Daniel Bernard
& Paul-Louis Halley

C O N T E N T S

Together, better, faster, farther

The year 1999 marked the beginning of a new chapter in our history, with the integration of Comptoirs Modernes, our merger with Promodès and a new ambition: to win the retail battle worldwide.

Today, products and services flow around the world with ever greater ease. Retailing these products and services depends upon both local and international groups. The game is open to everyone, but already top American and European groups are emerging as industry leaders.

By creating the largest retail group in Europe, the second largest in the world, and certainly the most international, we have equipped ourselves to be one of the main architects of this development.

Since August 1999, teams from both Promodès and Carrefour have done a remarkable job preparing for an across-the-board merger of our two companies in terms of trademarks, sales policies, logistics and human resources.

Today, the stores are ready to change names: all of the Group's hypermarkets will carry the Carrefour name by the end of the year. Similarly, our supermarkets will all take on a trade name common to each country, "Champion" in France and Spain. These changes are made quickly, because speed is one of the keys to the success of our merger and because our customers must benefit from the dynamics of the new group rapidly.

The European Commission's decision to clear our merger as of January 2000 has allowed us to begin implementing our plan without delay.

The year 2000 will thus be the year of incorporation for the two groups. By the end of January, after several months of effort, our work groups had completed their projects and a new organization is now in place in each of the countries where we do business. Alongside the change in trade names, we are also getting ready to harmonize our information systems and commercial policies.

We intend to achieve significant earnings growth beginning this year. In 1999, the proforma net profit of the new group amounted to €915 million after goodwill amortization. This should double within three years due to the synergies we will find at every level: optimized volume and harmonized product lines, savings on marketing and advertising, as well as those resulting from more efficient use of our logistic network.

However, accelerated growth is not an end in itself. It will provide us with the means to prepare for the future: together, we will go faster and farther.

Faster: accelerated expansion of our various stores.

Europe, our top market, currently appears to be engaged in a period of growth which could last for several years. Our size enables us to reinforce our market share by expansion of most of our current store formats. At the same time, we continue to pursue our development in the Central European countries.

In Latin America, we have raised our market share in Argentina through Promodès, while in Brazil we acquired more than a hundred supermarket outlets last year. The monetary crisis at the beginning of 1999 brought about a significant slowdown of consumption in the large countries, but the region retains its major potential for the future. As in the past, we are gearing our offer to the current context and continuing our expansion.

In Asia, our two groups will unite forces in China, in Korea and in Indonesia, as well as in all the other countries of the region. The effects of the recent crisis are still perceptible in some countries, but others, such as Korea or Thailand, have already returned

to high levels of growth. We have already become the leading retailer in the region and continue to build on the headway achieved by being the first to the market.

Farther along a new frontier: internet

We are currently present in 26 countries and each year serve more than 2 billion customers. For Carrefour, Internet represents an opportunity simultaneously to capitalize on our existing customer base and increase our trademark penetration through a better-adapted offer of consumer products, services, information and exchange.

We tackle this new venture with strong assets: we operate our stores in big megapoles around the world, we know the customers, their needs, the products and the logistics, and we have the financial capacity to invest.

This allows us to have an ambitious and entrepreneurial project. Before the end of 2000, a full offer will be launched in a few countries, including a ISP, a portal proposing Carrefour sites as well as partner sites, secured payments. Ooshop, tested in 1999, will be included in that offer: this online supermarket will be available in the Paris area before summer.

In the history of Carrefour, we were successful in the globalization phase and have weathered the Asian and South American crises: today, our potential is stronger than ever. We have also undertaken successfully the consolidation phase with Comptoirs Modernes and Promodès: we are now the top European distributor and the only one leading in so many countries in Europe, Latin America or Asia.

We are now ready to take up the challenge of modern consumption and this new market, Internet, that is dawning with the 21st century.

Daniel BERNARD
Chairman

Group profile

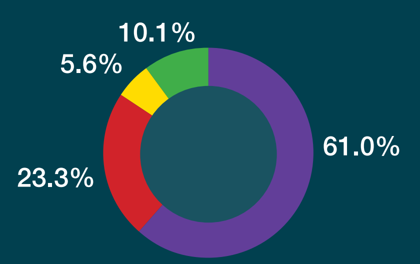
1st RETAILER IN EUROPE

2nd RETAILER WORLDWIDE

9 000 stores in 26 countries*

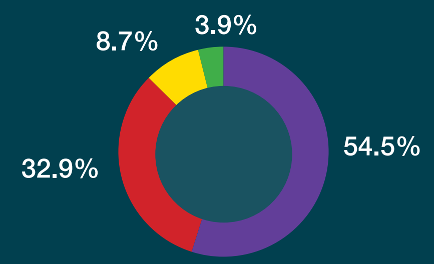
680 hypermarkets
2,260 supermarkets
3,120 hard discount stores

BREAKDOWN OF RETAIL NETWORK SALES*



By store type

- Hypermarkets
- Supermarkets
- Hard discount
- Others

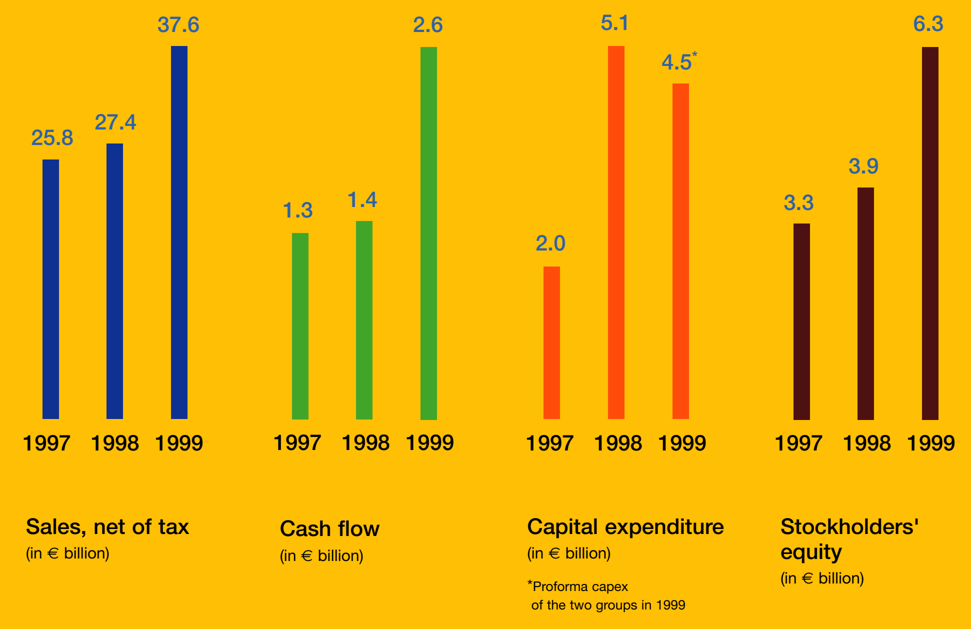


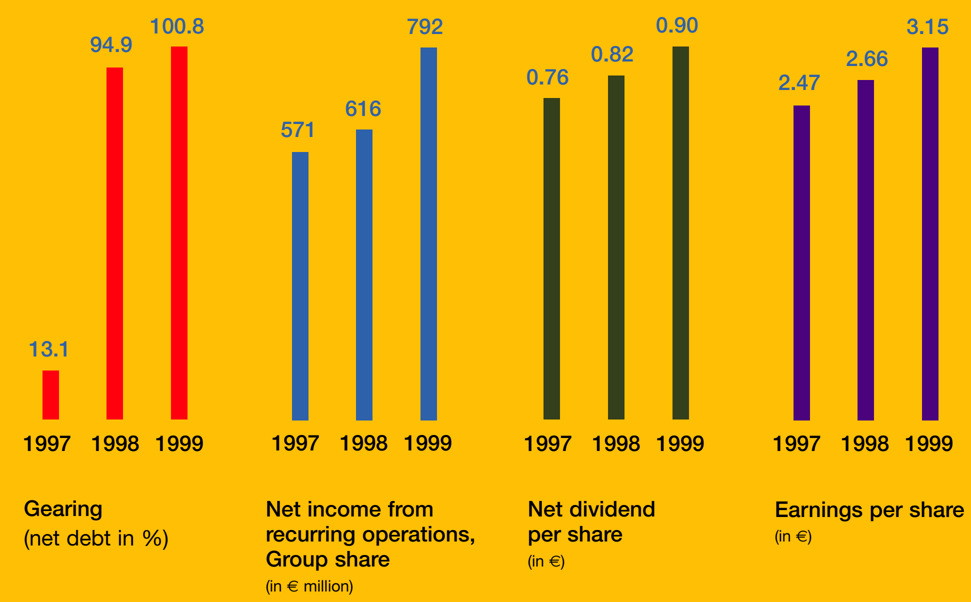
By geographical area

- France
- Europe (excl France)
- Americas
- Asia

*Stores under banners of the group

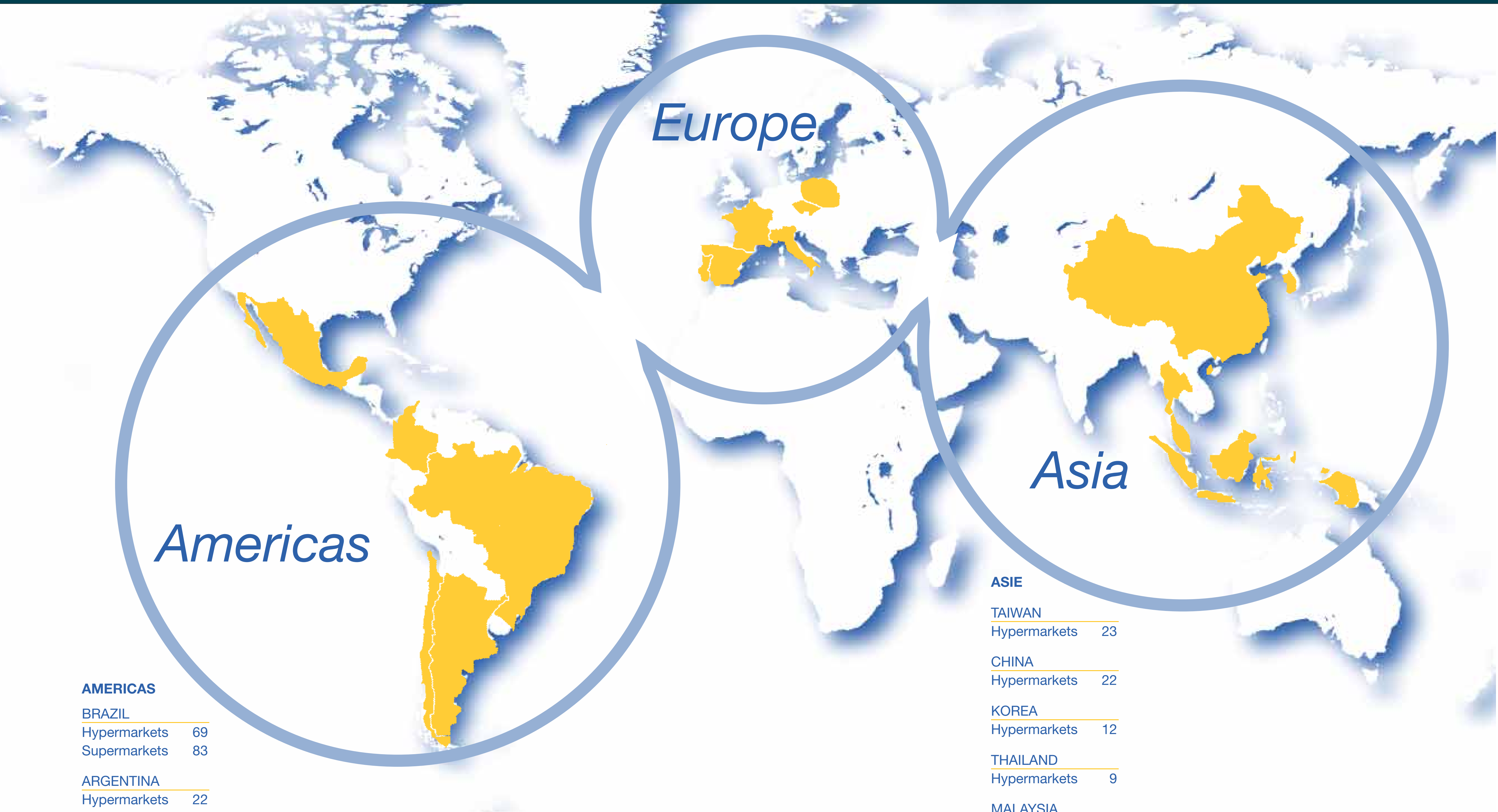
FINANCIAL HIGHLIGHTS





Carrefour worldwide

Stores under banners of the group at 31 December 1999



AMERICAS

BRAZIL	
Hypermarkets	69
Supermarkets	83

ARGENTINA	
Hypermarkets	22
Hard discount	106

MEXICO	
Hypermarkets	14

CHILE	
Hypermarkets	2

COLUMBIA	
Hypermarkets	2

ASIE

TAIWAN	
Hypermarkets	23

CHINA	
Hypermarkets	22

KOREA	
Hypermarkets	12

THAILAND	
Hypermarkets	9

MALAYSIA	
Hypermarkets	6

INDONESIA	
Hypermarkets	5

SINGAPORE	
Hypermarket	1

HONG KONG	
Hypermarkets	4

EUROPE

FRANCE	
Hypermarkets	227
Supermarkets	1,078
Hard discount	418
Convenience stores	1,672
Cash and carry	160
Frozen food stores	411

SPAIN	
Hypermarkets	117
Supermarkets	180
Hard discount	2,157
Convenience stores	532
Cash and carry	30

BELGIUM	
Hypermarkets	60
Supermarkets	492

GREECE	
Hypermarkets	8
Supermarkets	92
Hard discount	149
Convenience stores	34

ITALY	
Hypermarkets	36
Supermarkets	262
Convenience stores	532
Cash and carry	9
Frozen food stores	47

POLAND	
Hypermarkets	7
Supermarkets	6

PORTUGAL	
Hypermarkets	17
Supermarkets	64
Hard discount	285

CZECH REPUBLIC	
Hypermarkets	3

TURKEY	
Hypermarkets	5
Supermarkets	9

Managing the new Group: quick, yet balanced choices

From the day the merger was announced, an organisational diagram of the Executive Committee of the new Group was published. The new organization presents a good balance between the management of Carrefour and that of Promodès: amongst the top 200 managers of France and Spain, 47% will be from Promodès, 53% from Carrefour

The Board of Directors has also been changed, the number of Directors increasing from 7 to 12 members.

The merger: a process requiring pragmatism and speed

The merger process was organised rapidly so as to provide each company, very quickly, with the new objectives of the Group.

From September 1999, **a steering committee**, was created to head up overall merger strategy, set deadlines, assign priorities and targets, and examine proposals.

At the operational level, the merger was organised in a very methodical fashion, based on work groups that meet in each country on every occasion requiring an examination of the strategic objectives specific to the organization. These work groups are composed of the unit heads of each of the merging groups.

The coordination of topics, by concept, type or trademark would be carried out, if necessary, by international work groups, organised under the management of a supra-national director.

With regard to the large, functional divisions, five platforms were organised covering human resources, communications, legal affairs, finance and information systems. Bringing together the unit heads of each of the divisions in view of detailing the new, functional principles under which the merger is to proceed, the platforms ensure consistency during the merger process.

Within the limits of our organisation, pragmatism is essential due to the need to bring the new group up to an acceptable level of performance as quickly as possible. Later on, our competitiveness will be based upon some principles, which from the beginning oriented our decisions:

- The preservation of a local approach, adapting our product offer to the needs of our clients, and drawing our profits from the global scale of our operations, our combined resources, and our shared know-how.

- The construction of a European organisation to serve as a foundation for the Group while guaranteeing the short-term realisation of synergies which are, for the most part, to be found at national level.

- The search for simplicity without denying complexity: the portfolio of services produced by the various units within the group is the largest amongst the world's distributors. This is a major strong point, but also presents risks that must be taken into consideration. Two major targets have been defined: to be the best in each of our three major store types world-wide (hypermarket, supermarket and hard discount), and to generate a maximum of synergy between these concepts.

- The optimisation of relations between the sales force and upstream operators: our overriding goal is to satisfy our clients, and to do it better than our competitors, by adapting our offer to meet customer needs, at the best price and with the best service. This goal can only be achieved if those who are in contact with our clients are listened to on a daily basis.

- The strengthening of the entrepreneurial spirit, responsiveness, and the development of individual and collective skills, making these attributes the foundation of the company's culture.

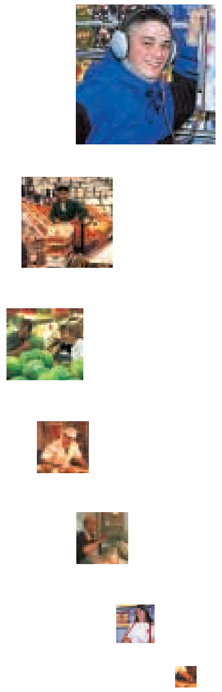
It is these principles, in addition to the traditional virtues of our two groups, which are guiding our actions, and they will continue to guide us in the future.

Last January 25, an essential step was taken by the new Group: the European Commission in Brussels gave the green light for the merger between the Carrefour and Promodès groups.

At the time of the talks with the Commission, we promoted our policy of forming partnerships with small and medium-sized enterprises in Europe, and similarly with farmers *via* the system of "quality lines". Both Carrefour and Promodès have achieved a degree of certain headway over our competitors in this type of partnership, and we have confirmed our intention of extending such relations to include new suppliers.

The authorities governing competition in France and Spain are now in the process of studying data concerning sites where, because of the merger, our position might be considered dominant. These bodies should render their decision some time in 2000.

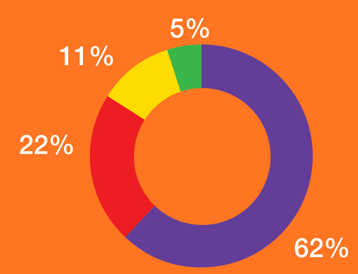
Due to the agreement, the schedule that was established at the beginning of the operation will be able to be maintained: **the merger, which will submitted for approval at our Annual General Meeting of Shareholders to be held on March 30, 2000**, should therefore take effect in April. The shares of Promodès still in circulation will, at that time, be converted into shares of Carrefour, at the same par value as that of the Public Offer of Exchange launched in September 1999 (six shares of Carrefour for one share of Promodès).



Promodès enjoyed a very strong presence in Europe in all of its store formats. Early on, Carrefour had turned towards new continents: Latin America and Asia. Together, the new group is now the world's most global retailer.

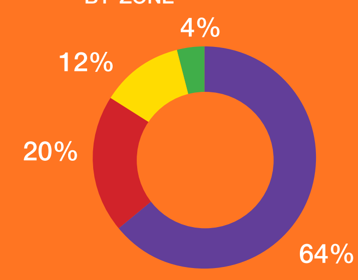
The world's most global retailer

PRO FORMA SALES, NET OF TAX, BY ZONE



- France
- Europe
- Americas
- Asia

PRO FORMA EBITDA BY ZONE



- France
- Europe
- Americas
- Asia

The 1st retailer in France

The merger of Carrefour and Promodès has produced a new Group which is now the number-one retailer in France: nearly 4,000 retail outlets all types included (1,699 of which are fully owned), consolidated sales of more than FF150 billion, complementary positions in large urban areas as well as in medium-sized towns and complementary types of stores.

