acoustic insulation, and helps the store blend smoothly into the surrounding environment. Carrefour Brazil launched a project to reuse rainwater for flushing toilets, cleaning car parks and watering green areas around a store in São Paulo.

Testimonial

CHARLES BRAINE,
Head of WWF's Sustainable
Fishing programme



■ "Seafood consumption has considerably increased over the past 50 years. It has grown from less than 20 million tonnes to nearly 92 million tonnes a year worldwide. Today, 75% of commercial stocks are either overfished or fished to the limit of what they're able to bear. We must urgently change our consumption habits."



GOVERNANCE

THE SUPERVISORY BOARD

The main prerogatives of the Supervisory Board are:

- the appointment and dismissal of members of the Management Board and its Chairman;
- the approval of any changes in the Group's structures or in the structure of the share capital.

The continuing role of the Supervisory Board is to verify and monitor the execution of corporate strategy. It can carry out any verification procedures that it deems necessary at any time and obtain access to all documents that it considers useful for such verifications. It must also verify the fairness and accuracy of the financial statements presented to it by the Management Board. When this verification process has been completed, the Supervisory Board draws up a report which is communicated to the shareholders during the Annual General Meeting.

COMPOSITION OF THE SUPERVISORY BOARD

The Supervisory Board is chaired by Robert Halley and has eleven members.

■ Robert Halley / Chairman of the Supervisory Board

Age 72

Robert Halley joined Promodès in 1961. He was appointed Managing Director of the Management Board in 1972 and Vice-Chairman and Managing Director in 1987. On 7 March 2007, he was named Chairman of Carrefour's Supervisory Board.

Other appointments:

Member of the Board of Citra S.A.

■ Comet BV*, represented by Bernard Bontoux / Representative of the Halley Family Group, a core shareholder of Carrefour

Bernard Bontoux was a lawyer from 1970 to 1983. He joined the Promodès Group in 1983 as director of its legal department, and was a member of the Group's general management committee up until 1996. During the same period he was chairman of COCIL, a fund that manages mandatory employer wage contributions used for employee housing.

Other appointments:

Chairman of the Board of Directors of Citra S.A., Managing Director of Comet BV, Member of the Boards of SOPARIL and S.A.I.

■ José Luis Leal-Maldonado / Former Spanish Finance Minister and former Chairman of the Spanish Banking Association

Age 68

José Luis Leal-Maldonado was appointed Director General for Economic Policy in Spain in 1977, a position that he occupied until February 1978, when he became Secretary of State for Economic Coordination and Planning. He was appointed Spain's Finance Minister in April 1979, a position he held until September 1980. From 1981 to 1990, he worked as Economic Advisor to the Banco de Vizcaya and deputy chairman of Banco Bilbao Vizcaya. From 1990 to 2006, he was Chairman of the Spanish Banking Association.

Other appointments:

Member of the Boards of Saint-Gobain, Saint-Gobain Cristaleria Espanola, CEPESA and Renault Spain.

Chairman of Dialogo, a Spanish-French friendship organization and of Accion Contra el Hambre, Vice-Chairman of the Fundación Abril Martorell and member of the Real Patronato del Museo del Prado and of the Fundación Duques de Soria..

■ René Brillet / Former Carrefour Managing Director for Asia

Age 66

The former Carrefour Managing Director for Asia, René Brillet began his career as a radio officer in the Merchant Marine in 1968. In 1972 he joined Carrefour and successively held the positions of Chief Accountant in Italy and Brazil, then of Store Manager and Director of Organization and Methods while still in Brazil. In 1981, he moved to Argentina as Executive Director and then to Spain, where he was in charge of operations from 1982 to 1985, and finally to France, which he managed from 1986 to 1995. In 1996 he was appointed Managing Director for Europe and then Managing Director for Asia in 1998, a position that he held until 28 February 2004.

