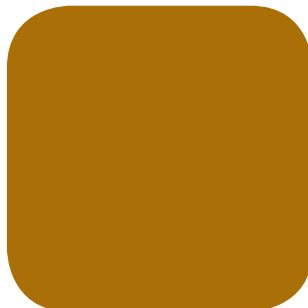


Annual Report • 2011-2012 • Colruyt Group



Together, we create
sustainable added value
through value-driven
craftsmanship in retail.



Risks relating to forecasts

Statements by the Colruyt Group included in this press release, along with references to this press release in other written or verbal statements of the Colruyt Group which refer to future expectations with regard to activities, events and strategic developments of the Colruyt Group, are predictions and as such contain risks and uncertainties. The information communicated relates to information available at the present time, which can differ from the final results. Factors that can generate any variation between expectation and reality are: changes in the micro- or macroeconomic context, changing market situations, changing competitive climate, unfavourable decisions with regard to the building and/or extension of new or existing stores, procurement problems with suppliers, as well as all other factors that can have an impact on the Group's result. The Colruyt Group does not make any commitments with respect to future reporting that might have an influence on the Group's result or which could bring about a deviation from the forecasts included in this press release or in other group communication, whether written or oral.

Halle, 22 June 2012

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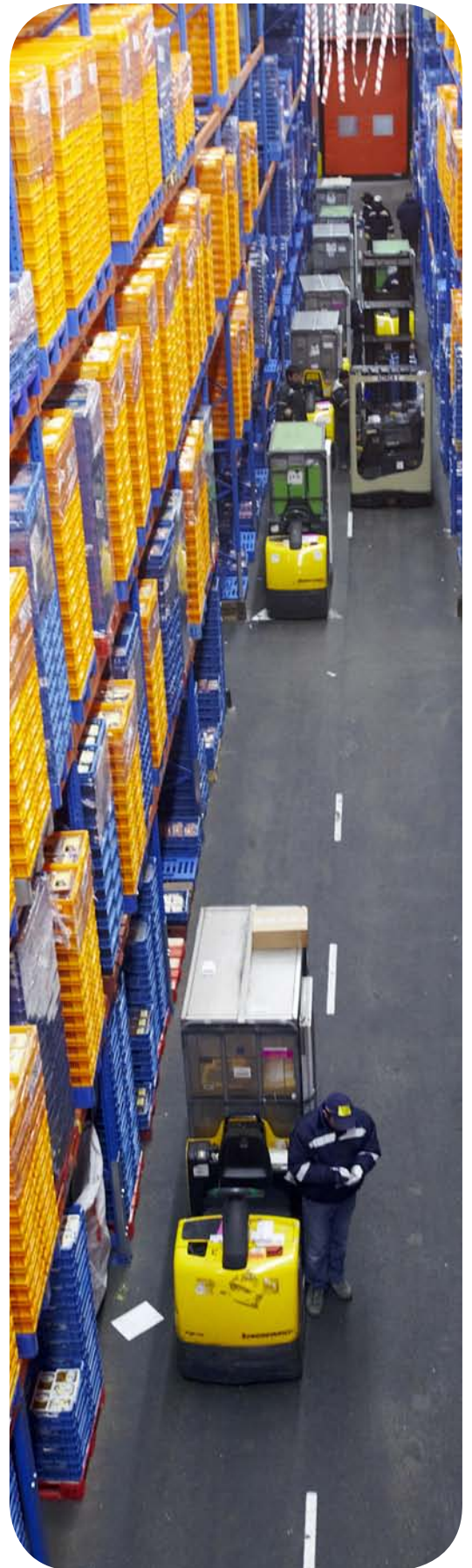
Financial year 2011/2012