Sales for the Carrefour Group – excluding Promodès – grew by 35.7% in France, in part due to including Comptoirs Modernes for the first time. As in the other countries, our leading aim after the merger has remained achieving our annual targets and not losing sight of short-term profits. In 1999, the environment in France was again favorable to consumption.

Carrefour has enhanced its attractiveness in three essential ways

The test of non-food concepts was very positive, as much on the basis of the satisfaction expressed by customers, as that of the sales growth realized. This new merchandising concept constitutes an undeniable competitive advantage, since it brings with it an automatic enlargement of the catchment zone subsequent to store transformation. This concept was therefore extended, and 60 stores had implemented it by end 1999.

The logical follow up to this was to survey our food world. The creation of Magali (for MAGasin ALImentaire in French), the food concept of Carrefour hypermarkets, was a major event in the French retail industry in 1999. It will serve as a benchmark for renovating stores, after conclusive tests in Lescar, Vénissieux and Montesson.

Finally, Carrefour confirmed its ability to generate a major sales event in France, as well as in the 26 countries where we do business: after the 35th anniversary celebration in 1998, the "historic month" in 1999 saw significant sales growth, in spite of the very strong results registered a year earlier.

The two groups were aiming at a major reduction of store inventories, particularly in France, where logistics tools enable optimised flows. For both Carrefour and Continent, this target was virtually achieved for food. Significant improvements were accomplished in the non-food area, and our merger is going to allow us to set more ambitious targets.

Finally, the density of group stores in France will enable productivity gains at the warehouse level and reduced transport costs. Our medium-term strategy will be to develop European-wide logistics to ensure further optimization of our flows.

Continent continued reorganizing its stores to strengthen customer welcome and services. Centralised accounting of Continent hypermarkets in Mondeville freed up resources for a marketing drive. Store management was reorganized and reinforced with the arrival at each site of a marketing manager in charge of improving the overall offer (products, services, reception, information, after sales services, etc.). This program is in line with the commercial policies of Carrefour and will facilitate the task of incorporating Continent into the Carrefour network in the year 2000, where a similar approach is under way.

Supermarkets: loyalty and market share gains

As for supermarkets, the evolution was even more favorable, as the FCD index (Féderation du Commerce et de la Distribution) posted comparable surface sales growth of +3.5%. The performances of Champion and Stoc were above average, +4.2% and 4.8%

respectively, demonstrating the dynamic quality of these two trademarks.

Champion expanded the dissemination of its loyalty card to a large part of its network, helping to create a customer database that will contribute to a better understanding of our customers' purchasing behaviour, and may eventually lead to the development of direct marketing. There is a high degree of complementarity between the Stoc (Iris) and Champion cards: the rate of card used by Stoc clients is higher than that of Champion customers, but the Stoc program was launched a year earlier.

The two trade names have become references in France for the supermarket format. They are at the leading edge in the areas of pricing, product quality and product variety, as well as for services and advertising. Their complementary know-how will help to create value out of the merger of the two networks.

Convenience stores

The Group's convenience stores underwent some streamlining: the Codec outlets took on the name Shopi, while the urban concept of Shopi was extended to all of the concerned sites. 8 à Huit, Maxiplus and Comod improved their product offer, developing services and leveraging their dual advantages of proximity and conviviality to reconquer market share.

Cash & carry

The Promocash stores, specialized in cash and carry, have pursued their convenience strategy in 1999 through a better-suited offer to each type of sales outlet (catchment zone, store size).

Picard les surgelés

Picard, the leading frozen food retailer in France, has regularly confirmed its success from one year to the next. This activity continues to develop, both in terms of improved store performance, with sales growth of 7% on a like-for-like basis, and through setting up new stores. In total, sales have increased by 16%.

Europe

SPAIN

Spain had an excellent year in 1999, achieving a 3.7% GDP growth rate and a drop in the unemployment rate from its former level of 18.8% to approximately 15.4%, with inflation well-controlled at only 2.9%. Growth in consumption favored mainly the automobile, leisure and household product-segments.

Our stores benefited from this positive environment with a slight increase in sales over the year, more significant in non food items.

The Continente hypermarkets continued to move ahead, gaining market share through the expansion of the outlet network: over the course of the year, three new stores took on the Continente sign.
Pryca did not open any new stores in 1999, but pursued the transformation of 15 existing stores. The group also opened 10 new boutiques, Optica Pryca.

Continente also broadened its scope with supermarket activities through the acquisition of Simago, which runs 66 outlets.
The year 1999 was devoted to transforming these stores, all of which had adopted the Champion banner in September, as well as to the opening of 5 new stores. The work was carried out with the support of French teams with expertise in that store format.

Champion in Spain offers a large variety of products, amongst which discount-priced fresh food products holds a predominant position. The number of services proposed in-store is also very attractive.
This is confirmed by the growth of sales recorded since the transformation to the Champion trademark. The goal of Continente was to create a network of integrated supermarkets that would conquer a leading market position in Spain. The location of the Simago outlets, moreover, constituted an excellent base. With the addition of the 109 Comptoirs Modernes outlets, which will rapidly take on the Champion name, the supermarket will become a major source of growth in Spain for the new group.

In March 2000, the Boards of Pryca and Continente have proposed a merger of the two entities, over an average parity calculated over the two months before the announcement of the Carrefour-Promodes merger, i.e 21 Pryca shares for 16 Continente shares. The supermarket branches of the two groups will be included in that deal.

Dia% continues to gain market share by various means:

- expanding two types of outlets in its network: inner-city stores with small surface areas and no parking facilities, and much larger (800 m^2) suburban stores with parking and, therefore, a catchment area that is correspondingly greater,
- developing the franchise concept, which enables a growth in sales and warehouse saturation without heavy up-front investment,
- constant work on the variety of products: innovations on own brand products, development of fresh food and certain non-food products, and a very aggressive pricing policy made possible by purchasing volumes: an average outlet has no more than 1,000 individual products, half of them own brand products,
- and last, customer loyalty, through the fast development of a loyalty card.

ITALY

The new Group's activity is currently composed of 6 Carrefour hypermarkets and, since March 2000 the control of the GS group, the second largest food retailer in Italy.
This latter group is comprised of the Continente and Euromercato hypermarkets, the GS supermarkets, the neighbourhood outlet chains Supersconto and Di per Di, and the cash and carry outlets Docks Market and Grossiper.
Its sales totalled FF27 billion in 1999.

Work groups were established for the purpose of coordinating the future integration of the activities of GS within Carrefour, notably with regard to harmonizing the product lines.

A program involving a change in trademarks is under way: all of the group's hypermarkets will be taking on the Carrefour trade name.

GREECE

After a relatively unfavourable 1998 year for retailers due to the devaluation of the currency, which weighed on household consumption, the stores of the Group and its partner, Marinopoulos, returned to growth. Two Continent hypermarkets were opened in Athens – one fully owned, the other one franchised – over the course of the year and the other outlets increased sales on a comparable surface basis.

The Dia% banner continued its expansion, creating another 47 outlets and, thereby, bringing the total to 149 by the end of the year. The concept is certainly very much appreciated by Greek consumers. Dia% has become a recognised trademark in the regions of Athens and Salonika, its two areas of development. Present in the country now for four years, the trademark's success has been confirmed and we are planning on the same pace of growth over the medium term.

TURKEY

In the context of the recession which took place in 1999, Turkey nevertheless showed some improvement in consumption. The market remained very much turned toward food products. Carrefour realised a significant advance in sales at its two stores in Istanbul and Adana. A third outlet was opened in Izmit at the beginning of 2000.

The backup of Continent, which has already opened 3 hypermarkets in Turkey, and of Dia% which started its operations in 1999 in Istanbul will allow Carrefour to rapidly become a major actor in Turkey.

The modern forms of distribution – principally hypermarkets and hard discount – are still little present in this country, but they are developing rapidly under the pressure of a growing urban population and related changes in attitude.

BELGIUM

Subsequent to the 1998 acquisition of a 27.5% stake in the company GB, the Promodès teams spent the year 1999 transferring the requisite know-how to improve that company's performance. At the start of the year, GB created a food purchasing group, in order to massify purchases and improving relations with suppliers.

The company's hypermarkets have begun a remodelling program and the breadth of product lines on sale now approximates that of a French hypermarket. The success of Bigg's Continent in Belgium culminated in a very positive test of the concept. Insofar as supermarkets and neighbourhood stores are concerned, GB continued the network restructuring begun in 1998.

The merger between Carrefour and Promodès did not alter prior agreements, and the new group is pursuing its course, confident in the potential of this network of stores, which holds the top-ranking market share in Belgium, as well as some very good locations.

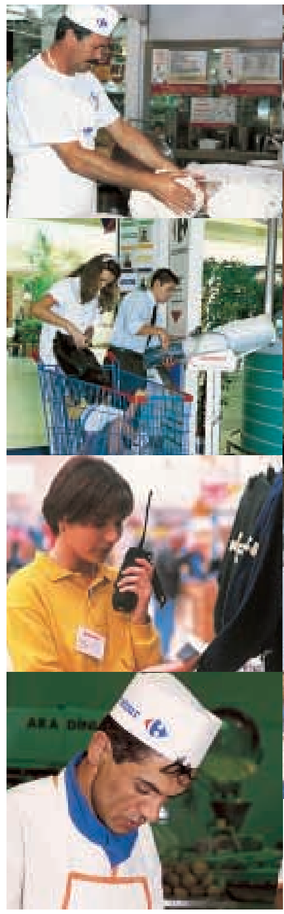
Finally, in partnership with the Mestdagh company, in which Carrefour holds a 25% stake, the Champion banner will continue to expand in the market.

PORTUGAL

The 1999 year in Portugal was marked by continued development of the group's various banners. Carrefour opened another hypermarket in the third quarter, bringing the total for the country to 5.

With two new locations, Continente now has twelve stores in operation. This venture is managed by teams from Modelo Continente SGPS of which the new Carrefour group holds a 22% stake.

Finally, Dia% wrapped up its restructuring of the Minipreço network. Subsequent to various tests, it was decided to preserve only this banner, and hence, to transform the Dia% stores. The excellent image and reputation of the name were the motivating



factors for this decision. The harmonization of the various product families and the development of Dia% products resulted in sales growth and the gain of new clients. The turnover of this subsidiary increased significantly in 1999.

POLAND

In Poland, GDP growth reached 3.2% while inflation reached 9.6%. In a more and more competitive market, Carrefour pursued its development with 4 hypermarkets inaugurated in 1999, bringing the total network to 7 stores by the end of the year. In addition, Stoc started its operations with 6 new stores.

CZECH REPUBLIC

In the Czech Republic, despite an unfavorable economic context, Carrefour opened two new stores in Brno and Usti nad Labem, in large, attractive commercial malls. The increase in sales of the first store in 1999 is promising.

Americas

BRAZIL

The 1999 year in Brazil was marked by the January devaluation of the Real. The first months of the year saw a sustained level of consumption, turned in particular toward non-food products due to the fear of inflation. However, subsequently there was a contraction in sales of both food and non-food products.

At the end of 1999, the country's GDP was down by about 3% and the rate of un employment in the nation had risen from the level of 7.5% in 1998 to around 10%. Steps taken by the authorities to reduce the government deficits have yet to prove effective, but at least one victory has been achieved: this crisis has not set off hyper-inflation, as had been feared at the beginning of the year. Inflation is certainly higher, but has stabilized at around 15%.

The retail sector was marked by a new wave of consolidation. As forecast, Carrefour took part through the acquisition of several chains of supermarkets over the course of the year. Thus, the network of supermarket outlets stood at 83 stores at the end of 1999. Nine hypermarkets were also opened or acquired. The target of development is to quickly attain a critical mass, region by region, through the use of both formats, hypermarket and supermarket, thereby enabling our infrastructure to operate at maximum efficiency.

In 1999, the group opened a 35,000 sqm warehouse, covering all consumer products, bazaar and white and brown goods, for the states of Sao Paulo, Campo Grande and Curitba. Two other warehouses should open in 2000 and 2001 for in-house brands, deep discounted products and textiles.

ARGENTINA

In Argentina, there was a significant slump in consumption in 1999, linked to the financial crisis outside of the country and the maintenance of a fixed parity between the US dollar and Argentinean peso. The collapse in exports and the rise in unemployment, particularly in the region of Buenos Aires, brought about a large drop in demand and deflation across the entire spectrum of consumer products.

In the retail sector, as in Brazil, the consoli-dation of the sector continued. The merger of Carrefour and Promodès took part in this movement. Promodès had already in 1998 acquired a stake in Norte, the country's leading chain of supermarkets, followed in January 1999 by the acquisition of Tia. In all, Norte and Tia are now running 141 super-markets. In 1999, Carrefour opened a new hypermarket in a large shopping centre in Buenos Aires and has developed new client services and concepts (call centre, home delivery tests, new non-food universes).

Finally, Dia% opened 73 stores in 1999, bringing its total store population to around 100 units.

COLOMBIA

Columbia maintained a restrictive economic policy in 1999 seeking to control inflation and reduce the nation's deficits. The growth in GDP slowed significantly to around +0.6%. The first full operational year of the store opened in October 1998 in Bogota was satisfactory and the group proceeded with the opening of a second store in Cali.

Modern trade, principally present in the large cities, still represents only a small percentage of the total market, in spite of the fact that modernization is progressing by leaps and bounds. Here, as elsewhere, the segment is characterized by consolidation and new-comers. The potential of the country is large, considering that the nation has a population of more than 40 million inhabitants and a high degree of urbanisation (73% of the total population). A third hypermarket should open in Bogota during the year 2000.

CHILE

In Chile, the regional crisis brought about a deceleration of growth but had only a reduced impact on the principal indicators (inflation was tightly controlled, unemploy-ment was up only slightly). Although con-sumption stagnated in 1999, the expectation is that it will return to grow from the start of the year 2000, and the first signs of this have already appeared at the end of 1999.

The first full operational year of the store opened at the end of 1998 in Santiago was quite satisfactory and a second store was opened at the end of the year, also in Santiago. Carrefour intends to pursue this expansion at a rhythm of 1 to 2 new stores per year.

MEXICO

Mexico had a satisfying year, albeit with weaker GDP growth than that of the prior year, but nevertheless rising by more than 3%. Consumption increased by around 4%, principally pulled up by non food products.

Carrefour modified its development program in the country: one of the problems lied in the wide scattering of sales outlets across the nation and the inability to improve the profitability of some very isolated stores in the face of competition concentrated within only one or two regions only. The group therefore decided to divest three of its stores located in Chihuahua, Hermosillo and Ciudad Juarez over the course of the year, and to concentrate its future development in the regions of Mexico and Monterrey.

A new model store, better adapted to the market due to its reduced size (6,000 sqm - 8,000 sqm) will be developed in the coming years. The group did not open any new stores in 1999, but plans to open one or two during the year 2000.

Asia

TAIWAN

Taiwan was only slightly touched by the Asian crisis: consumption levels continued to increase, pulled up in particular by the communications markets. Household consumption progressed by about 6% in 1999 and should again grow at about this level in the year 2000. The savings rate remained high, at about 25% of real income and unemployment was tame at 3%. Competition in the retail industry is accelerating, with the opening of new hypermarkets and specialised stores. In this environment, Carrefour nonetheless raised its market share, achieving sales growth of 11.6%, as measured in local currency.

In 1999, two openings were added to the store population which boasted 23 units as of December 31, 1999.

KOREA

Korea returned to growth in 1999. After a contraction of 5.3% in 1998, GDP registered a rise of nearly 10% over the year. Unemployment remained high, but there was a real recovery in consumption.

Modern retail concepts should continue to develop rapidly over the coming years, notably that of hypermarkets and supermarkets. In 1999, Carrefour and Promodès opened 6 stores, the first for Promodès in the country. The Group was thus managing 12 stores here at the end of 1999 and Korea already represents the second largest turnover for the group within the region.

At the beginning of 2000, the first hypermarket of the new group opened in Korea located in Seoul. Built by Promodès, its inauguration was delayed so as to open under the Carrefour name.

THAILAND

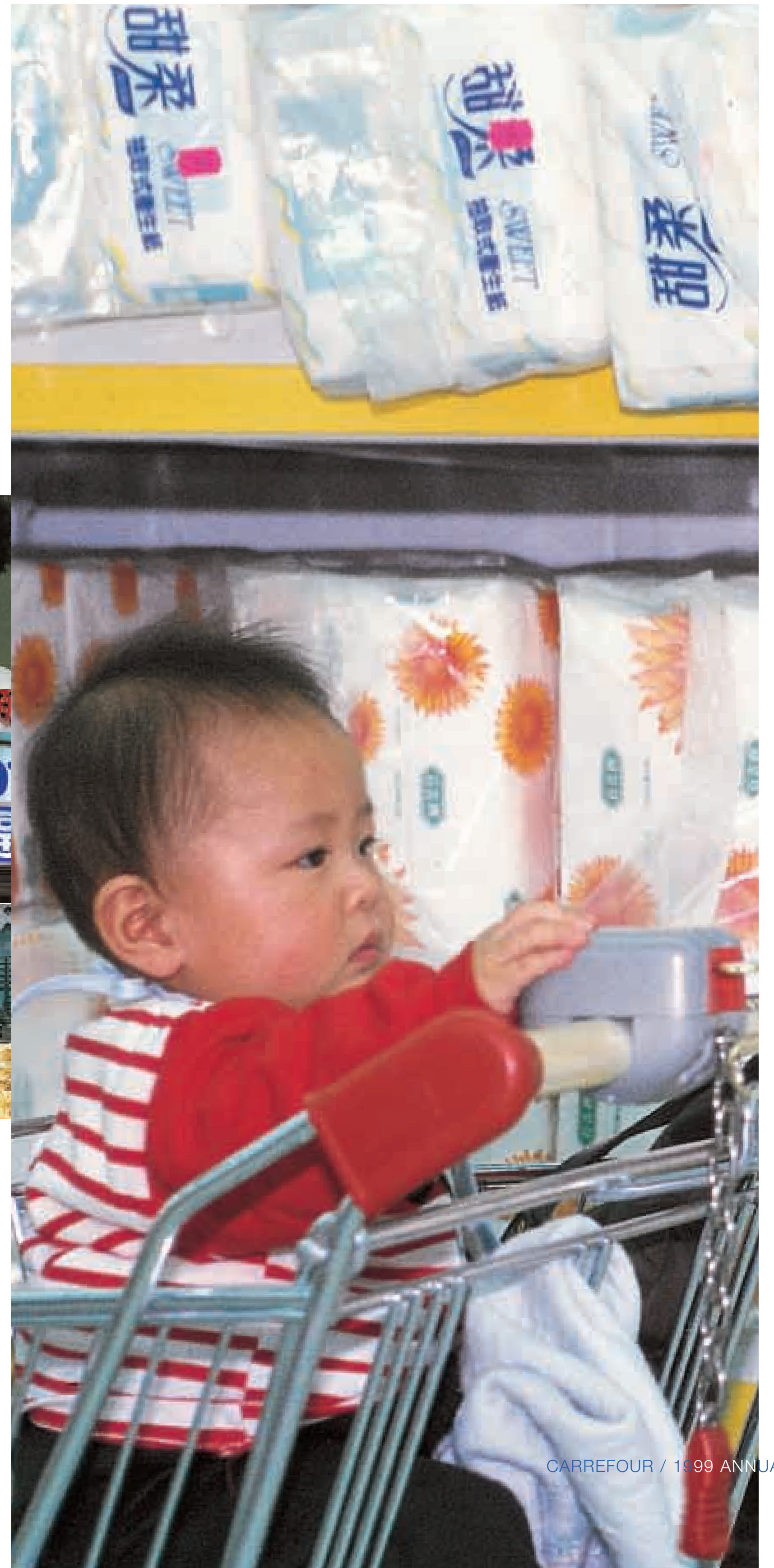
In Thailand, after two years of crisis, the country began its recovery in the 2nd half of 1999. This was manifested in part by a rise in consumption, particularly of non-food products. The potential for development in this nation is large, certainly in the region of Bangkok which accounts for 20% of the population but 77% of the nation's wealth. The group opened 2 stores in 1999 and expects to accelerate the pace over the years to come.