■ Anne-Claire Taittinger / Senior Adviser to WEFOS (Women's Forum for the Economy and Society)

Age 58

Anne-Claire Taittinger is a graduate of the Institut d'Études Politiques de Paris, and holds a Master's degree in urban sociology and an advanced degree in urban development from the Centre de Perfectionnement aux Affaires. She began her career in 1976 at the Caisse des Dépôts et

Consignations as head of urban development operations at the Société Centrale d'Équipement du Territoire. She joined the Louvre group in 1979 as General Secretary and then became Chairman and Managing Director of the Compagnie Financière Deville. She was successively Chairman and Managing Director of the Compagnie Financière Leblanc and of ELM-Leblanc, Vice-Chairman and Managing Director of the Industrial Division of Deville, Chairman and Managing Director of Parfums Annick Goutal France USA and then of Baccarat. She became Managing Director and subsequently Chairman of the Executive Committee of the Société du Louvre in 1997, and then in 2002 Chairman of the Executive Committee of the Taittinger Group as well as Managing Director of its subsidiary, the Louvre group, as part of the separation of functions of Chairman of the Board and Managing Director. She left these positions in July 2006 following a change in the shareholder base at the Taittinger Group.

Other appointments:

Member of the Boards of Dexia, Club Méditerranée and Baccarat.

■ René Abate / Consultant

Age 59

René Abate is a graduate of the École Nationale des Ponts et Chaussées and the Harvard Business School. He began his career as an engineer with the New York Port Authority in 1970 and then joined BCG in 1974 where he was a consultant in the fields of strategy and organization to large companies in various sectors, notably in high-turnover consumer goods and in food and specialty retailing. He was successively Senior Vice President, Cabinet Business Manager in France, Chairman of the Group for Europe and member of the World Executive Committee, positions from which he resigned in 2006.

Other appointments:

Managing Partner of Delphen SARL.

Member of the Management Board of the Laboratoire Français du Fractionnement et des Biotechnologies.

■ Amaury de Sèze / Vice-Chairman of the Supervisory Board

Age 61

Chairman of the Supervisory Board of PAI Partners (until December 2007). Amaury de Sèze began his career in 1968 at Bull General Electric. In 1978 he joined the Volvo group where he held the positions of Managing Director, Chairman and Managing Director of Volvo France, Chairman of Volvo Corporate Europe, member of the Executive Committee of the Volvo Group and member of the Renault Volvo Strategic Committee. He joined the Paribas group in 1993 as a member of the Management Board of the Compagnie Financière de Paribas and of the Paribas Bank, in charge of equity holdings and industrial affairs and then as Manager of the Equity Holdings Division of the BNP-Paribas Bank. He has been Chairman of PAI partners since 1998.

Other appointments:

Member of the Boards of Eiffage, Erbe, Gapeco, Groupe Industriel Marcel-Dassault, PAI Europe III General Partner, PAI Europe IV General Partner, PAI Europe IV UK General Partner, PAI Europe V General Partner, PAI Partners SRL, Power Corporation of Canada, and Pargesa Holding S.A. Member of the Supervisory Boards of Gras Savoye and Publicis Groupe.

■ Jean-Martin Folz / Chairman of AFEP

Age 61

A graduate of the École Polytechnique and the École des Mines, Jean-Martin Folz began his career in 1972 in a regional office of the French Ministry of Industry, after spending a year in Tokyo at the Maison Franco-Japonaise. Between 1975 and 1978 he belonged to various ministerial staffs and was ultimately appointed Chief of Staff to the

Secretary of State for Industry.

In 1978 he joined the Rhône-Poulenc group, first as Plant Manager of the Saint Fons unit and then later as Deputy Managing Director of the Rhône-Poulenc Specialty Chemicals Division. Between 1984 and 1987 he was Deputy Managing Director and subsequently CEO of Jeumont Schneider. He was appointed COO of Péchiney in July 1987 and then Chairman of Carbonne Lorraine. In 1991 Mr. Folz was appointed CEO of Eridania Béghin Say and Chairman of Béghin Say. He joined the PSA Peugeot Citroën group in July 1995 and was appointed Director of the Automotive Division in April 1996. He was named Chairman of the PSA Peugeot Citroën Group as of 1 October 1997. On that same date he was also appointed Chairman of Automobiles Peugeot and Automobiles Citroën. He resigned from these positions in 2007.

Other appointments:

Member of the Boards of Société Générale, Saint Gobain, Alstom and Solvay (Belgium).

Member of the AXA Supervisory Board.