ANNUAL REPORT

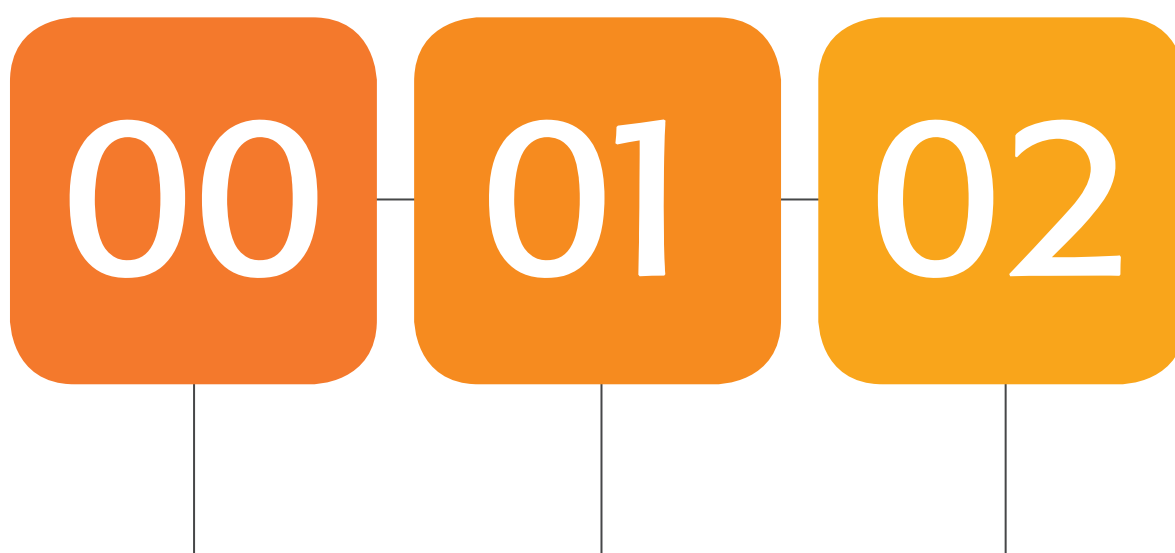
presented to the Ordinary General Assembly
on 26 September 2012

by the
BOARD OF DIRECTORS
and
AUDITOR'S REPORT

*Ce rapport annuel est également disponible en français.
Dit jaarverslag is ook verkrijgbaar in het Nederlands.*



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Section 00 is compiled based on the Colruyt Group management report 2011-2012 that was prepared by the Board of Directors of the company. The contents of section 04 forms an integral part of the annual report of the Board of Directors on the individual financial statements of the company over the financial year 2011-2012.

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A Word from the Chairman

Management Report

Overview of key figures

1. A Word from the Chairman

Colruyt Group achieved good results again this year. Revenue rose by nearly 8% and net profit increased by highly satisfactory 1,5%. A performance that each of our more than 25.000 employees can rightfully be proud of. And I would like to thank them for this. As it is only because they make an effort for their customers every single day that we are able to achieve this result together.

We have achieved this result together in a difficult year of major political, economical and social changes. Protest movements are making themselves heard in all countries, citizens are combining forces via social media to urge institutions, companies and politicians to implement changes, to announce that they desire a different approach or simply to take the initiative themselves and take action.

According to the Central Bank, consumer confidence in Belgium is decreasing as a result of the financial-economic crisis that can be felt throughout Europe, the necessary government spending cuts, which affect every Belgian citizen, and the increasing job uncertainty or unemployment. All of these elements have clearly had an impact on the consumer's spending pattern. The coming periods are also going to be very challenging; however, we are convinced that our sustainable aim for quality and reliability, together with our lowest prices strategy, can make the difference.

In such difficult market conditions, we have to rely on our own strength as Colruyt Group. If each one of us is well aware of the core values based upon which we conduct our business, and of what his individual contribution is to this business and of what our company's contribution is to society, we can move ahead steadily and continue to play our role. It is also for this reason that we are working together with our employees on how to put these values into practice. As a result, all 25.000 employees are now facing the same direction and we can continue to operate as an energetic, dynamic and resilient company. A company that wishes to conduct its business in a sustainable manner. Sustainability is therefore a central theme in our mission statement and in the strategic choices that we make each and every day. To realise

these choices on the long-term, we have strengthened our Board of Directors with a second independent director. In addition, Frans Colruyt will be in charge of all of the group's retail activities as from September.

However, the changes in society and the difficult consumer climate have not had a negative effect on the entrepreneurship within Colruyt Group. The many initiatives of which we only show a selection in this annual report, are evidence of this. For instance, the Collect&Go App, which for weeks was the most popular free App in the App Store. Or opting for a separate identity for DreamBaby, the new print technology at Symeta, the introduction of Colruyt Mobile, the constant growth at Bio-Planet during the last 10 years, the entrepreneurship at Spar Retail, the 50th Colruyt store in France, or the 3.800 children who have learned to ride a bike thanks to DreamLand. All initiatives to serve the customer even better, and clearly with result.