MALAYSIA

Malaysia, after having experienced one of the strongest expansions of all the Asian nations, and a strong contraction subsequent to the 1998 crisis, managed to achieve a stable 1999 year. Consumption has yet to take off and is currently focused on food products. Carrefour opened its 6th store and has adapted its pace of development to conform to that of the nation's economy.

INDONESIA

Indonesia is one of the Asian countries where Promodès had just initiated activity, with two openings in 1998, followed by a third in 1999. After the crisis, the nation had a year of mild recession in 1999, but may begin a recovery in the year 2000. Organized retail in the country is undergoing buoyant development, with the creation of large shopping centres, hypermarkets and supermarkets. Carrefour is pursuing its development by opening one or two stores per year.



CHINA

Although its rate of growth has slowed over the past several years, China remains a market with a large potential for sustained growth of such organized retail concepts as the hypermarket, since it is characterized by increasing urbanization and consumption. Carrefour opened 7 outlets in 1999 and Promodès opened its first store in Beijing. With 22 outlets, the Group is thus the leading foreign operator in the country, present in 9 of its 20 largest cities. Carrefour should continue its expansion with targeted openings in cities where it is already present, thereby reinforcing its store population.

HONG KONG

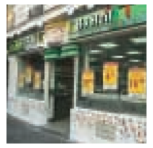
Hong Kong has yet to return to strong growth: after a 1998 year in contraction, the GDP stabilised while unemployment continued to expand. In the face of fierce competition and the relocation of certain purchases in favor of Shenzhen, Carrefour modified its activity through the optimization of product lines and the continued development of first prices.

SINGAPORE

Singapore held up well during the crisis with a rise of more than 2% in 1999 GDP. However, this masked a slow down in consumption caused by the progression of savings. In this environment, Carrefour registered sales growth and actively pursued the study of new projects which may see the light of day in the year 2001.

JAPAN

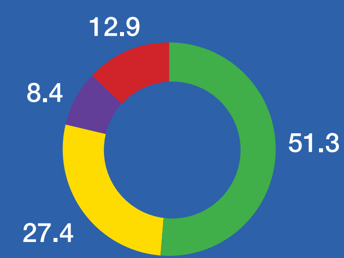
The group intends to open its first hypermarkets in Japan at the end of 2000 or beginning of 2001. They will be located in Tokyo and in Osaka and will have surfaces of 10,000 sqm - 12,000 sqm. The second largest nation in the world in terms of consumption, the country offers huge potential for the development of new forms of retail. The planned hypermarkets embody all of the group's newest concepts. Other projects are also being considered.

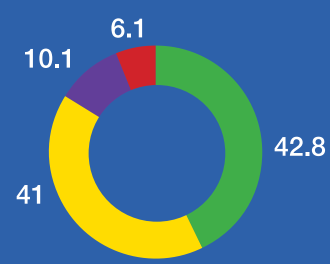


Hypermarkets for modernity, offering everything under the same roof, supermarkets for fresh produce and everyday needs, hard discount stores for savings: with these three leaders in their category, plus convenience stores, cash and carry, institutional distribution and frozen food products, the new Group offers a complete line of store formats.

A complete line of store formats

BREAKDOWN OF SALES AREA FOR THE STORES UNDER BANNER (IN %)





- Hypermarkets
- Supermarkets
- Hard discount
- Other

- France
- Europe
- Americas
- Asia

Hypermarkets

A modern concept

Already present in 21 countries, the hypermarket will continue to gain market share in the regions of Europe, America and Asia. The development of our banner remains a priority, and we expect to achieve more than 40 new openings in the year 2000: a little more than 10 in Europe and in Latin America with the remaining 20 or so in Asia.

More than anything else, the year 2000 will be the year of merging the activities of the Promodès group.
The choice of the Carrefour trade name for all of the hypermarkets of the new Group, including those in Spain, was made in order to take maximum advantage of the synergies offered by a global network operating under a single trade name (own brands, worldwide promotions, etc.).

The past 35th and 36th annual sales of Carrefour have proved the Group's ability to globalize its offer and create world-wide marketing events through extremely attractive, daily promotions. The addition of the Promodès world-wide network of hypermarkets (251 additional hypermarkets) reinforces the weight of this type of operation and will lead to significant cost reductions, particularly in the domain of advertising. Carrefour France will transfer its concept know-how to teams from Continent, who will then be responsible for the changeover to the new name.

A world banner

The Carrefour concept will be extended to all existing Continent hypermarkets and should lead to improved sales, particularly in the non-food segment. The advance that Carrefour enjoys in terms of marketing and innovation, for example the development of services (financing, insurance, travel, entertainment) and the creation of complete food and non-food product worlds has brought enormous success, and will be gradually extended to all of the stores.

In Spain, the plan is ambitious: all of the stores of the two groups will change names (currently Pryca and Continente), and they will all benefit from the change, as the strengths of each are highly complementary.

In each country, commercial policies (product assortments, marketing, pricing, etc.) will be made not in the interest of privileging either one brand or the other, but rather to correspond more fully to local market requirements, while preserving the best qualities of each.

A common organization

The transfer of commercial know-how will be facilitated by often similar methods and organization. For example, in the year 2000, Carrefour will spread the cross-functional organization throughout its chain of outlets, giving more decision-making autonomy to the heads of product lines, allowing them to focus their energies on sales.

In the past, the product heads spent much of their time negotiating with suppliers, now they will be free to concentrate 100% of their time on optimizing sales and managing their teams. They will be supported on a day-to-day basis by five cross-functional managers, each one specialized in a specific area: sales, marketing, logistics and organization, human resources and management control. These managers will guarantee performance in line with Carrefour practices.

The central functions will conduct all negotiations in the interest of greater efficiency and homogeneity. Similarly, the organization of flows, which is aimed at minimizing store inventories – the strategy is the same in both groups – will be harmonized without difficulty. The density of turnover per square mile of the new Group in both France and in Spain should enable the new logistics network to become one of the top performers on a world-wide basis.

The low level of location overlap between the two networks is demonstrative of the relevance of this partnership: more than half of Continent customers also shop at Carrefour, while only 22% of Carrefour clients visit Continent stores (source: Sécodip). Finally, throughout the world, wherever the two hypermarket chains were once in direct competition for new store sites, which was the case above all in Spain, Italy, Greece, Korea, Indonesia or China, they will now join forces to seek out the best, most profitable projects.

Supermarkets

Wherever the opportunity presents itself, supermarkets will be used to reinforce the presence of hypermarkets, as is already the case in France, with the trade names of Champion and Stoc, in Spain, Greece, Portugal, Belgium and Latin America.

Champion in France and Spain

For France and Spain, the Champion sign was chosen to represent the network.
In the other countries, where the recognition of existing trade names is already very strong and carries a positive image (GS in Italy, Norte in Argentina), it does not seem advisable in the short-term to invest in a name change.

The teams of Champion and Comptoirs Modernes have joined together to define a common concept which can be extended to the Group's merged store population as well as to franchisees. The level of motivation in the new group is very high, since the difference is the working methods of Stoc and Champion were quite limited and combining the two populations offers truly promising prospects for the future.

Each one will benefit from the strong points of the other and their size will help them achieve a significant advantage over their competitors. In the area of customer loyalty, for example, both names already had sizeable development programs, one by the name of Iris, the other under the name Champion.
The unified databases will now constitute a major tool for differentiating the chain's offer and accelerating gains in market share.

In Spain, the priority for the year 2000 will also be the integration of the networks of the two groups. The Champion name was selected to represent the chain due to the very recent transformation of the 66 Simago stores which now form an homogenous network of outlets.
They will serve as the foundation for the development of this store format in Spain.

A significant potential

Although the market share of supermarkets is already very high in this country, it appears equally true that there is still substantial growth potential for the type of stores we operate or that we are setting up. The positioning of Champion in Spain, based on discount prices, selection and customer service, is expected to become a huge success throughout the country.

In Brazil, as well in Poland, the acquisition of sales outlets and the creation of new stores (89) in 1999 by Comptoirs Modernes illustrate the multiple format strategy Carrefour is applying.

In Argentina, supermarkets are considered as an essential activity for us, since they will represent, once fully consolidated, about 50% of the new Group's turnover in the country. The year 2000 will be a year of building which will be of primordial importance for our future success.

To begin with, the Norte chain will wrap up the merger with Tia, which was acquired in 1999. The complementary nature of these two chains is evident in geographic terms

(one achieves 80% of its turnover in the metropolitan area of Buenos Aires, the other only 20%), manifesting numerous opportunities for synergies, particularly in the areas of logistics and purchasing.
This year, the convergence of trade names should enable cost reduction.

Strong complementarities

Moreover, the merger of Carrefour and Norte also presents a number of complementary aspects: synergies stemming from centralized purchasing will, of course, fuel the growth of our results, as will productivity gains at the logistics level.

The development of own brands, currently a large project at Norte, could be reinforced by cross-store brands, such as De la Nuestra Tierra in Spain.
Carrefour expertise in this field is expected to speed up the process.

In Italy, in Belgium, in Portugal and in Greece, the group will pursue the transfer of know-how undertaken by Promodès, and will find means of otherwise profiting from the merger of the various trademarks in these countries.

Hard discount

Erteco pursued its development in France, with 34 more stores over 1999. The concept seems ever more fitted to consumer demand, as reflected by the growth in like for like sales. The Dia% concept, which continues to encounter growing success in Spain, and its expansion year after year (creation of 150 new outlets per annum, comparable surface sales growth of 5.5% in 1999), is rapidly being exported: the 1998 acquisition of the Minipreço chain in Portugal was an initial illustration. It was followed by the organic development of the trademark in Greece, Argentina and in Turkey since the 2nd half of 1999 confirming the ability of the Dia% teams to conquer new markets and adapt their marketing techniques to new environments. New markets are currently being researched, notably those of Brazil and South Korea. The success of Dia% in Spain comes in part from the strength of its name, which offers a particularly attractive price/quality ratio. Turnover by product line (1,000 in each store) is in fact quite high, helping to make the concentration of unit purchasing unequalled in Spain.

The mark is expanding the variety of its offer and focusing attention on customer demand, ensuring an enhanced degree of comfort and giving preferential treatment to faithful customers through the use of loyalty cards. In Portugal, after surveys carried out in 1998, concerning the Dia% and Minipreço marks, it was decided, based on the criteria of image and store performance, to retain only the use of the Minipreço name. The incorporation of Dia% into the Minipreço chain constituted one of the main projects undertaken in 1999. For example, alignment of various product lines led to a reduction, in percentage terms, own brands at stores operating under the Dia% name while increasing their use in the Minipreço outlets. Currently, Dia% products make up about 50% of the product lines offered by our stores in the country.

Other types of stores

CASH & CARRY

At Promocash, the main projects under way, begun in 1999, target improved adaptation of our offer depending on the type of store: optimizing product varieties according to the size of the store and its catchment base (definition of 4 store categories, consistent product varieties for each region), faster treatment of new product information, improved logistics that are more responsive to demand, switch from an organization based on products to one focused on customers. The processing of customer databases has resulted in launching a program of individualised communication. Promocash will pursue this strategy, coupled with aggressive marketing, in view of improving our market share.

CONVENIENCE STORES

In convenience stores, both Promodès and Comptoirs Modernes continued to modernize points of sales, develop services and optimize advantages coming from proximity and conviviality. Shopi extended its concept to urban stores while 8 à Huit pursued a commercial policy delibaretely focused on service.

PICARD

Picard made its first steps outside France in 1999, through the acquisition of Gel Market in Italy, which will change its name to Picard Surgelatti. This company runs 47 stores. The year 2000 will therefore be devoted to integrating that new business, continued expansion mainly in France and improving all stores performance.










The merger of our two groups does not mean simply adding up our sales or taking advantage of our synergies, but also combining various skills. The assets of the new Group are thus based on the complementarity of our know-how.

Complementary know-how



Areas of expertise of the two groups

A converging evolution

Although Promodès and Carrefour share a number of basic values, they did not develop according to the same strategy. Rather, their individual strategies gradually converged over the years until they became almost identical in 1998: developing several store sizes, expanding at the world-wide level, group purchasing, controlling logistic flows to reduce inventories and centralising upstream operations.

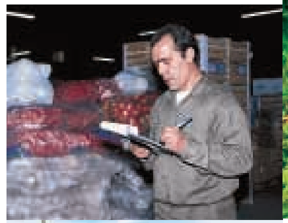
From their inception, however, the two groups relied on different assets to ensure their success: as a wholesaler, Promodès took advantage of its upstream know-how – logistics, purchasing negotiation – to stay ahead of its competitors in these fields, and immediately decided to develop several store formats for its own stores or those under franchise, in order to saturate its logistics capability as quickly as possible and increase its purchasing power, and consequently its in-store competitiveness. For Promodès, as for Carrefour, discounting is a fundamental strategy component. Promodès first developed this strategy in France, then in Spain, and later in all of southern Europe, either on its own or in franchised stores or in partnership with local operators, to become the front-runner in this area.

The franchise system has been adopted for a significant percentage of French stores in the Promodès group, thereby enabling rapid expansion of the trade name without long-term investments, stronger group purchasing power as well as optimum use of the logistics capabilities: the ratio of operating profit to capital investment for this activity is particularly high.

Carrefour will continue developing this activity, above all in the supermarket format, especially insofar as it will allow new expansion of the store population in France. It is an activity that requires great skill in sales management and controlling compliance with trade name procedures in order to maintain perfect store uniformity. Promodès has managed to expand rapidly through franchises due to this expertise, which it can now share with the whole Group.

Carrefour's background, and thus the history of its areas of expertise, is naturally altogether different. Carrefour created the concept of the hypermarket in 1963. Since then, the Carrefour teams have introduced numerous innovations in this format and have succeeded in setting an international standard. Innovative selling and merchandising have been two key instruments in achieving our trade name renown.

Early on, the Carrefour management decided to expand the Group's activities world-wide. Today Carrefour is the world's most international distributor, with stores in 26 countries and unquestionable expertise in conquering new markets and adapting its concept to different types of consumption.

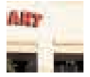
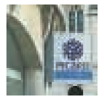
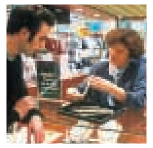


Strong geographical complementarity

Achieving a powerful global position requires both widespread market coverage, which Carrefour already has, as well as a solid base. As a result of the merger of our two groups, this base will henceforth be Europe. The new Group achieves 84% of its turnover in Europe, in an increasingly uniform market, and enjoys the advantage of unrivalled store population density per square km in the Lisbon-Brussels-Istanbul zone. This geographical complementarity will therefore give rise to maximum synergies, particularly Europe-wide deployment of own brands such as Carrefour, Champion and Dia% brands, as well as cross-store brands such as Reflets de France, Destinations Saveurs, Escapades Gourmandes, which will be strengthened as a result.

The merger of our two groups does not mean simply adding up our sales or taking advantage of our synergies, but also combining various skills. The assets of the new Group are thus based on the complementary of our know-how.





The new Group's success is based on a strong culture.

Il will be built on values shared by the two groups:

quality, innovation, entrepreneurial attitude,

customer satisfaction.

Shared values


Enhancing skills and talents

Reinforcing values

Originally, Carrefour and Promodès were both family enterprises, one became a European leader and the other an international leader. Operating in the same market segments, both groups adopted similar human resources policies, developed partnerships with their suppliers, and demonstrated their ability to create value for their shareholders. It is the reinforcement of these values that are the driving force of the new Carrefour Group.

Up to the time of the merger, both group policies in the sphere of human resources were quite similar with respect to training, internal promotions, promotion prospects and career opportunities. In terms of overall employment, the merger has not had any impact on the staff working in outlets, who represent more than 90% of the workforce; however, at the level of headquarters and the centralized services, some modifications will obviously take place. But the dynamics resulting from the merger should, nonetheless, permit every employee to benefit from a larger spectrum of job possibilities.

Furthermore, the new Group is continuing to develop in-store services and apply major resources for this purpose. This will inevitably lead to creating new positions at the outlet level. These new positions will concern qualified employees in particular, as they will be closely linked to new technologies and financial products.

Innovative partnerships

In the area of relations with suppliers, very early on Carrefour put the consumer at the heart of its actions: the safety of food products and their impact on health, for example has resulted in research that has made the Group one of the most innovative in this area. The same vision has led to building a new relationship with the agricultural world. Quality can only be achieved through real partnerships with farmers. Promodès, a predominantly European enterprise, was very attached to its regional roots, as its development was founded on small and medium-sized independent enterprises. This attachment to the special features of each region has made the Group the leader in the rediscovery and promotion of local cuisine.

In the 21st century, the merger of our talents will give rise to a firm combining the best of tradition with modern, international ambition while respecting special local features, and the capacity to promote brands on a world-wide basis with the capacity to establish partnerships with local small and medium-sized enterprises with their own special know-how.

Adapting to local markets

In today's world of food consumption, there is no such thing as uniformity. In Europe, for example, the levels and structure of consumption are quite varied: the maintaining of local, traditional tastes is overlaid with a growing interest in regional and foreign cuisine. To satisfy consumers, food retailers must increasingly offer ever wider selections and promote local food traditions and yet satisfy even the most exotic tastes. The number of different food products offered to clients by Carrefour, as well as by Promodès, has doubled over the past 10 years, growing in number from 7,000 to more than 14,000.



Constantly increasing quality

In several countries, the two groups began several years ago to develop programs targeted at improving the quality of agricultural products, raising the productive value of farmers, contributing to better production value, and contributing to reduced surplus production by engaging in long-term contracts. These actions were taken in the form of “quality lines” at Carrefour, the development of the product lines Carrefour Bio, and Reflets de France at Promodès also extended to other countries in Europe and the world (Kvality program in the Czech Republic, Quality Line in China).

From the year 2000, every country will have its own “line” team, in charge of “labelling” a large number of local products, thereby reinforcing the differentiation of our trade names by the quality of the products at the best price. At the beginning of 2000, Carrefour set up a subsidiary for supplying soybean that has not been genetically modified from Brazil, together with eight partners in the food industry and one importer. It will enable the supply of feed guaranteed free of genetic alteration initially intended for poultry and pigs, and later for other animals.

Carrefour retains a strategic interest in small and medium-sized enterprises. It is as necessary to maintain a balance between its international suppliers and those at the local or regional level as it is to profit from the innovation and responsiveness to market changes of the specialised smaller companies.

The most complete partnerships with small- and medium-sized companies arise through the development of own brands. Targeted at satisfying the needs of every client in every country, own brands must cover a large variety as well as several levels of qualities: brands such as Carrefour or Champion, brands connected to cuisine such as Escapades Gourmandes or Reflets de France, those targeted at the discovery of dishes from around the world such as Destinations Saveurs or organically grown foods such as Carrefour Bio and Bio Enfant. The diversity of habits and tastes from one country to the next implies that own brands have to be local.

Carrefour will continue developing its relations with small-and medium-sized enterprises and works towards helping them improve their methods of production, innovate, increase their competitiveness through greater efficiency and assisting such companies in exporting their products to each of the countries where we do business.