■ Halley Participations* / Representative of the Halley Family Group, a core shareholder of Carrefour

■ Sébastien Bazin

Age 46

From 1990 to 1994, Sébastien Bazin was Deputy Director of Hottinguer Rivaud Finances in Paris. Between 1994 and 1997, he served as Group Managing Director and Managing Director of Immobilière Hôtelière SA. From 1997 to 1999 he was CEO of Colony Capital SAS. Since 1999 he has been Executive Managing Director of Colony Europe.

Other appointments:

Chairman of the Board of Directors and Chief Executive Officer of the Société d'Exploitation Sports et Évènements and of Holding Sports et Évènements.

Member of the Boards of Accor and France Animation.

Member of the Supervisory Board of ANF (Les Ateliers du Nord de la France).

President of Colwine, Colbison, SAIP, Colfim and Spazio.

Managing Director of Toulouse Canceropole.

Director of CC Europe Invest and Colmassy.

Member of the Board of Mooncoop.

Member of the Supervisory Board of Groupe Lucien Barrière.

■ Nicolas Bazire

Age 50

Nicolas Bazire was a junior official and later public auditor at France's Cour des Comptes. In 1993 he became Chief of Staff to French Prime Minister Edouard Balladur. He served as a Managing Partner in Rothschild & Cie Banque between 1995 and 1999, when he was appointed to the Supervisory Board. In 1999 he became CEO of Groupe Arnault SAS and Director of Development and Acquisitions at LVMH – Moët Hennessy Louis Vuitton.

Other appointments:

Member of the Board of LVMH – Moët Hennessy Louis Vuitton.

Member of the Supervisory Board of Rothschild & Cie Banque SCS France.

Member of the Board of IPSOS.

*Under the terms of a 5 March 2008 press release, the Halley Family Group announced that Comet BV and Halley Participations will resign from their appointments effective 15 April 2008.

THE SUPERVISORY BOARD COMMITTEES

There are two specialized committees within the Supervisory Board. The purpose of these committees is to examine certain specific issues in depth and make proposals to the Supervisory Board.

THE AUDIT COMMITTEE

Committee Missions

The prerogatives of the Audit Committee include responsibility for:

Annual and interim financial statements, for which:

- it examines the corporate and consolidated financial statements before they are presented to the Supervisory Board;
- it verifies that proper and consistent accounting methods are used to draw up the corporate and consolidated financial statements;
- it analyzes the intermediate and preliminary results and the commentaries on them before they are made public;
- it verifies that the internal procedures for collecting and auditing the information ensure that the aforementioned accounting methods can be correctly applied;
- it considers changes and adaptations of the accounting principles and rules used to draw up the financial statements.

Stock market regulations, for which:

- it assures the quality of the procedures and information relating to stock market regulations (reference document).

The internal and external audit of the company and its main subsidiaries, for which:

- it evaluates proposals for the nomination or renewal of the company's Statutory Auditors and their compensation;

- it evaluates, with those responsible for internal control, the Group's internal control systems.

The risks that it examines regularly with the Supervisory Board are of a financial, strategic or operational nature. The committee can make use of the information available from the Group's Finance and Management Director and can hear the Statutory Auditors under conditions stipulated by the Committee.

Membership of the Committee

The committee has a maximum of four members appointed by the Supervisory Board from amongst its members.

Current committee members are:

- Jean-Martin Folz (Chairman and independent member);
- René Brillet (independent member);
- Amaury de Sèze (independent member);
- Sébastien Bazin.

The Committee meets at least three times per year. Two meetings are scheduled before the presentation of the annual and interim financial statements. The Committee is not quorate unless at least half its members are present. A committee member may not appoint a proxy.

In 2007, this Committee met four times.

THE COMMITTEE ON REMUNERATION, APPOINTMENTS AND CORPORATE GOVERNANCE

Committee Missions

The Committee takes action in the following areas:

- proposals to the Supervisory Board for the nomination of its members;
- proposals for the remuneration of corporate officers and the distribution of director's fees;
- assessment of the overall stock-option package;
- information on the nomination and remuneration of the Group's senior management;
- evaluation of the quality of the work of the Supervisory Board.

Membership of the Committee

The committee has a maximum of four members appointed by the Supervisory Board from amongst its members.