But that is not everything. Since the end of 2011, we now produce more green electricity than we consume on an annual basis. In February, we opened a hydrogen filling station in our distribution centre in order to test whether hydrogen can further increase our efficiency. Or the Colruyt Group Academy in which we aim to bring together all training and education activities for employees, private individuals and partners. The quiet deliveries late in the evening and early in the morning also produced only positive results, for the local residents, the traffic situation and the company.

This entrepreneurship comes from the employees themselves. If we stimulate creativity and provide room to come up with new ideas and to test and realise new ideas, Colruyt Group will be able to continue to innovate. Thus we can ensure that our customers are satisfied and that we will continue to grow. Let's continue to work on this together in the coming year. With all of our employees, with our customers and with other partners.

Jef Colruyt, Chairman



A Word from
the Chairman

Management
Report

Overview of
key figures

2. Management Report

Overview financial year 2011/2012 - Financial Information

	2011/12	2010/11	Variance
(in EUR million)			
Revenue	7.847,6	7.280,1	7,8%
Operating cash flow (EBITDA) (1)	681,4	621,1	9,7%
% revenue	8,7%	8,5%	
Operating profit (EBIT)	485,2	472,2	2,7%
% revenue	6,2%	6,5%	
Net financial result	2,9	0,2	
Profit before taxes (2)	488,8	477,7	2,3%
% revenue	6,2%	6,6%	
Tax on profits	145,9	139,7	+4,4%
Profit of the financial year (share of the group)	342,9	338,0	1,5%
% revenue	4,4%	4,6%	
Cash flow (3) (share of the group)	539,1	486,8	10,7%
Weighted average number of issued shares (4)	157.391.224	158.032.176	
Profit before taxes per share in EUR	3,11	3,02	2,75%
Earnings per share (share of the group) in EUR	2,18	2,14	1,9%
Dividend per share in EUR (5)	0,95	0,92	3,3%

The figures of the financial year 2010/11 were adjusted as described in Note 2 'Changes in the principles for financial reporting.'

(1) Cash flow from operations (EBITDA) = operating profit (EBIT) + depreciation and impairments on fixed assets

(2) Profit before taxes includes the share in the result of associated participations

(3) Cash flow = profit for the financial year + depreciation and impairments on fixed assets

(4) The average weighted number of issued shares amounts to 157.391.224 for the current reporting period and 158.032.176 for the comparable reporting period.

(5) This is a proposed dividend for the current period under review and is subject to the approval of the General Assembly of Shareholders.

Main elements that have influenced our key figures in the past financial year:

- As a result of the continuing uncertain economic climate in the Eurozone, consumers have become very cautious about spending and consumers now focus increasingly on the lowest price, competitive promotions and private labels;
- Stable gross profit margin on a group level;
- Wage costs and costs of miscellaneous goods are under control. Given the high cost inflation, this remains a challenge;
- Further increase of our operating cash flow due to further revenue growth and efficient cost management;
- Catch-up of depreciation expenses by EUR 7,5 million due to a standardisation of the depreciation rates on real estate;
- A one-off impairment charge of EUR 18,3 million was booked in the alternative energy activities on the investment assets of W-Cycle (the former Fraxicor);
- Investments in our price position and accelerated store expansion in an exceptionally competitive market have resulted in a negative contribution in food retail in France;
- Strong increase in the revenue of our petroleum activities due to volume growth and a higher price per litre.

2.1. Review of income statement

During the financial year 2011/2012, Colruyt Group's consolidated revenue rose by 7,8% from EUR 7.280,1 million to EUR 7.847,6 million.

The positive development of our market share is a result of our strong sales results due to a strong focus on the position of each activity of the group.

The group's gross profit rose by 7,6% to EUR 2.008,6 million from EUR 1.867,6 million, which corresponds with a gross profit margin of 25,60% versus 25,65% in the previous financial year. This is mainly the result of consequently adhering to our lowest prices strategy that is very much appreciated by the customer in times of economic uncertainty.

Compared to the previous financial year, the operating cash flow (EBITDA) increased by 9,7% to EUR 681,4 million. This

increase was the result of the further revenue growth and of keeping costs under control in an inflationary climate.

During this reporting period, the depreciation and amortisation charges and impairments rose by 31,7% to 2,5% of revenue. Besides the higher investment level, this is mainly attributable to the shortening of the estimated useful life of our real estate (EUR 7,5 million) as well as the one-off impairment charge on the non-current assets, including goodwill of W-Cycle (EUR 18,3 million).