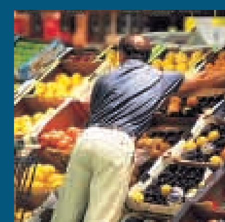
Shareholder value creation

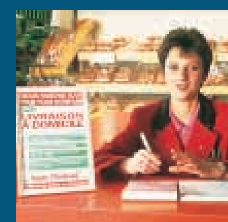
Finally, the two groups have proved their ability to create value for their shareholders, as testified by increases in the share price of the two companies over the past five year –more than 30% per annum for each of them– or stock rankings crowning achievements in terms of value creation.

This remains, more than ever, an objective of the new Group, as well the management’s interest in giving greater transparency to the Group’s operations by publishing information concerning our activity on a monthly basis and holding regular meetings with institutional shareholders and financial analysts.

On solid bases, the new Group has a better position for international reach and has become the reference on all the businesses it develops. This will lead to a new dynamic of growth and results.

A new dynamic of growth and results





Synergies

Supplies

The harmonisation of product varieties sold by outlets, the pursuit of international negotiations (global sourcing, international contracts with large suppliers) and the extension of the partnerships both groups have made (large, shared productivity gains) are amongst the leading sources of the improved profitability we are seeking.

Logistics

A rise in the productivity of logistics: due to the density of our retail outlets per km^2, we will be able to save on transport costs and benefit from a more efficient use of our warehouses due to the fact that we will no longer need to supply different types of outlets from the same warehouse. The cost of transport and the expenses related to storing goods are the two largest vectors of our logistics expense.

Marketing

An improvement in the productivity of communications: advertising expense per retail outlet will be considerably reduced due to the disappearance of certain trademarks (Continent and Stoc in France, Pryca and Continente in Spain). Advertising on a nation-wide basis, distribution of magazines and handouts are significant expense items within both groups and will be substantially reduced in terms of percentage of total sales.

Expansion

An improvement in the profitability of new store locations: our two groups were in fierce competition at a number of sites, opening up stores in direct competition with each other, as was the case in Pusan, Korea last August. This type of situation will, of course, disappear. However, this should not be construed to mean that we will be reducing the overall amount of our new investment, but rather that we will be allocating our resources to projects that, *a priori*, will be more profitable.

Prospects

The prospects for our new group are excellent

To begin with, our strategy has yielded a network of outlets that is, at once, the most international and the best-adapted to the various forms of local consumption. We will continue to develop in this direction,

- by pursuing growth in countries where there is a good possibility for continued gain in market share (China, Thailand, Korea, Indonesia and Brazil, for example),
- by following up on our advances in the world: we are currently preparing to open our first hypermarket in Japan (scheduled for the end of 2000). The entry into this market, one of the world's largest, represents a major challenge for Carrefour.

Moreover, the integration of Promodès adds several strong points, keys to our future development:

- a leading position in our domestic market, Europe, and

- a portfolio comprising several different types of stores, enabling us to adapt to all of the various opportunities present in the market. As soon as possible, supermarkets and hard discount will begin reinforcing the market share held by our hypermarkets. The expertise of Promodès' teams

in the management of these types of stores will help us quickly to take advantage of the synergies thus created.

The consolidation of these strong points and the exploitation of all of the various synergies will lead to a significant enhancement in the growth of our results. The target that we set when announcing our merger remains unchanged: to double our net profit within a period of three years.

Management structure

Board of Directors

Daniel Bernard
Chairman, General Manager

Hervé Defforey
Board Member, General Manager

Joël Saveuse
Board Member, General Manager

Jacques Badin
Board Member

Alain Bessèche
Board Member

Christian Blanc*
Board Member

Thierry Defforey
Board Member

Philippe Foriel-Destezet*
Board Member

Paul-Louis Halley
Board Member

Robert Halley
Board Member

François Henrot*
Board Member

Carlos March
Board Member

Jacques Fournier
Censor

Etienne Van Dyck
Secretary of the Board

The Board of Directors defines the group policies in terms of activities, management of risks and global objectives. It approves the strategy of the Group and takes into account its major changes. Finally, it approves all assets acquisitions and disposals that might have a significant impact on accounts and all major acquisitions or disposals outside the ongoing business sphere. It met seven times in 1999.

* Independent Directors

Executive Committee

Daniel Bernard
Chairman

William Anderson
Merchandise and Marketing

René Brillet
Asia

Javier Campo
Dia%

Hervé Defforey
Finance

Philippe Jarry
Americas

Bruce Johnson
Organization and Systems

Jean-Claude Plassart
Supermarkets

Joël Saveuse
Europe

Léon Salto*
France

Alfonso Merry del Val*
Spain

Jean-François Domont*
Other European countries

Jean Duboc*
Brazil

The Executive Committee's missions include defining the strategy of the Group and its validation by the Board of Directors, and overlooking the ongoing operational and functional activities. It meets once a month for three days. Once every three months it is extended to the General Managers of France, Spain, other European countries and Brazil.

* Members of the Extended Executive Committee

Strategic Orientation Committee

Paul-Louis Halley
Chairman

Daniel Bernard

Jacques Badin

Carlos March

The Strategic Orientation Committee was created on Oct. 1st 1999. It includes the Chairmen of the Board of Directors, the Audit Committee and the Compensation Committee and is presided by Paul-Louis Halley. It prepares the most important decisions for the future of the Group and gives the orientation of the preparatory work of the annual seminar of the Board of Directors. It represents a thinktank and can elaborate its projects with the support of outside guests, selected for their expertise and experience in various domains. It reports to the Board of Directors.

Audit Committee

Jacques Badin
Chairman

Hervé Defforey

François Henrot

Robert Halley

The Audit Committee inspects the annual accounts before their presentation to the Board of Directors, analyses interim and intermediate results, checks the continuity and relevance of accounting methods, sees to the quality of procedures and information in relation with stock market rules and evaluates internal control procedures. It reports to the Board of Directors. It met three times in 1999.

Compensation Committee

Carlos March
Chairman

Daniel Bernard

Christian Blanc

Thierry Defforey

Philippe Foriel-Destezet

The Compensation Committee proposes the remuneration of the Group Executives, and stock options by category of beneficiaries. It also validates the remuneration policy for top managers of the Group. It reports to the Board of Directors. It met once in 1999.

Group's Managers Committee

Americas

Luis Aliaga
Organisation and Systems Argentina

Armando Almeida
Hypermarkets Brazil

Hipolito Armesto
Operations Argentina

Alvaro Cordero
Human Resources Brazil

Juan Cordon
Finance Argentina

Régis Croizet
Supermarkets Brazil

Jack Deceliere
Expansion/Services Brazil

Osvaldo Dominguez
Merchandise Argentina

Jean Duboc
Brazil

Bernard Dunand
Mexico

Jean-Michel Garrigue
Finance Brazil

Antonio Mateus
Chile

Marcelo Melamed
Human Resources Argentina

Michel Ollier
Merchandise Brazil

Pierre Paroche
Colombia

Eric Reiss
Finance Americas

Carlos Richter
Argentina

Roberto Wilson
Organisation and Systems Americas

Asia

Pascal Billaud
Malaysia

Jean-Noël Bironneau
Operations Japan

François de Boyer
Taiwan

Jean-François Brunet
Finance Asia

Yves Chen
China

Jean-Luc Chéreau
China

Hervé Clec'h
Singapore

Jean-Christophe Goarin
Japan

Jean Luc Montembault
Indonesia

Marc Oursin
Thailand

Bernard Rolland
Hong Kong

Frank Witek
Korea

Dia / Erteco

Antonio Coto
Dia South America

Ricardo Curras
Dia Group

Santiago Gimeno
Dia Spain

Jean-Pierre Granié
Erteco France

Javier Martinez
Human Resources

Domingo Mate
Finance

Javier De La Pena
Dia Europe excl. France/Spain

Picard Surgelés

Olivier Decelle

Xavier Decelle

Europe

Patrick Armand
Finance

Alain Bonnefin
Hungary

Dominique Brard
Human Resources France

Christophe Le Bret
Services France

Jean-Christophe Brexta
Assets

Jean-Claude Burtin
Switzerland

Felipe Bustamante
Supermarkets Spain

Livio Buttignol
GS Italy

Rémi Camous
International Alliances

Gérard Causse
Logistics France

Dominique Clauet
Hypermarkets France

Thierry Contet
Prodirest

Jean-François Domont
Other European Countries

Gérard Dorey
Convenience France

José Luis Duran
Finance Spain

Abili Falco
Supermarkets Spain

Didier Fleury
Hypermarkets Spain

José Maria Folache
Hypermarkets Italy

Jean-Pierre Gillot
Hypermarkets France

Michel Journet
Italy

William Koeberle
Promocash

Philippe Lauthier
Food supply France

Jaime Leyva
Services Spain

Justo Martin
Assets/Expansion Spain

Jean-Luc Masset
Czech Republic

Alfonso Merry Del Val
Spain

Alain Moinet
Finance France

Luc de Noirmont
Non Food Supply France

Jaime Oliveira
Human Resources Spain

Philippe Pauze
Supermarkets France

Gilles Petit
Hypermarkets France

Dominique Pieton
Logistics

Norbert Pineau
Legal affairs France

Noël Prioux
Turkey

Jean-Luc Recouvreur
Integrated Supermarkets France

Gilles Roudy
Services

Javier Rueda
Greece

Léon Salto
France

Alain Souillard
Hypermarkets France

Alain Thieffry
Marketing

Eric Uzan
Greece

José Maria Vara
Operations Spain

Guillaume Vicaire
Finance

Gérard Vinson
Portugal

Guy Yraeta
Poland

Group

Jean-Pierre Audebourg
Treasury/Finance

Alexis Babeau
Internal Audit

Antonio Baptista
Textile/Home Europe/Intl

Vincent Barucq
Investor Relations

Jacques Beauchet
Human Resources

François Bouche
Mgt control Merchandise

Raphaël Chabbert
Assets

Vincent Cornet
Carreer development

Christian Courcelle
Integration

Elisabeth Dos Santos
Mgt control CMI

Sergio Ferreira Dias
Mgt control Group

William Ginsburg
Global Sourcing

Hervé Goudchaux
Human Resources

Jeremy Hollows
Information systems

Chantal Jaquet
Food Europe/Intl

Philippe Legru
Supply chain and Adm. Import

Jérôme Loubere
Executive Committee secretary

Franck Mariambourg
Organisation Logistics

Paul Mir
Bazar/Appliances Europe/Intl

Guy Paillaud
Integration

Philippe Rabit
Adviser to the Chairman

Jean Semah
International Contracts

Etienne Van Dyck
Legal Affairs

The Bourse and the Shareholders

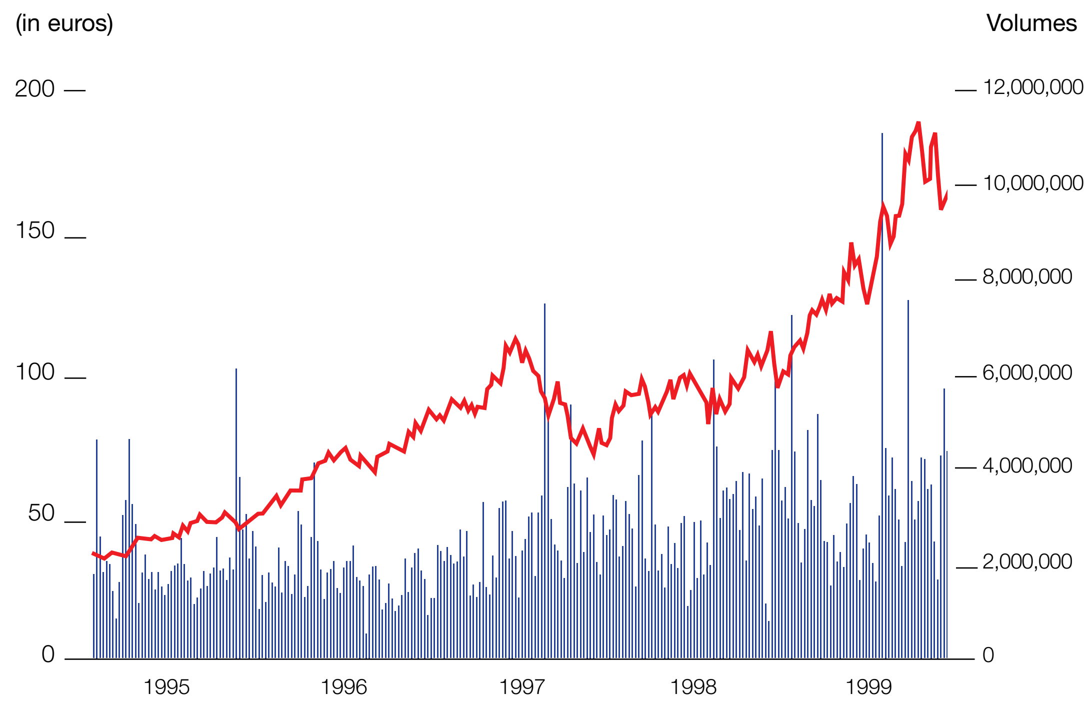
On October 1st, 1999, the shareholders of Carrefour came together in an Extraordinary General Meeting and approved the issue of new shares necessary for the Public Offer of Exchange of Carrefour shares for those of Promodès. On this occasion, 109,427,940 shares were created, corresponding to the acquisition of 94.55% of the outstanding shares of Promodès and 44.77% of its investment certificates. On March 30, 2000, the Board of Directors will propose that the shareholders approve a supplementary issue of 6,387,126 shares for the purpose of merging the two groups, Carrefour and Promodès, via the exchange of Carrefour shares for all remaining shares, investment certificates and voting right certificates of Promodès.

In total, 348,880,476 shares of Carrefour will be in circulation after the approval of the proposed merger by the General Meeting.

Certain of the founding family shareholders of Promodès and Carrefour have signed a pact, of which the principal provisions have to do with the composition of the Board of Directors, the creation of a Strategic Orientation Committee to be chaired by Mr. Paul-Louis Halley, the collaboration prior to each General Meeting for the purpose of establishing a united position, the obligation to not increase their shareholding to the point of triggering a Public Offer, the preemptive rights to acquire any shares sold by members of the pact (except in the case where such shares are sold to other members of the pact, their marital partner, etc.). A procedure is equally provided for in case of a Public Offer, to enable the introduction of a third party buyer. The pact has a life of five years dating from November 1999 and is automatically renewable for periods of two years.

At €183.1 as of December 30, 1999, the share price of Carrefour grew 73.2% over the year, while the CAC 40 advanced 51.1% over the same period of time.

SHARE PRICE AND WEEKLY VOLUMES



Capital	1995	1996	1997	1998	1999
Number of shares	153,845,400	230,768,100	230,852,124	233,069,544	342,502,350
Adjusted share price (nominal 2.54 euros)					
High	51.0	86.4	113.6	111.3	193.2
Low	34.6	50.3	69.9	71.3	92.3
Market capitalisation at year end in bn euros	8.6	11.6	19.8	25.0	62.7

Capital structure at December 31, 1999

	Shares	% equity	Voting rights	% voting rights
Halley Family	*40,051,906*	*11.69*	*40,051,906*	*10.54*
Badin-Defforey-Fournier Families	*19,386,746*	*5.66*	*37,138,066*	*9.77*
March Group	*11,698,020*	*3.42*	*18,241,566*	*4.80*
Pact	**71,136,672**	**20.77**	**95,431,538**	**25.11**
Group employees	5,142,183	1.50	10,194,079	2.68
Shares owned directly by Carrefour SA	1,564,568	0.46	0	0
Shares owned undirectly by Carrefour SA	5,458,269	1.59	0	0
Public	259,200,658	75.68	274,462,515	72.21
Total	**342,502,350**	**100.00**	**360,088,132**	**100.00**

1999 Consolidated financial statements

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Carrefour Group

FINANCIAL REVIEW

In consideration of the rapprochement between the two groups, Carrefour and Promodès, and so as to render a more transparent view of the new group, the pro forma accounts inclusive of the combined activity of Promodès and Carrefour (1) over the entire 1999 year are presented and commented upon in the pages which follow.

The consolidated accounts of Carrefour include the accounts of the Promodès group over the last two months of the year dating from the time of the acquisition. The following comments bear upon these consolidated accounts.

Sales

Sales exclusive of excise and value added taxes rose to € 37.4 billion, in progression by 36.3% over 1998. The growth in sales at constant exchange rates would have been 39.0%.

Excluding the two months of sales from the Promodès and Comptoirs Modernes groups, the sales exclusive of tax would have amounted to € 28.6 billion, growing 4.4% over that of 1998.

Over the last three years, the breakdown of sales exclusive of tax by activity is as follows:

	1999 (1)	1998	1997
Hypermarket	66%	95%	95%
Supermarket	13%	-	-
Hard discount	7%	4%	4%
Others	14%	1%	1%
Total	**100%**	**100%**	**100%**

Breakdown of sales exlusive of tax by area is as follows:

	1999 (1)	1998	1997
France	62%	57%	57%
Europe	22%	14%	15%
Americas	11%	23%	22%
Asia	5%	6%	6%
Total	**100%**	**100%**	**100%**

Earnings before interest, taxes, depreciation, and amortization

EBITDA amounted to € 2.6 billion representing 7.1% of sales, as compared to 6.6% in 1998. It rose 46.5% over that of 1998 and would have risen 50.0% at constant exchange rates.

Excluding the two months of activity from the Promodès group and Comptoirs Modernes, EBITDA would have risen to € 2.0 billion, up 11.9% over that of 1998.

The breakdown by area of earnings before interest, taxes, depreciation and amortization (EBITDA) is as follows:

	1999 (1)	1998	1997
France	64%	54%	53%
Europe	20%	17%	19%
Americas	12%	24%	23%
Asia	4%	5%	5%
Total	**100%**	**100%**	**100%**

The ratio EBITDA / Sales exlusive of tax by area is detailed as follows:

	1999 (1)	1998	1997
France	6.3%	6.3%	5.6%
Europe	5.7%	7.8%	8.0%
Americas	7.1%	7.0%	6.4%
Asia	5.0%	4.6%	7.2%
Total Group	**6.2%**	**6.6%**	**6.1%**

(1) Combined consolidation perimeters of Carrefour, Comptoirs Modernes and Promodès, treated under homogeneous and comparable methods over entire 1998 and 1999 years. Promodès is fully consolidated at 100% over the two years. Comptoirs Modernes have been fully consolidated from the first of January 1998 with recognition of minority interests corresponding to each year.

Depreciation and amortization

Depreciation and amortization amounted to € 1.1 billion. Excluding amortization of goodwill, this item maintained a stable ratio against sales of 2.6%, as compared to 2.5% in 1998.

Earnings before interest and tax

EBIT came to € 1.5 billion growing 45.0% over that of 1998. At constant exchange rates, the growth would have been 48.6%.

Excluding the two months of activity of Promodès group and Comptoirs Modernes would have resulted in a growth of 9.8% in operating profit over that of 1998.

Net interest income

Net interest income amounted to an expense of € 0.2 billion, representing 0.5% of sales in 1999. This rise is due to the maintenance of a high level of capital investments and to our strategy of external growth which has accelerated since 1998.

Income tax

Income tax in 1999 came to € 0.5 billion. This represents 32.8% of our earnings before tax and amortization of goodwill, as compared to the 33.2% recorded in 1998.

Net income exclusive of non-recurring items

Net income exclusive of non-recurring items rose to € 0.9 billion, up 26.0% over that of 1998.

Minority interests

Minority interests in our net income declined from the 14.5% registered in 1998 to 12.7% in 1999. This is due to our acquisition of minority stakes in Brazil and by the reduced contribution to the group's income made by companies in which we have partners.

Net income exclusive of non-recurring items – Group share

The Group's share in net income exclusive of non-recurring items amounted to € 0.8 billion, growing 28.7% over that of 1998. The growth at constant exchange rates would have been 33.7%.