Current committee members are:

- Anne-Claire Taittinger (Chairman and independent member);
- José Luis Leal-Maldonado (independent member);
- René Abate (independent member);
- Bernard Bontoux.

The Committee meets at least once a year. It can meet at the request of the Chairman of the Supervisory Board or of two members of the Committee. The Committee is not quorate unless at least half its members are present. A committee member may not appoint a proxy. In 2007, this Committee met ten times.

The Management Board

The Management Board, an executive body appointed by the Supervisory Board, is responsible for the General Management of the company through a collective decision-making process. It examines and approves the financial statements and calls the Shareholders' Meeting. It reports on its management decisions to the Supervisory Board.

■ José Luis Durán / Chairman of the Management Board

Age 43

After studying economics, José Luis Durán began his career in 1987 with Arthur Andersen. He joined Pryca (a Carrefour subsidiary) in 1991, where he successively held the positions of Management Auditor (1991-1994), Management Auditor – Southern European (1994-1996) and then Management Auditor – Americas until 1998. After holding the position of Chief Financial Officer at Pryca, he became Chief Financial Officer of Carrefour Spain in 1999. In April 2001 he was appointed CFO and Managing Director of Organization and Systems for Carrefour and joined the group's Executive Committee. On 3 February 2005, José Luis Durán became Managing Director of the Group. On 20 April 2005, he was appointed Chairman of the Management Board. José Luis Durán has also served as a non-executive director on the Board of HSBC Holding plc since 1 January 2008 and a member of the Board of France Télécom Group since 5 February 2008. He also serves as Chairman of the Carrefour International Foundation and as an advisory committee member for Samu Social (mobile emergency medical service for homeless people).

■ Jacques Beauchet / Member of the Management Board,

Managing Director Human Resources, Communication, Legal, Quality Control, Social Responsibility and Risk Management

Age 56

After completing his studies at the European School of Management in Paris (ESCP), Jacques Beauchet began his career in 1977 in management control at Shell. In 1986, he joined Codec as Management Control Director until 1989, when he became General Secretary. At the end of 1990, he was appointed acting Finance Director of Promodès. In 1993, he became Adviser to the Chairman, a post which he held concurrently with that of Communications Director from 1995. In 1999, he was named the Carrefour Group's Human Resources Director.

Since 3 February 2005, Jacques Beauchet has been Managing Director for Human Resources, Communication, Legal, Quality, Liability & Risks. On 20 April 2005, he was appointed to membership of the Management Board.

■ Javier Campo / Member of the Management Board, Managing Director Hard Discount

Age 52

After studying engineering at the Universidad Politécnica in Madrid, Javier Campo began his professional career in 1979 at the Accenture consulting firm. In 1982, he became Managing Director of the Alton and Old Chap jeans brands. He joined the Group in 1985 as Marketing Director of Dia. In 1986 he was appointed Managing Director of Dia Spain, then Managing Director of Dia International. In 1996, he became an Executive Committee member for Promodès and then for Carrefour in 1999. On 20 April 2005, he was appointed to membership of the Management Board.

■ José Maria Folache / Member of the Management Board,

Managing Director Commercial and Marketing

Age 48

After obtaining a law degree and an MBA from the IESE business school in Barcelona, José Maria Folache joined Continente in 1986 as Deputy HTCG Purchasing Director in the Merchandise division in Spain. In 1991, he was named Manager of a hypermarket for one year, and then returned to the Merchandise department in Spain as Sales Director. In 1993, he was appointed Regional Director, and then in 1994, Director of non-food central purchasing for the Promodès group. In 1998 he was appointed Managing Director for Promodès Hypermarkets in Italy and in 2000 Managing Director Spain. In February 2005, José Maria Folache was appointed Managing Director – Europe (excluding France). On 20 April 2005, he was appointed to membership of the Management Board. On 23 January 2008, he was appointed Managing Director Commercial and Marketing.



From left to right : Jacques Beauchet, Javier Campo, Thierry Garnier, José Luis Durán, Gilles Petit, José Maria Folache, Guy Yraeta.