Exclusive of the two month's contribution of Promodès, the Group's share in net income exclusive of non-recurring items would have risen by 1.7% over that of 1998.

Net non-recurring income / Expense

The net non-recurring income / expense amounted to an expense of € 36.3 million. It includes, notably:

- A capital gain of € 42.2 million on the divestiture of a 40% stake in our financial services activity in Brazil;
- A capital loss of € 33.2 million on the divestiture of three outlets in Mexico;
- Provisions for risks and charges of € 42.4 million;
- Other various exceptional charges amounting to € 2.9 million.

CONSOLIDATED STATEMENT OF INCOME – PRO FORMA

(in euro millions)	1999	Progression %	1998
Sales exclusive of excise and value added taxes	**51,948.1**	**5.1**	**49,426.9**
Gross Profit	11,123.7	9.4	10,170.0
Selling, General and Administrative Expense	8,479.4	8.5	(7,815.1)
Other Income and Expense	583.4	23.8	471.4
EBITDA	**3,227.8**	**14.2**	**2,826.3**
Depreciation, Amortization and Provisions	(1,429.2)	18.9	(1,202.4)
EBIT	**1,798.6**	**10.8**	**1,623.9**
Net Interest Income	(271.8)	n/s	(84.9)
Earnings Before Tax	1,526.8	(0.8)	1,539.0
Income Tax	(599.0)	10.0	(544.4)
Net Profit of Affiliates consolidated by the Equity Method	100.5	29.5	77.6
Net Income exclusive of non-recurring items	1,028.3	(4.1)	1,072.2
Minorities share in net income	(113.7)	(38.8)	(185.7)
Net Income exclusive of non-recurring items – Group's share (1)	**914.5**	**3.2**	**886.5**
Net non-recurring Income / Expense	(14.6)	n/s	17.1
Net Income – Group's share	898.2	n/s	898.1

Supplementary Information	1999	Progression	1998
Amortization of Goodwill	**234.8**	**64.9**	**142.4**
Net Income exclusive of non-recurring items – Group's share Before amortization of goodwill	**1,149.3**	**11.7**	**1,028.9**

(1) For 1998, consolidation of 100% of the income of Garosci.

CONSOLIDATED BALANCE SHEET – PRO FORMA (2)

ASSETS

(in euro millions)	1999	1998
Intangible Assets	7,490.6	6,198.7
Property and equipment	12,212.7	10,429.2
Investments	1,804.4	1,735.2
Fixed Assets	**21,407.7**	**18,363.1**
Inventories	4,929.0	4,369.8
Trade receivables	976.7	826.6
Other receivables	3,844.5	3,065.4
Marketable securities	1,753.5	1,560.9
Cash	839.2	638.5
Current Assets	**12,342.9**	**10,461.2**
Total Assets	**33,750.5**	**28,824.3**

LIABILITIES & SHAREHOLDERS' EQUITY

(in euro millions)	1999	1998
Shareholders' Equity Group Share	6,433.0	5,350.2
Minority Interests	1,102.2	1,101.7
Total Shareholders'equity	**7,535.3**	**6,451.9**
Provisions for contingencies and other long term liabilities	1,201.6	1,030.4
Borrowings	10,190.0	8,567.3
Accounts Payable	10,072.3	9,137.6
Other liabilities	4,751.4	3,637.0
Total liabilities	25,013.7	21,341.9
Total liabilities and shareholder's equity	**33,750.5**	**28,874.3**

(2) Combined consolidation perimeters of Carrefour, Comptoirs Modernes and Promodès, treated under homogeneous and comparable methods over entire 1998 and 1999 years. Promodès is fully consolidated at 100% over the two years. Comptoirs Modernes have been fully consolidated from the first of January 1998 with recognition of minority interests corresponding to each year.

PRESENTATION OF THE PRO FORMA ACCOUNTS

The pro forma accounts which consolidate Carrefour and Promodès over the whole 1999 year were established using the accounting principles used for Carrefour (cf. Note 1 page 13: accounting principles).
The primary differences to the principles used by Promodès are the following:

Sales and Gross Profit:
Ancillary income is categorized within the Gross Profit in the pro forma accounts while the principles used by Promodès would have categorized it within sales.

Amortization of goodwill:
Goodwill which can not be classified as belonging to Trademarks and Brands, is amortized on a linear basis over 40 years (Note 1).

Method of Consolidation:
The methods of consolidation used by Carrefour are, uniquely, the methods of full consolidation and the equity method (Note 1).
Differences to the published reports of the two groups are primarily the following:

Comptoirs Modernes:
Comptoirs Modernes was fully consolidated from January 1, 1998 with the full recognition of its corresponding minority interests.

Garosci:
Garosci Group was consolidated by the equity method for 1998 so as to preserve full comparability with the statements for 1999 in which the GS group was consolidated by the same method.

Sales, pro forma

Sales exclusive of excise and value added taxes amounted to € 51.9 billion, rising 5.1% over that of 1998. The growth in our sales was encumbered by the unfavourable movement of principally Latin American currencies. At constant rates of exchange, the group's sales would have been € 52.7 billion representing a growth of 6.6% over that of the previous year.
The new Group is now the first food retailer in France, with a 27% market share. In Spain, the combined market share reaches 26%.

Earnings before interest, taxes, depreciation, and amortization, pro forma

Pro forma EBITDA came to € 3.2 billion. It rose 14.2% over that of 1998 and would have been up 16.5% at constant rates of exchange.
The growth in excess of that of sales is due to:

- An improvement of 0.8 percentage points in gross margin over that of 1998, thus rising to 21.41% based on improvements in purchasing and an expansion of our product lines.
- Good control over our SG&A expenses since their ratio to sales expanded less than did the gross margin over the course of the year (15.81% of sales in 1998 as opposed to 16.32% in 1999).

The rise in other revenue and expense is due to the growth in revenue from our shopping malls and from the revenue linked to service products.

Depreciation, amortization and provisions, pro forma

Growth of depreciation, amortization and provisions arose from the acceleration of our strategy of external growth, as well as from the maintenance of an elevated level of capital expenditures.

Earnings before interest and taxes, pro forma

Pro forma EBIT amounted to € 1.8 billion, progressing 10.8% over that of 1998. It would have been up 13.0% at constant exchange rates.

Net interest income / Expense, pro forma

The net interest expense rose to € 0.3 billion or € 0.2 billion more than that of the prior year. This was a direct consequence of our strategy of sustained capital expenditures. The net expense represents 0.52% of 1999 sales.

Income Tax, pro forma

Income tax expense amounted to € 0.6 billion. The effective tax rate as a percentage of earnings before tax and amortization of goodwill came to 34.0% or 1.6 percentage point more than that of 1998 due principally to the stronger contribution from our French operations.

Affiliates consolidated by the equity method, pro forma

The rise to € 100.5 million in the contribution from affiliates consolidated by the equity method is explained by the increased contribution from our services activities and from our share in the income of companies within which we hold a minority participation.

Net income exclusive of non-recurring items, pro forma

Net income exclusive of non-recurring items, pro forma amounted to € 1.0 billion for 1999, representing a contraction of (4.1%) as compared to that of 1998. Had exchange rates remained the same, the result would have been stable.

Intérêts minoritaires pro forma

The share of minorities in the net income exclusive of non-recurring items contracted from 17.3% in 1998 to 11.1% in 1999. This decline is due principally to our acquisition of the minority stakes in our Brazilian companies, to the reduced contribution from countries in which we are associated with partners, and, furthermore, to the recognition in 1998 of our share in the results of Comptoirs Modernes over only two months.

Net non-recurring income / Expense, pro forma

Net non-recurring income / expense, pro forma was an expense of € 14.6 million, it includes:

- A capital gain of € 105.0 million representing the exchange of its own shares in Promodès for Carrefour shares at the time of the Public Offer of Exchange;
- A capital gain of € 42.2 million on the divestiture of a 40% stake in our financial services activities in Brazil;

- A capital loss of € 33.2 million on the divestiture of three outlets in Mexico;
- An exceptional amortization of the goodwill in GB amounting to € 91.4 million;
- Provisions for risks and charges amounting to € 39.8 million;
- Other various exceptional income amounting to € 2.6 million.

Working capital provided by operations and capital expenditures, pro forma

Working capital provided by operations pro forma amounts to € 2.7 billion, representing 5.2% of sales. Capital expenditures amount to € 4.5 billion.

Carrefour has acquired several supermarket businesses in Brazil (Planaltao, Minerao, Roncetti) and in Spain (Superstop) and has pursued its strategy to buy minority interests (Comptoirs Modernes, Brazil).
Promodes' business in Argentina enlarged in 1999 due to the acquisition of Tia by Norte (equity acounted at 49%).

Net debt, pro forma
The group's net debt amounts to € 7.6 billion as of the end of 1999, representing 100.8% of shareholders' equity after attribution of net profit.

Shareholders' Equity exclusive of minority interests, pro forma and after attribution of net profit
Shareholders' equity amounts to € 6.4 billion. The variation in the foreign exchange translation account is favourable to the extent of € 0.4 billion in 1999.

Analysis by Geographic Zone, pro forma

	France		Europe		Americas		Asia		Total	
(in euro millions)	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
Sales exclusive of excise tax	32,347.2	31,194.3	11,272.3	10,243.9	5,579.9	6,246.6	2,748.7	1,742.0	51,948.1	49,426.9
EBITDA	2,053.5	1,732.2	641.1	581.9	396.0	431.3	137.1	81.0	3,227.8	2,826.3
EBIT	1,298.0	1,077.6	288.0	287.4	172.9	228.4	39.8	30.6	1,798.6	1,623.9

FRANCE

CONSOLIDATION

The pro forma consolidation includes all of the French activities of Carrefour and Promodès.

OUTLET NETWORK

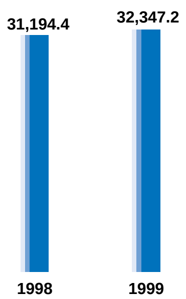
The outlet network, as of December 31, 1999, is as follows:

Hypermarkets	178
Supermarkets	527
Hard Discount	418
Frozen Food Centers	411
Neighborhood Stores	34
Other Stores	131
Total	**1.699**

In 1999, the network grew by 2 hypermarkets, 8 supermarkets, 34 hard discount stores, and 54 frozen food centers. Of the neighborhood stores, 25 were either transformed or closed.

SALES

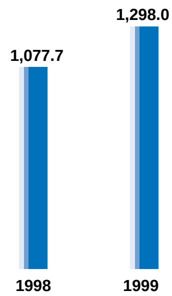
(in euro millions)



Sales in France progressed by 3.7% due to satisfactory performance of the hypermarkets and a strong progression of supermarkets.

EARNINGS BEFORE INTEREST AND TAX

(in euro millions)



EBIT rose from 3.5% of sales in 1998 to 4.0% of sales in 1999 and amounted to € 1,298.0 million.
This improvement in margin is the fruit notably of the optimisation of common infrastructure amongst the hypermarkets and the supermarkets.

CAPITAL EXPENDITURES

Capital expenditures in France amount to € 1.3 billion, representing 4.1% of sales.

EUROPE (EXCLUSIVE OF FRANCE)

CONSOLIDATION

The pro forma consolidation includes all of the Carrefour and Promodès activities in Europe.

OUTLET NETWORK

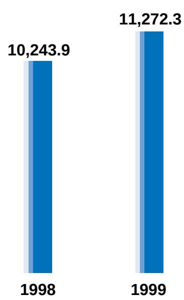
The outlet network, as of December 31, 1999, is as follows:

Hypermarkets	142
Supermarkets	186
Hard Discount	1.947
Frozen Food Centers	46
Other Stores	30
Total	2.351

The network grew this year by 11 hypermarkets, 112 supermarkets, 129 hard discount stores, and 46 frozen food centers. Three Cash & Carry stores were closed.

SALES

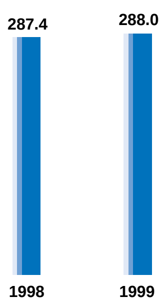
(in euro millions)



Sales in Europe grew by 10.0% supported by the growth in the outlet network.

EARNINGS BEFORE INTEREST AND TAX

(in euro millions)



EBIT totalled € 288 million and as a percentage of sales contracted from 2.8% in 1998 to 2.6% in 1999.

CAPITAL EXPENDITURES

Capital expenditures amount to € 1.6 billion, representing 14.0% of sales.

AMERICAS

CONSOLIDATION

The pro forma consolidation includes all of the Carrefour and Promodès activities in America.

OUTLET NETWORK

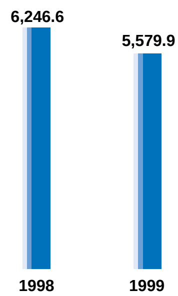
The outlet network, as of December 31, 1999, is as follows:

Hypermarkets	112
Supermarkets	83
Hard Discount	106
Total	301

The network grew this year by 11 hypermarkets, 83 supermarkets, and 73 hard discount stores.

SALES

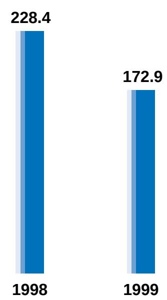
(in euro millions)



Sales in the Americas contracted by (10.7%) in 1999, as compared to 1998. At constant rates of exchange, there would have been a progression of 5% and this in spite of the economic crises that struck Argentina and Brazil over the course of the year.

EARNINGS BEFORE INTEREST AND TAX

(in euro millions)



EBIT amounted to € 172.9 million and as a percentage of sales declined from 3.7% in 1998 to 3.1% in 1999.
It would have declined by only (4%) had constant exchange rates prevailed, and this in spite of the economic crises which struck the zone and the acceleration of our external growth in Brazil.

CAPITAL EXPENDITURES

Capital expenditures amount to € 1.1 billion in America, representing 19.7% of sales.

ASIA

CONSOLIDATION

The pro forma consolidation includes all of the Carrefour and Promodès activities in Asia.

OUTLET NETWORK

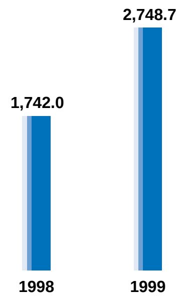
The outlet network, as of December 31, 1999, is as follows:

Hypermarkets	81
Total	**81**

The network grew this year by 22 hypermarkets.

SALES

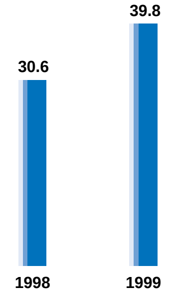
(in euro millions)



Sales in Asia progressed by 57.8% due to the economic recovery observed in most of the countries within the zone and by the opening of a significant number of new stores (22 new hypermarkets during 1999).

EARNINGS BEFORE INTEREST AND TAX

(in euro millions)



EBIT for the region came to € 39.8 million and, as a percentage of sales, declined from 1.8% in 1998 to 1.5% in 1999.
At constant rates of exchange, EBIT would have grown by 8.2%.

CAPITAL EXPENDITURES

Capital expenditures in Asia amount to € 0.6 billion, representing 20.3% of sales.

RECENT DEVELOPMENTS AND OUTLOOK

In the year 2000, the Group will benefit from sustained growth in the nations of Europe. The economic recovery of Asian countries should continue, while the countries of Latin America could stagnate at weak levels of consumption and may even experience some contraction.

The year 2000 will be consecrated to the transformation of stores: in all countries, the hypermarkets will take on the Carrefour sign, while the supermarkets in France and Spain will be converted to the sign Champion.

In January 2000, the Group finalized the acquisition of 38 supermarkets in Brazil and opened 3 hypermarkets (two in Korea and one in Turkey), as well as 11 hard discount stores in Spain. The Group intends to pursue its expansion in 2000 with new openings and external acquisitions in Europe, in America and in Asia, including our first two stores in Japan.

The merger of our two groups will enable to combine our know-how. These synergies will improve significantly the new group's growth perspectives and will enable to reach a double-digit increase of our sales, a doubling of the net result group share excluding non recurring income before and after goodwill over three years.

At EC commission demand, Carrefour agreed to sell its stake in Cora (accounted for by equity method at 42%) to one or several independent groups. At Carrefour's demand, the French trade court in Paris requested in October 1998 an expertise on assets disposals and financial transactions undertaken by Cora.

Consolidated
statement of Income

(in millions of euro)	Notes	1999	% Progression	1998	% Progression	1997
Sales, net of taxes		**37 364,3**	**36.3%**	**27,408.7**	**6.2%**	**25,805.0**
Cost of sales	2	(29,183.0)	34.9%	(21,629.2)	5.0%	5,203.8
Gross margin		8,181.3	41.6%	5,779.5	11.1%	5,203.8
Selling, general and administrative expenses	3	(5,957.4)	40.1%	(4,253.2)	10.5%	(3,848.7)
Other income/(expense) net	4	415.3	51.1%	274.9	28.1%	214.7
EBITDA		**2,639.2**	**46.5%**	**1,801.2**	**14.8%**	**1,569.7**
Depreciation, amortization and provisions	5	(1,144.9)	48.6%	(770,6)	12.6%	(684.3)
EBITDA		**1,494.3**	**45.0%**	**1,030.6**	**16.4%**	**885.4**
Interest (expense)/income, net	6	(202.0)	Ns	(48,0)	Ns	58.7
Income before tax		1,292.3	31.5%	982.5	4.1%	944.0
Income tax	7	(481.1)	37.0%	(351.1)	9.9%	(319.5)
Net income from recurring operations-consolidated companies		811.2	28.5%	631.5	1.1%	624.4
Net income from companies accounded for by equity method	8	96.2	8.4%	88.7	57.7%	56.3
Net income from recurring operations		907.4	26.0%	720.2	5.8%	680.7
Minority interests		(114.9)	10.2%	(104.3)	- 5.3%	(110.1)
Net income from recurring operations-Group share		**792.4**	**28.7%**	**615.9**	**7.9%**	**570.6**
Non recurring income/(expense), net-group share	9	(37.2)	Ns	202	Ns	(160)
Non recurring income/(expense), net-minority interests		0.9	Ns	0.0	Ns	4.9
Net income before minority interests		871.1	16.0%	751.0	13.6%	661.2
Net income-Group share		**755.2**	**16.8%**	**646.7**	**18.4%**	**546.2**

Supplementary information

(in millions of euro)	1999	% Progression	1998	% Progression	1997
Amortization of goowill	172.7	131.7%	74.6	22.3%	61.0
Net income from recurring operations-Group share before amortization of goodwill	965.2	39.8%	690.4	9.3%	631.6

Earning per share (before non recurring income/expense) *(1)*

(in euro)	1999	1998	1997
Net income from recurring operations-Group share	3.14	2.66	2.47
Net income from recurring operations-Group share before amortization of goodwill	3.82	2.99	2.74
Number of share used to compute per share data *(2)*	252,426,130	231,221,694	230,852,124

(1) primary earnings per share is calculated using the average number of shares outstanding during the year. The potential dilution stemming from the excersise of management stock options would not have a material impact on the earnings per share as computed above.
(2) After a 6 for 1 share split which was made in 1999.
The notes on pages 13 to 20 are an integral part of the consolidated financial statements.

Consolidated Balance Sheet as of December 31

ASSETS (in millions of euro)	Notes	1999	1998	1997
Intangible assets	10	7,490.6	3,502.8	1,102.7
Property and equipement, net	11	12,112.7	7,141.3	6,452.1
Investments	12	1,804.4	1,503.8	877.8
Fixed assets		**21,407.7**	**12,147.9**	**8,432.6**
Inventories		4,929.1	2,443.6	2,267.4
Trade receivables		976.7	159.6	97.3
Other receivables	13	3,844.3	1,637.0	1,239.9
Marketable securities	14	1,753.5	703.9	836.9
Cash and cash equivalents		839.2	290.7	378.8
Current assets		**12,342.9**	**5,234.8**	**4,820.3**
Total assets		**33,750.5**	**17,382.7**	**13,252.9**

LIABILITIES AND STOCKHOLDERS' EQUITY (in millions of euro)	Notes	Before appropriation of net income			After appropriation of net income		
		1999	1998	1997	1999	1998	1997
Stockholders' equity Goup share	15	**6,644.6**	**4,100.7**	**3,491.1**	**6,330.6**	**3,910.3**	**3,315.2**
Minority interests		**1,260.4**	**756.3**	**1,024.8**	**1,204.7**	**710.4**	**969.4**
Stockholders' equity		**7,905.1**	**4,857.0**	**4,515.8**	**7,535.3**	**4,620.7**	**4,284.6**
Provisions for contingencies and other long-term liabilities	16	**1,201.6**	**681.1**	**666.4**	**1,201.6**	**681.1**	**666.4**
Borrowings	17	10,190.0	5,102.5	1,554.5	10,190.0	5,102.5	1,554.5
Trade payables		10,072.3	4,891.2	4,703.1	10,072.3	4,891.2	4,703.1
Other debt		4,381.5	1,850.9	1,813.1	4,751.4	2,087.2	2,044.3
Total debt		**24,643.8**	**11,844.5**	**8,070.7**	**25,013.7**	**12,080.8**	**8,301.9**
Total liabilities and stockholders' equity		**33,750.5**	**17,382.7**	**13,252.9**	**33,750.5**	**17,382.7**	**13,252.9**

The notes on pages 13 to 20 are an integral part of the consolidated financial statements.

Consolidated statement of cash flows

(in millions of euro)	1999*	1998	1997
Net income	**871.1**	**751.1**	**661.2**
Depreciation and amortization	1,176.1	823.8	675.7
(Gain)/loss of disposals	42.1	(87.5)	(54.7)
Change in provisions and other	556.1	7.3	110.7
Share in income from equity method companies net of dividends received	(94.4)	(88.6)	(55.5)
Working capital provided by operations	**2,551.1**	**1,406.2**	**1,337.3**
Change in working capital	491.8	(181.3)	437.1
Net cash provided by operating activities	**3,042.9**	**1,224.9**	**1,774.4**
Additions to intangible assets and property and equipement	(9,261.6)	(4,235.6)	(1,858.8)
Additions to investments	(539.5)	(887.6)	(200.5)
Disposals of intangible assets and property and equipement	102.1	105.5	42.7
Disposals of investments	3.5	138.9	107.8
Other movements	1,811.7	13.7	125.6
Net cash used in investing activities	**(7,883.7)**	**(4,865.1)**	**(1,783.2)**
Issuance of shares subscribed by minority interests	(135.1)	369.8	66.2
Dividends paid by Carrefour and consolidated companies	(239.5)	(228.4)	(246.1)
Increase in borrowings	5,642.6	3,544.9	350.2
Net cash provided by financing activities	**5,268.0**	**3,686.4**	**170.3**
Effect of exchange rate fluctuations	21.5	(75.6)	(12.8)
Net (descrease)/increase in cash and cash equivalent	**448.7**	**(29.4)**	**148.6**
Cash and cash equivalent at beginning of the year	**570.5**	**599.9**	**451.3**
Cash and cash equivalent at end of the year	**1,019.1**	**570.5**	**599.9**

** The variation in these accounts is explained by the entry into full consolidation of Promodès and Comptoirs Modernes in 1999.*

Statement of Changes Shareholders Equity

After Attribution of net income

(in millions of euro)	Share Capital	Additional Paid-in Capital	Retained Earnings	Stockholders Equity Group share	Minority interests
At December 31, 1996	**586.3**	**0.0**	**2,318.1**	**2,904.5**	**806.5**
1997 net income			546.2	546.2	114.9
1997 dividends			(175.9)	(175.9)	(55.3)
Cancellation of dividends on treasury stock			3.2	3.2	
Issuance of shares	0.2	0.3		0.5	
Foreign currency translation adjustement			28.7	28.7	53.1
Impact of changes in Group stucture and other movements			8.1	8.1	50.3
At December 31, 1997	**586.5**	**0.3**	**2,728.4**	**3,315.2**	**969.4**
1998 net income			646.7	646.7	104.3
1998 dividends			(190.4)	(190.4)	(45.9)
Cancellation of dividends on treasury stock			2.7	2.7	
Issuance of shares	5.6	315.0		320.6	48.9
Foreign currency translation adjustment			(184.0)	(184.0)	(116.6)
Impact of changes in Group stucture and other movements			(0.5)	(0.5)	(249.7)
At December 31, 1998	**592.1**	**315.3**	**3,002.9**	**3,910.3**	**710.4**
1998 net income			755.2	755.2	115.9
1998 dividends			(314.0)	(314.0)	(55.8)
Cancellation of dividends on treasury stock			2.1	2.1	
Issuance of shares	264.2	16,416.0		16,680.2	28.5
Foreign currency translation adjustment			321.7	321.7	7.5
Impact of changes in Group stucture and other movements *(1) (2)*		(16,415.6)	1,390.6	(15,024.9)	398.2
At December 31, 1999	**856.3**	**315.7**	**5,158.6**	**6,330.6**	**1,204.7**

(1) The accounting of Promodès acquisition is the principal reason for the variation.
(2) The rise in minority interests reflects, for the greater part, the recognition of minority interests in the capital of Promodès.

The notes on pages 13 to 20 are an integral part of the consolitaded financial statements.

Notes to the Consolidated Financial Statements

NOTE 1

Accounting principles

The consolidated accounts have been prepared in accordance with generally accepted accounting principles used in France. The new provisions of rule n° 99-02 of the Accounting Rules Committee relative to consolidated accounts, as approved on June 22, 1999, have been applied for the first time with the 1999 fiscal year. These new provisions essentially concern the exceptional method of consolidation used in conjunction with the acquisition of the Promodès group.

The accounting principles used also coply with the generally accepted accounting principles used in the United States of America with the following exceptions:

- the conversion into French francs of the accounts of the subsidiaries located in Brazil, Columbia, Mexico and Turkey. For this purpose, the Group used a principle based upon the end of period exchange rate, with accounts adjusted for the effects of inflation, which better reflects the monetary variations of these countries. This method of adjustment was not used in the case of Argentina due to its more successful control of inflation,
- the equity method consolidation of service companies (Note 8),
- the application of the exceptional method used for the consolidation of the Promodès group, as of November 1, 1999, when the "pooling of interest" method would have been applied as of January 1, 1999, as in the pro forma accounts,
- the imputation of expense directly linked to the Public Offer onto the paid in capital of the issue,
- the accounting for treasury stock,
- the accounting of non-consolidated financial assets,
- non-recurring elements present in the exceptional income/expense accounts which pertain to ordinary operations.

Companies over which Carrefour exercises exclusive control, directly or indirectly, are fully consolidated. The same method is applied to majority-owned companies and companies owned jointly with a partner, where Carrefour exercises management control. Companies over which Carrefour exercises significant influence and service companies, whose financial statements differ significantly from those of the Group's core operations, are accounted for by the equity method. Pro forma consolidated financial statements prepared by applying the full consolidation method to service companies are presented in Note 21.

Investments in companies in which Carrefour does not exercise significant influence over operating or financial policies are stated at cost in "investments". The same accounting treatment is applied to subsidiaries that are not material in relation to the Group as a whole. Provisions for impairment in value are booked on these investments where necessary, based on the principles set out below (see "Investments").

Companies and minority interests acquired or divested during the year are consolidated as from the date of acquisition or up to the date of divestment.

Foreign currency translation

In the case of subsidiaries operating in highly inflationary economies, Brazil, Columbia, Mexico and Turkey:

- Fixed assets, investments, shareholders' equity and other non-monetary items are revalued to take account of the reduction in overall purchasing power of the local currency during the year. All balance sheet items, except the Group's part in shareholders' equity, are then translated into French francs at official, year-end exchange rates.
- In so far as concerns the Group's part in shareholders' equity, the opening balance is translated at the rate of exchange at the end of the preceding year, income retained is based upon the amount from the income statement; other movements are translated at the transaction rate. The resulting difference between the French franc values of assets and liabilities and shareholders' equity is recorded as a separate component of "Consolidated shareholders equity" labelled "Foreign currency translation adjustment".
- The income statement in local currency is adjusted for the effects of inflation between the date of the transactions and the year-end. All items are then translated at official year-end rates.

In other countries:

- Balance sheet items are translated based on the principles defined hereinabove, but are not subject to an adjustment for inflation.
- The income statement in local currency is translated at the average rate for the year, adjusted in accordance with the seasonal fluctuations in business of each company.

Intangible assets

Intangible assets acquired by Group companies are stated at cost.

Goodwill, representing the excess of cost of shares in consolidated companies over the fair value of the net assets acquired at the acquisition date, as restated in accordance with Group accounting policies, is recorded as an asset.

The exceptional consolidation method known as "Pooling of Interests" is applied wherever the Group has fulfilled the necessary conditions for its use.

The fraction of intangible assets representing the Trademarks and Brands of the Group's stores is amortized on a straight line basis over 20 years, corresponding to the depreciation period for the related buildings. Other components of goodwill are amortized over the estimated period of benefit, not to exceed 40 years. Provision is made for any permanent impairment in value on the basis of an analysis of projected results.

Other intangible assets primarily relate to software, which is amortized for periods ranging from one to five years.

Property and equipment

Land, buildings and equipment are carried at cost. Depreciation is calculated using the straight-line method, over the following estimated useful lives:

• Constructions:

- buildings ....20 years

- land improvements ....10 years

- parking facilities...6 2/3 years

• Equipment, fittings and fixtures........6 2/3 years to 8 years

- Other tangible assets ....4 years to 10 years

Fixed assets acquired under finance leases are recorded at their cost at the inception of the lease and depreciated at the above rates. A debt in the same amount is recorded as a liability, while lease payments are recorded as interest and depreciation expense.

Investments

Investments in fully consolidated companies and the corresponding dividends are eliminated and replaced in the consolidated balance sheet by the assets, liabilities and equity of these companies.

The acquisition cost of investments in subsidiaries is equal to the amount paid to the seller of the investment increased by all other expense net of corporate tax directly imputable to the acquisition.

Investments in companies accounted for by the equity method are stated based on the value of the Group's equity in the underlying net assets. Any related goodwill is recognized under intangible assets.

Investments in non-consolidated companies are stated at cost. Dividends received from these companies are recognized on a cash basis. Provision is made for any impairment in value, determined by reference to the Group's equity in the underlying net assets (restated where appropriate) and the future earnings outlook of the company concerned.

Inventories

Merchandise inventory is stated based on the latest purchase price, which better reflects the value of inventory subject to rapid turnover. The amount thus obtained integrates the totality of the conditions outstanding at the purchase. The amount is, if necessary, adjusted to conform to the market value at the year end.

Marketable securities

Marketable securities are stated at the lower of cost or market value. Treasury stock held by the parent company for the purposes of the stock option plans or to regulate the stock price is carried at cost.

Retirement benefits

Carrefour's liability for length-of-service awards payable on retirement to Group employees in France and certain other countries is determined on an actuarial basis taking into account staff turnover levels, mortality rates and projected future salary levels. The liabilities are funded by payments to external organisations or accrued as provision within the financial statements.

Income taxes

Deferred taxes reflect timing differences between the recognition of income and expenses for consolidated financial reporting and tax purposes. They are provided using the liability method for all timing differences.

Deferred taxes primarily relate to retirement benefit provisions, depreciation adjustments, assets acquired under finance leases and employee profit-sharing. Deferred taxes are calculated based on the tax rate outstanding at the opening of the following fiscal year, using the method of variable deferral.

Assets and liabilities stemming from tax deferrals are discounted whenever the effects of discounting are significant.

The rates used for the calculation of deferred taxes in France take into consideration the effect of these additional sums.

In the case where tax is due on income to be distributed and this tax is not recuperable in the nation where the dividend is received, a provision for tax is made against the forecast dividends.

Store opening costs

Store opening costs are expensed in the year the store is opened.

Financial instruments

The Group has entered into a variety of hedging transactions to limit the effect of interest rate fluctuations on floating-rate borrowings and of exchange rate fluctuations on currency requirements.

Forward purchases of foreign currencies related to forecast purchases of goods are treated as hedging positions, in cases where the purchases are of a recurring nature.

Gains and losses on hedging positions are accounted for on a symmetrical basis with the loss or gain on the underlying transaction. Provisions are made against eventual losses.

INVESTMENTS – FINANCIAL SITUATION – INCOME

SUPPLEMENTARY INFORMATION CONCERNING THE CONSOLIDATED ACCOUNTS

Changes in the Consolidation

Principal Acquisitions during the Year

Promodès

The Carrefour and Promodès groups undertook a friendly merger in the form of a Public Offer of Exchange, which resulted in a capital augmentation on the part of Carrefour that was approved by the Extraordinary General Meeting of October 1, 1999. This operation, accounted for by the "Pooling of Interests" method provided for by the new consolidated accounting principles, did not result in "Goodwill" being recorded on the balance sheet.

Comptoirs Modernes

Subsequent to a Public Offer of Recall initiated in March 1999, Carrefour held 100% of the capital of Comptoirs Modernes. This operation resulted in "Goodwill" of € 44.5 million, which will be amortized over a period of 40 years.

Super Stop

In January 1999, Comptoirs Modernes acquired a 100% stake in the capital of Catalane Super Stop SA. This company has 31 outlets situated in the province of Girona, Spain. The operation resulted in "Goodwill" of € 63.9 million, which will be amortized over 40 years.

Supermarchés Brésil

In Brazil, the Group acquired, successively, in May, July and September 1999, Planaltao, Roncetti, Rainha, Dalla and Continente, bringing 61 supermarkets and 7 hypermarkets into the consolidation. This external growth resulted in "Goodwill" totalling € 0.4 billion.

Eldorado

Carrefour acquired a 50% stake in Eldorado, of which it already held 50%. "Goodwill" from the acquisition came to € 0.1billion.

Principal Divestitures during the Year

CACC

Carrefour sold to Cetelem its 40% stake in CACC. This company grouped together our financial services activities in Brazil. The divestiture generated a capital gain of € 42.2 million.

Mexico

In order to recenter its development on the center of the country, Carrefour sold the three stores situated in Ciudad Juarez, Chihuahua and Hermosillo to the Soriana group. The divestitures generated a capital loss of € 33.3million.

NOTE 2

Cost of goods sold

(in million of euro)

	1999	1998	1997
Opening inventory *(1)*	2,498.8	2,257.0	1,920.4
Purchases, net of rebates	29,408.8	21,873.7	20,955.6
Closing inventory	(2,724.6)	(2,501.5)	(2,274.8)
	29,183.0	**21,629.2**	**20,601.2**

(1) The inventory outstanding at the start of the year differs from that at the end of the previous year due to the difference in the exchange rates used to translate the inventories of foreign subsidiaries.

NOTE 3

Selling, general and administrative expense

(in million of euro)

	1999	1998	1997
Payroll expenses	3,498.1	2,555.8	2,320.4
Employee profit sharing	106.9	72.9	58.7
Other	2,352.4	1,624.5	1,469.6
	5,957.4	**4,253.2**	**3,848.7**

NOTE 4

Other income / Expense, net

(in million of euro)

	1999	1998	1997
Income from real estate *(1)*	207.0	155.5	132.6
Other income *(2)*	208.3	119.4	82.0
	415.3	**274.9**	**214.7**

(1) Income from real estate is primarily comprised of rental income from shopping malls, net of fees.
(2) Costs linked to Y2K: € 16.6 million.

NOTE 5

Depreciation, amortization and provisions

(in million of euro)

	1999	1998	1997
Depreciation of property and equipment	963.6	680.4	598.1
Amortization of goodwill arising on consolidated companies	156.6	56.0	49.2
Amortization of other intangible assets	39.9	25.9	16.8
Provisions	(15.2)	8.4	20.3
	1,144.9	**770.6**	**684.3**

NOTE 6

Interest income / Expense, net

(in million of euro)

	1999	1998	1997
Interest income	317.4	188.3	181.3
Dividends received	0.3	0.0	0.3
Interest expense	(519.7)	(236.3)	(122.9)
	(202.0)	**(48.0)**	**58.7**

NOTE 7

Income tax

(in millions of euro)

	1999	1998	1997
Current	451.9	377.8	310.1
Deferred	29.3	(26.7)	9.5
	481.1	**351.1**	**319.5**
Tax rate (Base: Income before tax and goodwill)	32.8%	33.2%	31.8%

NOTE 8

Net Income from Companies Consolidated by the Equity Method

(in millions of euro)

	1999	1998	1997
Earnings	112.4	107.3	68.0
Amortization of goodwill	(16.2)	(18.6)	(11.7)
	96.2	**88.7**	**56.3**

NOTE 9

Non-recurring income / expense, net – Group share

The exceptional income / expense in 1999 comes primarily from:

- a capital gain amounting to € 42.2 million on the divestiture of a 40% stake in our financial services activities in Brazil,
- a capital loss amounting to € 33.2 million on the divestiture of three stores in Mexico,
- provisions for risks amounting to € 42.4 million,
- other exceptional expenses amounting to € 2.9 million.

in 1998:

- a capital gain of € 83.1 million on the divestiture of Office Depot US,
- a capital gain of € 9.3 million on the divestiture of Office Depot France,
- a capital gain of € 8.7 million on the divestiture of Carpetland,
- other exceptional expenses amounting to € 3.4 million,
- exceptional amortization of “Goodwill” amounting to € 40.6 million,
- exceptional depreciation of land amounting to € 26.4 million,

in 1997:

- a capital gain of € 65.4 million on the divestiture of Office Depot,
- reversal of provisions and other exceptional income amounting to € 20.3 million,
- depreciation of the shares of PERsMART amounting to € 41.5 million,
- a supplementary provision for economic, fiscal and political risks amounting to € 68.6 million.

NOTE 10

Intangible assets, net

(in millions of euro)

	1999	1998	1997
Goodwill	7,937.4	3,754.1	1,419.6
Other intangible assets	1,080.9	490.4	335.5
	9,018.3	**4,244.5**	**1,755.1**
Amortization	(1,527.7)	(741.7)	(652.5)
Intangible assets net	**7,490.6**	**3,502.8**	**1,102.7**

Goodwill is consituted primarily by the amounts recognized on the acquisition of Euromarché in 1991 of € 522.9 million, Cora in 1996 of € 350 million, the operations involving Comptoirs Modernes in 1998 and 1999 totalling € 2,356.3 million and the amounts linked to the Promodès group of € 3,032.2 million.

NOTE 11

Property and equipment

(in millions of euro)

	1999	1998	1997
Land	3,672.2	2,034.1	1,811.4
Buildings	7,654.9	4,159.0	3,736.5
Equipement, fixture and fittings	6,156.5	3,832.0	3,436.1
Other property and equipement	1,283.9	586.2	486.9
Fixed assets in progress	679.2	417.7	442.3
	19.446.7	**11,028.9**	**9,913.26**
Depreciation	(7,334.0)	(3,887.6)	(3,461.1)
Fixed assets net *(1)*	**12,112.7**	**7,141.3**	**6,452.1**

(1) Including a net amount of € 123.8 million as of December 31, 1999, as compared to € 108.4 million as of December 31, 1998, corresponding to land, buildings and equipment held under finance leases.