■ Thierry Garnier / Member of the Management Board, Managing Director International (excluding Europe)

Age 41

After studying engineering at the Ecole Polytechnique and then at the École Nationale Supérieure des Mines, Thierry Garnier held a variety of positions within industrial companies including Total and Usinor, before entering the French Department of Trade and Industry and then the Ministry of Foreign Affairs. In 1997, he joined Promodès as a Trainee Hypermarket Manager. In 1998 and 1999, he was the Hypermarket Manager in Libourne. In 1999 and 2000, he served as Regional Director for the Nord-Pas-de-Calais region (Hyper Continent), and in 2000 he was named Regional Director for Carrefour Grand Lille and then Carrefour Paris Ouest. In December 2002, he was appointed Executive Director of Supermarkets – France. In February 2005, Thierry Garnier was appointed Managing Director of Supermarkets France, and on 23 January 2008, he was appointed as a member of the Management Board and Managing Director International (excluding Europe).

■ Gilles Petit / Member of the Management Board, Managing Director France

Age 52

Gilles Petit studied Finance at the Ecole Supérieure de Commerce in Reims. After beginning his professional career at Arthur Anderson, he joined the Promodès Group in 1989. He served successively as Store Manager, Director of Methods and Organization (from 1991 to 1993), Sales Director (from 1993 to 1995), and then as Operational Director (from 1995 to 1999). Between 1999 and 2000 he was responsible for the general manage-

ment of the Continent Hypermarkets. In 2001, he became Executive Director and acting Board Member of Carrefour Belgium. He held this position until 2004 when he was appointed Executive Director for the APE (Other European Countries) zone within the Group. In 2005, he was appointed Executive Director and acting Board Member of Carrefour Spain. On 23 January 2008, he was appointed to membership of the Management Board and as Managing Director France.

■ Guy Yraeta / Member of the Management Board, Managing Director Europe (excluding France)

Age 55

After completing his engineering studies at the Institut Supérieur d'Agriculture de Rhône-Alpes, Guy Yraeta joined Carrefour in 1976 as Textile Section Supervisor in 1976, becoming Non-Food Department Manager five years later. In 1985, he was appointed Checkout Manager and then Grocery Manager in 1987. In 1988 he was appointed Store Manager and two years later, he took up the post of Grocery Director France. In 1994 he became Regional Director for the Central Northeast territory. Beginning in 1995, he held the post of Executive Director for Italy for four years. In 1999 he was named Executive Director for Poland, and in 2003 he was named Director for the APE (Other European Countries) zone. He became Executive Director for French hypermarkets in 2004, and since 3 February 2005 has served as Managing Director for Hypermarkets in France. On 20 April 2005, he was appointed to membership of the Management Board, and on 23 January 2008, he was appointed Managing Director Europe (excluding France).

SUMMARY OF CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT Sign convention (- expenses; + income)

In millions of euros	31/12/2007	% Var.	31/12/2006
Sales (excluding tax)	82,148.5	6.8%	76,886.7
Other Income	1,147.2	10.7%	1,036.1
Total income	83,295.7	6.9%	77,922.8
Cost of sales	(64,609.4)	7.0%	(60,405.2)
Gross margin from Current operations	18,686.3	6.7%	17,517.6
Sales, general and administrative expenses	(13,672.7)	7.0%	(12,777.7)
Depreciation, amortization and provisions	(1,722.5)	10.6%	(1,556.9)
Activity contribution	3,291.2	3.4%	3,183.0
Non-recurring income	229.0	(11.0%)	257.4
Non-recurring expenses	(182.0)	6.2%	(171.4)
EBIT	3,338.2	2.1%	3,269.0
Interest income	(526.1)	11.1%	(473.6)
Income before taxes	2,812.1	0.6%	2,795.4
Income tax	(806.9)		(811.1)
Net income from recurring operations of consolidated companies	2,005.2	1.1%	1,984.3
Net income from companies consolidated by the equity method	43.1	17.6%	36.7
Net income from recurring operations	2,048.3	1.4%	2,021.0
Net income from discontinued operations	430.9		410.6
Total net income	2,479.2	2.0%	2,431.6
of which Net income - Group share	2,299.4	1.4%	2,268.5
of which Net income from recurring operations - Group share	1,868.5	0.7%	1,855.8
of which Net income from discontinued operations - Group share	430.9		412.7
of which Net income - Minority share	179.8	8.9%	165.2
	31/12/2007	% Var.	31/12/2006
Earnings per share from recurring operations (in euros, before dilution) - Group share	2.67	1.4%	2.63
Earnings per share from recurring operations (in euros, after dilution) - Group share	2.67	1.4%	2.63