NOTE 12

Investments

(in millions of euro)

	1999	1998	1997
Investment in compagnies accounted for by equity method *(1)*	758.0	1,132.1	569.2
Investment in non consoliidated compagnies *(2)*	521.2	168.2	133.1
Long term loans and advances	68.0	7.3	9.1
Deferred tax assets	190.0	95.7	90.9
Other	267.2	100.5	75.5
	1,804.4	**1,503.8**	**877.8**

(1) Investments in companies consolidated by the equity method are comprised, as of December 31, 1999, of primarily the securities of service companies amounting to € 210.1 million and the securities of distribution companies amounting to € 547.9 million, of which those of Cora amounting to € 207.9 million.

(2) Investments in non-consolidated companies are comprised primarily of the securities of PETsMART, Zany Brany and other participations. Their market value is € 527.02 million.

NOTE 13

Other receivables

(in millions of euro)

	1999	1998	1997
Loans and advances due within one year *(1)*	45.3	1.4	0.2
Tax recoverable	605.8	236.3	234.9
Deferred taxes	141.3	78.8	56.7
Other current assets *(2)*	3,051.9	1,320.7	948.1
	3,844.3	**1,637.2**	**1,239.9**

(1) More than half of this amount involves supplier receivables.
(2) The amounts pertaining to financial placements have been posted to the "Marketable Securities" account.

NOTE 14

Marketable securities

The securities recorded € 179.9 million on the Group's balance sheet (of which or € 115.4 million in treasury stock, had a market value on December 31, 1999 € 191.0 million. As of December 31, 1999, the amount pertaining to financial placements totalled € 1,573.6 million, as compared to the amount outstanding as of December 31, 1998 of € 424 million.

NOTE 15

Shareholders' equity

The number of shares outstanding as of December 31, 1999 came to 342,502,350. The item "Foreign Currency Translation Adjustment", included within "Shareholders' Equity" has evolved as follows:

(in millions of euro)

January 1, 1998	126.8
Movement in 1998	(184.0)
December 31, 1998	(57.2)
Movement in,1999	321.7
December 31, 1999	**264.5**

Reserves included within Shareholders' Equity are comprised primarily of permanent investments.
Reserves available for distribution relate principally to subsidiaries in France, Argentina, Brazil and Spain.
In France, reserves available for distribution free of withholding tax amount to € 1,024.8 million.
In Brazil, the Group's share of reserves available for distribution amount to € 390.7 million.
In Argentina, reserves available for distribution amount to € 250.8 million.
In Spain, the Group's share is reserves available for distribution net of normal withholding tax amounts to € 436.3 million.

NOTE 16

Provisions for contingencies and other long term liabilities

(in millions of euro)

	1999	1998	1997
Deferred tax Liabilities *(1)*	464.8	166.9	162.2
Retirement benefits *(2)*	105.2	96.2	87.7
Other *(3)*	631.6	418.0	416.5
	1,201.6	**681.1**	**666.4**

(1) The change to the new method of consolidation resulted in an increase in deferred tax liabilities, which rose to € 18.60 million recorded on a net basis.
(2) The cost o retirement benefits is computed at each year end based upon employee length of service and the likelihood that they will remain with the company up until retirement. The projected benefit obligation is determined on a n actuarial basis taking into account staff turnover levels, mortatlity rates and projected future salary levels. The total commitment of the Group as of December 31, 1999 is estimated at € 206.96 million and is fully covered by provisions on balance and by external plans.
(3) At December 31, 1999, this item included a € 114.34 million for economic, fiscal and political risks incurred in various countries. The balance is comprised, notably, of provisions for fiscal charges.

NOTE 17

Borrowings

(in millions of euro)

	Final maturity	Effective rate *(1)*	1999	1998	1997
EUR bond, 10 years, 4.50%	2009	3.44%	1,000.0		
FRF bond, 10 years, 5.30%	2008	3.60%	304.9	304.9	
Caisse Epargne Provence Alpes Corse loan	2008	3.51%	45.7		
EUR bond, 7 years, 4.25%	2006	3.22%	400.0		
Revolving loan, FRF 1.05 billion	2005	3.45%	160.1	160.1	
Variable rate bonds, FRF, 7 years	2005	3.03%	91.5	91.5	
Crédit Agricole loan	2005	3.07%	59.5	59.5	59.5
BNP loan	2004	4.81%	152.4	152.4	152.4
Syndicated loan, FRF, 800 million	2004	2.92%	122.0		
Convertible bonds	2004	2.92%	555.2		
FRF bonds, 5 years, 4.375%	2004	3.12%	1,000.0		
OBSAR	2003	2.53%	461.8		
GBP bonds, 176.2 million	2002	3.64%	0.0	209.6	196.7
Variable rate bonds, FRF, 6 years	2002	5.54%	38.9	38.9	38.9
Loan, FRF, 3 billion	2002	3.38%	220.0	213.4	
Crédit Agricole loan	2002	3.04%	76.2	76.2	76.2
Crédit Agricole loan	2002	2.95%	45.7		
Paribas loan	2002	3.25%	76.2		
Crédit Natexis loan	2001	6.16%	152.4	152.4	152.4
Bond USD, 3 years, 6.875%	2000	3.41%	220.3	220.3	220.3
Loan, FRF, 19.0 billion	2000	3.56%	729.9	1,333.9	
Commercial paper	2000	2.94%	760.0	1,097.6	99.1
Programme Euro Medium Term Note			133.0		
PSDI/TSDI			219.5		
Variable rate bonds			0.0	0.0	61.0
Obligations under finance leases			256.4	93.5	128.8
Other			2,908.4	898.2	369.2
			10,190.0	**5,102.5**	**1,554.5**

(1) The effective interest rate takes into account hedging operations.

These borrowings were contracted in the following currencies (translated into French francs at the rate outstanding on December 31):

(in millions of euro)

	1999	1998	1997
French franc	6,153.1	4,508.1	1,302.7
Euro	3,088.2		
US Dollar	247.9		
Italian Lira	83.5	41.3	18.9
Belgium franc	0.0	11.1	13.1
Korean Won	3.8	7.9	10.5
Thaïland Bath	5.5	5.9	11.7
Brazilian Real	129.3	152.6	103.2
Portuguese Escudo	75.0	77.1	41.9
Argentinean Peso	120.6	86.3	
Mexican Peso	0.0	38.9	
Polish Zloty	30.6	56.4	
Chinese Yuan	50.5	46.0	1.7
Turkish Lira	51.5	6.3	23.9
SpanishPeseta	37.0	4.7	
Hong-Kong Dollar	30.8	19.1	
Malaisian Ringgit	67.1	20.0	
Other	15.6	20.7	26.8
	10,190.0	**5,102.5**	**1,554.5**

These borrowings are reimbursable within the following periods of time:

(in millions of euro)

Maturity	1999	1998	1997
1 year	3,457.4	2,891.2	223.9
2 years	458.9	504.5	120.0
3 years	363.9	228.2	300.5
4 years	736.6	557.0	218.8
5 to 10 years	4,870.1	855.4	578.5
Beyond 10 years	0.9	0.9	1.4
Undetermined	302.2	65.2	111.4
	10,190.0	**5,102.5**	**1,554.5**

As of December 31, 1998, the following lines of credit were available:

(in millions of euro)

	1999
French franc	3,046.2
Taiwanese Dollar	102.4
Italian Lira	71.8
Spanish Peseta	90.9
Czeck Korona	8.4
Brazilian Real	324.0

The off-balance sheet commitments of the two principal financial companies of the group consolidated by the equity method, Financiera Pryca and S2P, held at, respectively, 44% and 60%, were composed essentially of financial commitments in favor of the clientele, commitments made with credit companies and commitments made on interest rate instruments. Moreover, the credit activities of these companies benefit from confirmed lines of credit amounting to € 428.08 million.

NOTE 18

Financial instruments

Financial instruments are used by the Group to hedge foreign currency and interest rate risks in connection with its worldwide operations. Each instrument used is matched to the operation that is thereby hedged. The hedges are established using instruments contracted with first rank banking counter parties. Their management is carried out, principally, on a centralized basis.

Foreign currency risk

The activities of the Group are carried out by subisidiaries primarily operating at the domestic level in their respective countries that purchase and sell in the local currency. The Group's exposure to foreign currency risk on its commercial activities is therefore limited. Consequently, the Group's exposure to exchange risk is concerned primarily with importation. The risks on import operation in course, as well as those forecast, are covred by forward currency contracts.

Additionally, the partial centralization of the Group's treasury operations, stemming from different countries in which the Group is present and therefore denominated in differenct currencies, consequently calls for the use of foreign exchange instruments. Moreover, investments planned for foreign countries are sometimes covered by options. The market value of hedging positions outstanding at the end of the year amounted to:

(in millions of euro)

	1999	1998
Commercial transactions		
- Forward purchases	449.8	83.8
- Forward sales	4.1	9.0
Financial transactions		
- Forward purchases	73.6	239.8
- Forward sales	145.0	222.6
	671.7	555.2

Interest rate risk

The net exposure of the Group to the risk of interest rate fluctuation is reduced by the use of financial instruments such as swaps and interest rate options.

As of December 31, 1999, the hedge types and the corresponding amounts covered (including those of the banking subsidiaries of the Group) were as follows:

(in millions of euro)

	Swaps	Options
Less than one year	993,8	2 483,1
1 to 5 years	4 290,5	3 887,1
Beyond 5 years	205,8	0,0

As of December 31, 1999, market value of the total position formed of the consolidated net debt of the Group and the financial instruments used in hedging is approximately the same as that recorded in the accounts.

NOTE 19

Personnel

	1999	1998	1997
Average group workforce	193,952	132,875	113,289
Average France wokforce	86,789	55,604	53,392
Group workforce - end 1999	297,290	144,142	123,437
France workforce - end 1999	117,194	57,296	55,199

NOTE 20

Information by geographic region

(in millions of euro)

	France		Europe		Americas		Asia		Total	
	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
Sales, net of tax	23,157.8	15,524.2	5,981.8	3,920.2	5,521.4	6,222.2	2,703.4	1,742.0	37,364.3	27,408.7
EBITDA	1,649.3	978.3	457.0	307.6	396.7	434.3	136.1	81.0	2,639.2	1,801.2
EBIT	1,035.0	594.7	244.1	173.2	175.2	232.2	40.1	30.5	1,494.3	1,030.6

NOTE 21

Pro forma consolidated financial statements, as of December 31, inclusive of service companies consolidated on a full consolidation basis.

Consolidated balance sheet

(in millions of euro after appropriation)

	1999	1998	1997
Fixed assets	21,956.2	12,660.7	8,652.1
Current assets	13,819.2	6,589.5	6,123.3
Total assets	**35,775.4**	**19,250.2**	**14,775.4**
Stockholders' equity	6,330.6	3,910.3	3,315.2
Minority interests	1,369.9	835.4	1,040.6
Borrowings	11,777.4	6,412.2	3,602.4
Other current liabilities	16,297.4	8,092.3	6,817.2
Total liabilities and stockholders' equity	**35,775.4**	**19,250.2**	**14,775.4**

Consolidated statement of income

(in millions of euro)

	1999	1998	1997
Sales, net of tax	37,369.7	27,996.7	26,484.1
Gross margin	21.91%	20.44%	19.67%
Net income from recurring operation-group share	792.4	615.9	570.6

NOTE 22

Pro Forma Consolidated Financial Statements, as of December 31, inclusive of only the Carrefour sub-group (i.e., without the 94.4% participation of Promodès).

Consolidated Balance Sheet

(in millions of euro after appropriation)

	1999	1998	1997
Fixed assets	14,853.9	12,905.9	8,432.6
Current assets	8,035.6	6,006.9	4,820.3
Total assets	**22,889.5**	**18,912.8**	**13,252.9**
Stockholders' equity	4,626.7	4,098.3	3,315.2
Minority interests	807.4	915.9	969.4
Borrowings	6,977.0	5,611.2	1,554.5
Other current liabilities	10,478.4	8,287.4	7,413.7
Total liabilities and stockholders' equity	**22,889.5**	**18,912.8**	**13,252.9**

Consolidated Statement of Income

(in millions of euro)

	1999	1998	1997
Sales, net of tax	33,951.8	32,395.0	25,805.0
Gross margin	21.80%	21.11%	20.17%
Ebitda	2,370.7	2,104.4	1,569.7
Ebit	1,307.3	1,196.0	885.4
Net income from recurring operation-group share	626.4	615.9	570.6

NOTE 23

Carrefour stock option plan

(in millions of euro)

Year	03/04/95	08/12/95	15/04/96	21/04/97	26/03/98	02/07/98	01/10/99	02/12/99
No. Of options *(3)*	824,670	326,250	627,750	1,133,280	180,000	1,233,000	1,163,150	71,170
including managers *(1) (3)*	336,420	326,250	234,000	819,480	180,000	433,800	829,200	0
Beginning	03/04/95	08/12/95	15/04/96	21/04/97	26/03/98	02/07/98	01/10/99	02/12/99
End	02/04/00	07/12/00	14/04/01	20/04/04	25/03/05	01/07/05	30/09/06	01/12/06
Adjusted acquisition or subscription price *(2) (3)*	35.99	43.84	57.84	83.53	87.68	93.62	143.73	170.56
No. Of Options exercised as December 31, 1999	694,350	290,350	360,000	257,380	0	4,800	0	0
No. Of Options outstanding as December 31, 1999	130,320	36,000	267,750	875,900	180,000	1,228,200	1,163,150	71,170

(1) Members of executive comittee (60 members at year end 1999).
(2) Adjustements taking into account free attributions in 1994 (1 for 1) and 1996 (1 for 2).
(3) 17/02/1999 equity translated in euros (1 share = 15 euros) and 03/05/1999 division of shares by decrease from 15 euros to 2.5 euros (1 share = 6 new shares)

Promodès stock option plan

(in millions of euro)

Year	08/03/95	05/09/95	06/03/97	21/05/97	24/11/98	19/05/99	12/10/99	Total
No. Of options	107,010	17,605	12,750	129,850	1,000	96,105	50,000	414,320
including managers *(1)*								0
Beginning	08/03/95	05/09/95	06/03/97	21/05/97	24/11/98	19/05/99	12/10/99	
End	08/03/00	07/12/00	14/04/01	20/04/04	25/03/05	30/09/06	30/09/06	
Adjusted acquisition or subscription price	130.34	173.18	252.91	300.02	526.25	600.04	831.00	
No. Of Options exercised as December 31, 1999	0	0	0	0	0	0	0	0
No. Of Options outstanding as December 31, 1999	107,010	17,605	12,750	129,850	1,000	96,105	50,000	414,320

List of Consolidated Companies as of December 31, 1999

1 - Fully consolidated companies

	Percentage of interest retained in the consolidation	Commercial registration number
France		
CARREFOUR	Parent firm	652014051
ACTIS (*)	94	345274310
ALODIS (*)	94	345130306
AMIDIS ET CIE (*)	94	319730339
ARC (*)	94	343163812
ARDON DISTRIBUTION (*)	94	343087037
AUBERDIS (*)	94	312612385
AUBERDIS 2 (*)	94	398882076
B. INVESTISSEMENTS	100	400934816
BABYLONE DISTRIBUTION (*)	94	331311589
BESNEVILLE	100	947320115
BOEDIM (*)	94	379874571
BOUCLE	100	334872975
BOULOGNE DISTRIBUTION (*)	94	313350621
BRIDIS (*)	94	385279781
C V LOGISTIQUE	100	379956915
CACI (*)	94	352860084
CARCOOP	50	317599231
CARCOOP FRANCE	50	335955912
CARFUEL	100	306094194
CARREFOUR EUROPE (*)	100	420265845
CARREFOUR FRANCE	100	672050085
CARREFOUR MANAGEMENT (*)	100	403245061
CARREFOUR MARCHANDISES FRANCE	100	421437591
CARREFOUR MARCHANDISES INTERNATIONALES	100	385171582
CARREFOUR MONACO	100	92502820
CARREFOUR SERVICE CLIENTS (*)	100	423697523
CATARN (*)	94	382012946
CATTEAU (*)	94	576280101
CBA (*)	94	378480750
CBD	50	775632169
CHESHUNT (*)	94	391027448
CHRISTING	100	330305558
CIM (*)	94	784380586
CITE BLEUE	100	378006621
CLAMARDIS (*)	94	349970939
CMBD	100	546820143
CMDG	100	379470651
CMEN	100	780130126
CMER	100	383836525
CMMU	100	310226071
CMSI	100	415178839
CMUC	100	383774684
COMPTOIRS MODERNES	100	575450317
CONTINENT 3000 (*)	94	331617266
CONTINENT HYPERMARCHÉ (*)	94	723820239
COPADIS (*)	94	471500397
CRIDIS (*)	94	380257675
CSD (*)	70	326220654
DAHLIACO (*)	94	423259431
DAUPHINOISE DE PARTICIPATIONS	100	337748552
DELSTOC	50	398838946
DIPAL	100	304828858
DISCOL (*)	94	788261659
DISTRI JP 2G	100	410286660
DISVILEC (*)	94	311160758
DISVILEC DISTRIBUTION (*)	94	398044974
DRADIS (*)	94	304877087
ECS APCO CIE (*)	94	320708050
ERTECO	100	303477038
ÉTABLISSEMENT CHARETON (*)	100	435450010
ÉTABLISSEMENT J CONSTANS (*)	94	784144354
ÉTABLISSEMENT LEROY (*)	94	720500693
ETS LUCIEN LAPALUS & FILS (*)	94	795920172
EUROMARCHÉ	100	780060414
FCM	100	320609597
FIDIS (*)	94	350927737
FONCOM	94	330387333
FONRI	100	401921820
FORUM DÉVELOPPEMENT	100	381485176
FRANVERT	100	401009592
GALIMCO (*)	94	345130330
GENEDIS (*)	94	345130512
GIRA (*)	100	436150130
GML	50	314832387
GML FRANCE	50	397894296
GONINET (*)	94	315770123
GRF	100	320637648
GUIROVI	100	381618461
HAZEBROUCQ (*)	94	446520298
HOLDIM (*)	94	345275408
HYPER BEAUCAIRE (*)	94	352202147
HYPER UZÈS (*)	94	352201776
IMMOBILIÈRE CARREFOUR	100	323439786
IMMOBILIÈRE ERTECO	100	389526617
IMMOTRANS 71	50	389050204
INTERDIS (*)	94	304941495
IRIS CM	100	408586907
IVACAR	100	391988730
JAPIERRE	100	325774388
LA DAUPHINOISE (*)	94	314973439
LA POINCARIENNE (*)	100	423097757
LALAUDIS (*)	93	339176885
LARALIM (*)	94	343294575
LE SALAMANDRIER (*)	94	352488225
LES NOELS	100	305275380
LOGIDIS (*)	94	303010789
LIGADIS (*)	94	350734877
MAISON JOANNES BOUBÉE (*)	94	775583248
MATEDIS (*)	94	383230703
MBD (*)	94	617020300
MORANGIS (*)	94	330726571
NICOL	100	341626158
PICARD SURGELÉS	74	784939688
PIPERDIS (*)	94	422987735
PRM (*)	94	352442826
PRODIM (*)	94	345130488
PRODIM GRAND EST (*)	94	343756391
PRODIM GRAND SUD (*)	94	333747707
PRODIREST (*)	94	342418530
PROFIDIS (*)	94	323514406
PROFIDIS ET CIE (*)	94	327753372
PROMODÈS (*)	94	613820240