ASSETS

In millions of euros

Asset	31/12/2007	31/12/2006
Goodwill	11,674	10,852
Other intangible fixed assets	1,173	1,038
Tangible fixed assets	14,751	13,736
Other non-current financial assets	1,119	1,111
Investments in companies accounted for by the equity method	436	417
Deferred tax on assets	944	922
Investment properties	500	455
Consumer credit from financial companies	1,959	1,656
Non-current assets	32,555	30,187
Inventories	6,867	6,051
Commercial receivables	3,424	3,620
Consumer credit from financial companies - short term	2,713	2,586
Tax receivables	582	553
Other assets	956	815
Cash and cash equivalents	4,164	3,697
Non-current assets held for sale ⁽¹⁾	669	23
Current assets	19,377	17,346
Total assets	51,932	47,533

LIABILITIES

In millions of euros

Liability	31/12/2007	31/12/2006
Equity capital (Carrefour S.A.)	1,762	1,762
Consolidated reserves (including income)	8,900	7,724
Shareholders' equity - Group share	10,663	9,486
Shareholders' equity - minority interest	1,107	1,017
Shareholders' equity	11,770	10,503
Borrowings	8,276	7,532
Provisions	2,147	2,256
Deferred tax liabilities	462	280
Consumer credit refinancing	430	516
Non-current liabilities	23,085	21,087
Borrowing - short term	3,247	2,474
Trade payables	17,077	16,449
Consumer credit refinancing - short term	3,989	3,427
Tax payables	1,193	1,172
Other liabilities	3,114	2,910
Non-current liabilities held for sale ⁽¹⁾	227	13
Current liabilities	28,847	26,446
Total Liabilities	51,932	47,533

(1) Non-current assets and liabilities held for sale correspond:
a. in 2006, to assets and liabilities of operations in Slovakia.
b. in 2007, to assets and liabilities of operations in Switzerland and Slovakia as well as certain assets in Belgium, Turkey, Poland and with Dia Spain.

CONSOLIDATED CASH FLOW STATEMENT

In millions of euros	31/12/2007	31/12/2006
Income before tax ⁽¹⁾	2,812	2,795
Operating activities		
Tax	(660)	(782)
Provision for amortization	1,790	1,637
Capital gains and losses on sales of assets	(139)	(130)
Changes in provisions and impairment	98	63
Dividends on companies accounted for by the equity method	7	8
Impact of discontinued activities	10	(4)
Cash flow from operations	3,918	3,586
Change in working capital	(88)	95
Impact of discontinued activities	40	(222)
Change in cash flow from operating activities (excluding financial companies)	3,869	3,461
Change in consumer credit commitments	43	10
Net cash from operating activities	3,912	3,469
Investing activities		
Acquisitions of tangible and intangible fixed assets	(3,069)	(3,290)
Acquisitions of financial assets	(101)	(65)
Acquisitions of subsidiaries	(1,388)	(529)
Disposals of subsidiaries	684	1,345
Disposals of fixed assets	505	689
Disposals of investments	33	45
Subtotal Investments net of disposals	(3,337)	(1,806)
Other uses	(48)	(27)
Impact of discontinued activities	(105)	(200)
Net cash from investing activities	(3,491)	(2,033)
Financing activities		
Proceeds on issue of shares	14	6
Dividends paid by Carrefour (parent company)	(722)	(705)
Dividends paid by consolidated companies to minority interests	(106)	(109)
Change in shareholders' equity and other instruments	(507)	(92)
Change in borrowings	1,298	(788)
Impact of discontinued activities	68	203
Net cash from financing activities	46	(1,485)
Net change in cash and cash equivalent before currency impact	467	(50)
Impact of currency fluctuations	0	14
Net change in cash and cash equivalent after currency impact	467	(36)
Cash and equivalents at beginning of year	3,697	3,733
Cash and equivalents at end of year	4,164	3,697

(1) Including financial interest for 473.6 million euros at 31 December 2007 and 431.8 million euros at 31 December 2006.

ADDRESSES
OF PRINCIPAL SUBSIDIARIES

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