(*) Newly consolidated company

	Percentage of interest retained in the consolidation	Commercial registration number
PROMODÈS FRANCE (*)	94	348593575
PROVIDANGE	51	352367239
PYREDIS (*)	94	350725321
QUADIS (*)	94	388463010
SA RAILLENDIS	50	348000738
SADIM (*)	94	303083034
SAINT HERMENTAIRE (*)	94	384235602
SCH (*)	94	342925765
SCI BERGUETTE	49	334184710
SCI CROIX-DAMPIERRE	91	780680781
SCI DE VILLENOY	100	785022070
SCI DU MOULIN	50	330842212
SCI GRIGNY	100	328621933
SCI LES HAULDRES (*)	94	349035832
SCI MAES	50	334355765
SCI MÉRIGNAC	50	307048975
SCI PASSART (*)	94	347556326
SCI POUR LE COMMERCE (*)	94	378384002
SCI VIEILLE COLME	50	335185312
SCSM (*)	94	382649531
SEC	50	408505824
SEC GOULET TURPIN (*)	94	337381396
SEPG	50	997848312
SERVICE AUTOMOBILE CARREFOUR	100	392474060
SERVICE AUTOMOBILE SOGARA	50	401107545
SGAN (*)	94	318760634
SISP (*)	94	349146878
SML	100	420914517
SNC ED	100	381548791
SNE	100	388182388
SNEC	50	393600028
SNGVM (*)	94	316420728
SNM	100	404703522
SOCIÉTÉ BAZARS POPULAIRES DE SEINE ET MARNE	100	662014554
SOCIÉTÉ DU LONG RAYAGE	100	352900732
SODIPAR (*)	94	344161435
SODISOR	100	788358588
SODISPO (*)	94	403198062
SOFLODIS	100	424425387
SOGARA	50	662720341
SOGARA FRANCE	50	397509647
SOGRAMO	100	576850515
SOGRAMO FRANCE	100	397560616
STOC SUD EST	100	398155606
SUDFRAIS (*)	94	056808553
SYGMA	100	382087633
TROCADIS	100	393403092
UCMB	100	384446399
UNION ET CIE (*)	94	330243064
VALDIM (*)	94	096420096
VALINDUS (*)	94	345130413
VETTER	100	333834331
VOISINS DISTRIBUTION	100	328642046
VOUILLE-DIS (*)	94	378456131

(*) Newly consolidated company

	Percentage of Interest retained in the consolidation
Germany	
PROMOHYPERMARKT KG (*)	94
Argentina	
CARREFOUR ARGENTINA	100
DIA ARGENTINE (*)	94
NORTE (*)	65
Belgium	
CARREFOUR BELGIUM (*)	100
CENTRE DE COORDINATION CARREFOUR	100
GMR (*)	94
Brazil	
BREPA COMERCIO E PARTICIPACAO	100
CARPIL COM ADM PARTICIPACOES IMOBILIARIAS	93
CARREFOUR AMERICAS	100
CARREFOUR COMERCIO E INDUSTRIA	93
CARREFOUR PARTICIPACOES	66
CARREFOUR GALERIAS COMERCIAIS	93
COMPTOIRS DO BRASIL	100
ELDORADO	93
EVIDENCE	100
FARO TRADING	93
FOCCAR FACTORING FOMENTO	93
LOJIPART PARTICIPACOES	93
MINERIRAO (*)	93
NOVA GAULLE COM E PART	93
PLANALTAO (*)	84
RONCETTI (*)	93
Chile	
CARREFOUR CHILE	100
China	
BEIJING JIACHUANG COMPANY	60
BEIJING LE YI TRADING COMPANY LTD (*)	90
BEIJING REP OFFICE	100
CHENGDU YUSHEN DEVELOPMENT CO. LTD	78
CHONGQING CARREFOUR HYPERMARKET CO. LTD	55
DALIAN SHANGCHANG CO LTD (SHOPPING MALL) (*)	100
DALIAN CHAOSHI CO. LTD (SUPERMARKET) (*)	100
DONGGUAN DONGSHENG SUPERMARKET CO. LTD	70
GUANGZHOU PRESIDENT SUPERMARKET CO. LTD	55
TIANJIN JIA FU TRADING CO. LTD	55
NANJING YUEJIA SUPERMARKET CO LTD (*)	75
NINGBO LEFU INDUSTRIAL DEVELOPMENT CO. LTD	100
NINGBO LEHAI ENTERPRISE MANAGEMENT & CONSULTING CO. LTD	100
NINGBO NINGJIA SUPERMARKET CO. LTD	100
PROMODES FOODSTUFF (*)	94
QUINDAO JIAKANG ENTERPRISE MGT & CONSULTING CO. LTD	100
QUINDAO MINGDA SUPERMARKET CO. LTD	100
SHANGHAI CARHUA COMPANY	55
SHANGHAI OFFICE (*)	100
SHENYANG CARREFOUR SUPERMARKET CO. LTD	100
SHENZHEN LERONG SUPERMARKET CO.LTD	100
WUHAN HANFU SUPERMARKET CO. LTD	100
WUXI YUEFU BUSINESS TRADING DEVELOPMENT LTD (*)	75
ZUHAI LETIN HYPERMARKET CO. LDT	100

	Percentage of Interest retained in the consolidation
Columbia	
GRANDES SUPERFICIES DE COLOMBIA	55
Korea	
CARREFOUR KOREA	100
CONTIKO (*)	94
Spain	
AUTOCENTER DELAUTO	69
CENESA (*)	65
CENTROS COMERCIALES PRYCA	69
CENTROS SHOPPING (*)	76
CONTISA (*)	65
DIASA (*)	94
FEVEISA (*)	32
FINACONSA (*)	65
INVERSIONES PRYCA	100
OPTICAS PRYCA (*)	69
PRYCA CANARIAS	69
PRYCA ESTACIONES DE SERVICIO (*)	69
PRYCA NAVARRA	69
PRYCA NORTE	69
PUNTOCASH (*)	94
SIDAMSA (*)	94
SIMAGO (*)	62
SIMANE (*)	62
SOCOMO	69
SUPECO	80
Greece	
CARREFOUR HELLAS	100
CONTINENT HELLAS (*)	76
DIA HELLAS (*)	75
Hong Kong	
CARREFOUR ASIA (*)	100
CARREFOUR TRADING ASIA	100
CARREFOUR HYPERMARKET HONG-KONG	100
VICOUR	100
Indonesia	
CONTIMAS (*)	80
PT CARTI SATRIA MEGASWALAYAN (*)	70
PT CARTISA PROPERTI	70
Italy	
CARREFOUR ITALIA COMMERCIALE	80
CARREFOUR ITALIA FINANZIARIA	100
CARREFOUR ITALIA IMMOBILIARE	80
GRUPPO G (*)	85
PICARD I SURGELATI	74
SOCIETA COMERCIO MERIDONIALE	80
SOCIETA SVILUPPO COMMERCIALE	80
Japan	
CARREFOUR JAPAN (*)	100
Malaysia	
MAGNIFICENT DIAGRAPH	70

(*) Newly consolidated company

	Percentage of Interest retained in the consolidation
Mexico	
CARREFOUR MEXICO	100
GRANDES SUPERFICIES DE MEXICO	100
GRUPO CARREFOUR	100
Netherlands	
CARREFOUR NEDERLAND BV	100
FOURCAR	100
PMD INTERNATIONAL (*)	94
Portugal	
CARIGES	60
CARREFOUR IMMOBILIARIA	52
CARREFOUR SOC DE EXPLORACAO DE CENTROS COMERCIAIS SA	52
CPLD (*)	94
DATA TRADE	52
DIA PORTUGAL SUPERMERCADOS (*)	94
EPCJ	52
LDI (*)	94
LISPETROLEOS	52
Poland	
CARREFOUR POLSKA	100
CARREFOUR POLSKA PROPERTY	100
MIKO	100
POLIMM	100
RUBINSTAJN	100
Czech Republic	
CARREFOUR CESKA REPUBLIKA	100
EDEN	100
L'OPTIQUE CARREFOUR (*)	100
STAVOCZECH	100
USTI NAD LABEM SHOPPING CENTER (*)	100
Singapore	
CARREFOUR SINGAPOUR	100
CARREFOUR SOUTH EAST ASIA	100
Switzerland	
HYPERDEMA (*)	94
PROMOHYPERMARKT AG (*)	94
Taiwan	
PRESICARRE	59
Thaïland	
CENCAR	100
SSCP	100
Turkey	
CARREFOUR SABANCI TICARET MERKEZI A.S.	60
PERAL (*)	47

2 - Companies condolidated by the equity method

	Percentage of Interest retained in the consolidation / Pourcentage d'intérêts retenu en consolidation
Argentina	
BANCO CETELEM ARGENTINA (*)	40
BANCO DE SERVICIOS FINANCIEROS S.A.	60
Belgium	
GB (*)	26
MESTDAGH (*)	24
Brazil	
AGROPECUARIA LABRUNIER	93
AGROPECUARIA VALE DAS UVAS	93
CARREFOUR ADM. DE CARTOES DE CREDITO	56
FAZENDA SAO MARCELO	93
Spain	
FEVEISA (*)	32
FINACONSA (*)	65
FINANCIERA PRYCA	44
INTERING	34
France	
ALTIS (*)	47
BLADIS	33
CARMA	50
CARREFOUR VACANCES	100
DÉFENSE ORLÉANAISE	50
DISTRIMAG (*)	47
FECAMPOISE (*)	47
GMB (Groupe CORA)	42
HYPARLO (*)	19
HYPER DE LA VÉZÈRE (*)	47
HYPER DES 2 MERS (*)	47
MÉTRO FRANCE	20
PRIMEX	26
PROVENCIA (*)	47
S2P	60
SC LATOUR (*)	57
SDDB (*)	45
SUPERMARCHÉ DU BASSIN (*)	47
Great Britain	
COSTCO UK	20
Greece	
HYPERMARINOPOULOS (*)	34
NIKI (*)	19
Italy	
CEDIS (*)	31
CONTINENTE DISTRIBUZIONE (*)	29
MOCCHI (*)	31
GIRI (*)	31
DIA DISTRIBUZIONE (*)	31
LOMBARDINI REZZATO (*)	8
PIANETA COSPEA (*)	15
IPER PESCARA (*)	15
GRUPPO GS (*)	31
GS (*)	31
Poland	
GEANT POLSKA (*)	47
Portugal	
MODELO CONTINENTE SGPS (*)	21
Taiwan	
CARREFOUR FINANCE CONSULTING	50

(*) Newly consolidated company

Statement of the Auditors

In accordance with the terms of our appointment at the Annual Meeting of April 24, 1997, we hereby submit our report on the consolidated financial statements in French francs for the year ended December 31, 1999, as attached to this report.

These consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with professional standards applied in France. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made in the preparation of the financial statements, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements present fairly the consolidated results of operations for the year ended December 31, 1999 and the financial position and assets of the group at that date, in accordance with accounting principles generally accepted in France.

We have also examined the information given in the report of the Board of Directors. We are satisfied that this information is fairly stated and agrees with the consolidated financial statements.

Paris-La Défense and Neuilly-sur-Seine, February 23, 2000
Statutory Auditors:

KPMG AUDIT

Represented by
Jean-Luc Decornoy

BARBIER, FRINAULT & AUTRES
ARTHUR ANDERSEN

Represented by
Patrick Malvoisin

Ratios and Consolidated Financial Data

(in millions of euro)	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
consolidated income statement										**Pro forma**
Sales including taxes	13,781.1	17,258.9	20,101.9	21,245.4	23,524.1	25,050.9	26,776.8	29,173.4	31,179.3	58,548.5
Sales, net of tax	11,563.0	15,302.4	17,857.7	18,980.5	20,778.6	22,046.0	23,615.1	25,804.9	27,408.7	51,948.1
EBITDA	465.7	553.1	768.2	869.4	1,015.9	1,148.1	1,344.3	1,569.6	1,801.2	3,227.8
EBIT	272.3	248.3	355.7	422.6	507.4	599.6	731.5	885.4	1,030.6	1,798.6
Group tax rate	31.2%	23.6%	25.1%	28.4%	26.0%	30.0%	29.4%	31.8%	33.2%	34.0%
Net income from recurring operations-Group share	206.1	186.8	204.1	253.8	328.8	410.1	493.8	570.6	615.9	914.5
Net income Group share	206.1	184.0	203.5	458.9	323.8	539.1	476.1	546.2	646.7	898.2
Consolidated balance sheet										
Stockholders' equity before appropriation	1,318	1,582	1,923	2,322	2,662	3,163	3,920	4,516	4,857	7,905
Total assets	4,718	7,458	7,939	8,139	9,010	9,855	11,639	13,253	17,383	33,751
Net (borrowing) / cash position	(692)	403	70	(422)	(736)	(641)	(461)	339	4,108	7,597
Ratios										
Net income recurring / sales	2.12	1.53	1.53	1.71	1.97	2.27	2.53	2.64	2.63	1.98
EBITDA / sales	4.03	3.61	4.30	4.58	4.89	5.21	5.69	6.08	6.57	6.21
EBIT / sales	2.35	1.62	1.99	2.23	2.44	2.72	3.10	3.43	3.76	3.46
Net income recurring / Stockholders' equity group share (1)	19.7	14.7	16.2	14	16.7	17.4	17	17.22	15.75	14.22
Net income recurring / assets	5.2	3.13	3.43	3.98	4.54	5.09	5.14	5.14	4.14	3.05
Assets / Stockholders' equity *(1)*	3.8	4.95	4.34	3.68	3.58	3.3	3.14	3.09	3.76	4.48
Sales / assets	2.45	2.05	2.25	2.33	2.31	2.24	2.03	1.95	1.58	1.54
Debt to equity *(1)*	(55.68)	26.80	3.83	(19.04)	(29.2)	(21.5)	(12.42)	7.91	88.9	100.8
Inventory turnover	27	30	31	30	31	33	35	41	41	39
Data per share (in euro) (2)										
Adjusted number of shares (in millions)	230.1	230.4	230.6	230.6	230.8	230.8	230.8	230.9	231.2	342.5
Highest share price	16.1	20.0	23.9	37.1	39.2	51.0	58.4	112.1	110.3	193.2
Lowest share price	12.7	13.1	17.0	19.1	29.0	34.6	33.7	71.2	71.9	92.4
Net income recurring-group share/share *(3)*	0.90	0.81	0.89	1.10	1.42	1.78	2.14	2.47	2.66	2.67
Dividend / share	0.28	0.28	0.30	0.36	0.44	0.54	0.66	0.76	0.82	0.90

(1) After attribution of net profit.

(2) From 1990 to 1998, the Earnings Per Share has been presented on a primary basis. The difference between primary eanings per share and diluted earnings per share is not material. Earnings per share for 1987 to 1993 have been restated to relect the following bonus share allocations: April 1989, one bonus share for eavery three shares held, one bonue share for every share held on May 1991 and one bonue share for every share held on May 1994, one bonus share for every two held on May 1996 and a share split of six new shares for each share held in 1999 with an accompanying division by six in the par value per share.

(3) Earnings per share are calculated on the weighted average number of shares during the year.

Retail Statistics*

NUMBER OF HYPERMARKETS

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
France	74	133	118	114	114	117	117	117	117	179
Spain	29	34	40	43	46	50	53	56	58	112
Portugal			2	2	2	2	2	3	4	5
Italy				1	6	5	6	6	6	6
Turkey				1	1	1	1	2	2	5
Poland								1	3	7
Czeck Republic									1	3
Greece										4
Europe	29	34	42	47	55	58	62	68	74	142
Argentina	4	4	6	7	9	12	15	18	21	22
Brazil	22	24	28	29	33	38	44	49	59	69
Mexico					2	7	13	17	19	17
Chile									1	2
Colombia									1	2
USA	1	1	2							
Americas	27	29	36	36	44	57	72	84	101	112
Taiwan	1	4	5	7	8	10	13	17	21	23
Malaisia					1	1	2	3	5	6
China (**)						2	3	7	14	21
Korea							3	3	6	12
Indonesia									1	5
Singapor								1	1	1
Hong-Kong							1	2	4	4
Thaïland							2	6	7	9
Asia	1	4	5	7	9	13	24	39	59	81
Total	131	200	201	204	222	245	275	308	351	514

NUMBER OF SUPERMARKETS

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
France									398	526
Spain										180
Poland										6
Europe										186
Brazil										83
Americas										83
Total									398	795

NUMBER OF HARD DISCOUNT STORES

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
France	209	278	367	432	481	465	356	367	384	418
Spain										1,532
UK				6	15					
Greece										142
Italy			2	5	24	48				
Portugal										273
Turkey										9
Europe			2	11	39	48				1,956
Argentina										106
Americas										106
Total	209	278	369	443	520	513	356	367	384	2,480

OTHER FORMATS

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Picard Surgelés					233	258	288	321	357	457
Other										195

SELLING SPACE (THOUSANDS OF SQM)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Hypermarkets (sqm)	1,210	1,695	1,837	1,920	2,129	2,378	2,727	3,075	3,489	4,580
Supermarkets (sqm)										1,195
Hard discount (sqm)									232	797

ANNUAL SALES PER SQM

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Hypermarkets (in € millions)	9.6	9.6	9.7	9.8	9.8	9.3	8.7	7.9	7.4	7.4

ANNUAL SALES PER OUTLET

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Hypermarkets (in € millions)	85.5	81.6	88.7	89.1	88.4	80.2	85.8	79.1	73.6	66.4

ANNUAL NUMBER OF CASH REGISTER TRANSACTIONS (MILLIONS)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Hypermarkets (in millions)	324	414	496	541	603	653	677	733	818	974

(*) For outlets included within the consolidation, exclusive of Portugal in 1991
(**) The store in Beijing is not directly managed by a subsidiary of the Group.

Retail Statistics*

SALES UNDER BANNERS INCL. VAT	1999/1998	HYPERMARKETS 61.0% OF TOTAL SALES	1999/1998	SUPERMARKETS 23.3% OF TOTAL SALES
77,553 M€	+ 9%	681 outlets 47,377 M€	+ 6%	2,259 outlets 18,087 M€
FRANCE **42,288 M€** **54.5% of total sales**	+ 3%	227 outlets Sales = 23,761 M€ Selling space = 1,760 890 sqm Sales/sqm = 13,494 €		1,078 outlets Sales = 11,986 M€ Selling space = 1,523,679 sqm Sales/sqm = 7,866 €
EUROPE **25,536 M€** **32.9% of total sales**	+ 27%	260 outlets Sales = 14,365 M€ Selling space = 2,201,524 sqm Sales/sqm = 6,525 €		1,098 outlets Sales = 5,717 M€ Selling space = 1,307,438 sqm Sales/sqm = 4,373 €
AMERICAS **6,712 M€** **8.7% of total sales**	- 17%	112 outlets Sales = 6,235 M€ Selling space = 918,731 sqm Sales/sqm = 6,787 €		83 outlets Sales = 383 M€ Selling space = 135,498 sqm Sales/sqm = 2,827 €
ASIA **3,017 M€** **3.9 % of total sales**	+ 57%	82 outlets Sales = 3,017 M€ Surface de vente = 663,045 sqm Sales/sqm = 4,550 €		

**Stores under banners gather all integrated stores, and franchised stores or stores of partners (including GB in Belgium, GS in Italy, Modelo Continente in Portugal and Marinopoulos in Greece).*

1999/1998	HARD DISCOUNT 5.6% OF TOTAL SALES	1999/1998	OTHER 10.1% OF TOTAL SALES	1999/1998
+ 16%	3,124 outlets 3,124 M€	+ 15%	2,921 outlets 7,769 M€	+ 6%
	418 outlets Sales = 1,387 M€ Selling space = 259,165 sqm Sales/sqm = 5,352 €		2,243 outlets Sales = 5,154 M€	
	2,600 outlets Sales = 2,839 M€ Selling space = 613,450 sqm Sales/sqm = 4,628 €		678 outlets Sales = 2,615 M€	
	106 outlets Sales = 94 M€ Selling space = 35,377 sqm Sales/sqm = 2,657 €			