The operating result (EBIT) of the group rose by 2,7% to EUR 485,2 million and led to a decrease of the EBIT-margin (6,2%) by 30 basis points. This lower EBIT margin is mainly attributable to the higher depreciation charges and a one-off impairment charge. The wage costs and the costs of services and miscellaneous goods remained under control in spite of the higher cost inflation.

At the end of the reporting period, the group employed 23.555 employees in terms of full-time equivalents. This is a 4,3% increase compared to the same period last year.

The group's net financial result rose to EUR 2,9 million from EUR 0,2 million in the previous financial year.

Taxes on the result rose to EUR 145,9 million, which amounts to an effective tax rate of 29,9% compared to 29,6% in the previous financial year.

The profit over the financial year (group share) improved by 1,5% to EUR 342,9 million.

The earnings per share (EPS) rose by 1,9% to EUR 2,18.

2.2. Information per activity

2.2.1. Retail

The retail segment accounted for 76,4% of the consolidated revenue versus 77,0% last year.

In the continuing uncertain economic climate, customers are alert to savings, they actively look for the lowest prices and competitive promotions and are more interested in private labels.

At the end of the financial year, this segment of stores operated by Colruyt Group in Belgium (including Luxembourg) consisted of 225 Colruyt stores, 80 OKay stores, 7 Bio-Planet stores as far as the food activities are concerned and 46 stores for the non-food stores DreamLand and

DreamBaby (including the French DreamLand activities). In France, the retail activities consisted of 64 stores at the end of the reporting period.

The Colruyt stores in Belgium realised a significant revenue growth of 6%. Total revenues of the Colruyt stores amounted to EUR 4.973,2 million during the financial year 2011/2012, versus EUR 4.690,3 million in the previous financial year. In a difficult consumer market and an uncertain economic climate in the Eurozone, the Colruyt stores continued to reap the benefits of our consistent lowest prices strategy, which also resulted in a further increase of our market share to 25,45% during the first quarter of 2012.

The OKay and Bio-Planet stores continued their strong performance with an increase in revenue of 14,5% to EUR 478,4 million, due to the opening of new stores and the inflow of new customers in existing OKay stores. Our Bio-Planet stores also had a good sales year last year.

In France, the integrated stores realised a revenue growth of 18,6% to EUR 194.2 million. The concept whereby the Colruyt stores guarantee the lowest prices for all national brands, is steadily becoming more well known among the customers. Investments in our price position and accelerated store expansion in an exceptionally competitive market have resulted in a negative contribution in food retail in France.

The revenue of our non-food retail stores DreamLand and DreamBaby rose by 9,4% to a total revenue of EUR 234,9 million. The higher revenues are mainly attributable to the opening of two new DreamLand stores and three new DreamBaby stores. The market share continues to grow as a result of the focus on toys, games and school supplies.

2.2.2. Wholesale and foodservice

The wholesale and foodservice segment generated 16,4% of the group's consolidated revenues and realised a 2,1% increase in revenues to EUR 1.290,6 million.

The wholesale activities, which, in addition to Spar Retail, also include the supplying of independent storekeepers in Belgium and France, were influenced to a large extent by our Spar Retail activities, where both revenue growth and operating profit showed a favourable development, supported by a steadily growing revenue per m². By providing professional and dedicated leadership and support to our independent Spar storekeepers, together, we have succeeded in increasing both profitability and revenues, which resulted in a further increase in market

share to 3,04% during the first quarter of 2012.

The Foodservice activities succeeded in maintaining their revenue in a stagnating market. By means of constant optimisation and the close cooperation between Belgium and France, we will be able to further improve profitability in the coming periods.

2.2.3. Other activities

With a revenue of EUR 686,3 million, the other activities segment represented 8,7% of consolidated revenues, which is a 26,4% increase compared to the previous financial year.

The DATS24 petrol stations (including France), where revenue increased by 29,3% compared to the previous financial year, had a significant positive effect on the other activities. This revenue growth was the result of volume growth (+10%) and an increase in the price per litre (+15,3%).

Due to the difficult economic business climate, the group's printing and document management solutions activity was confronted with a 4,8% decrease in revenue.

The revenue in the engineering department showed the same trend as in the previous financial year. In the beginning of April 2012, the business automation of the company Intrion was acquired by the management via a spin-off.

Finally, the revenues of our alternative energy activities doubled in the year under review, which confirms the group's sustainable entrepreneurship.

As stated above, in accordance with the IFRS regulations, a one-off impairment charge of EUR 18,3 million was recognised for these activities on the non-current assets, including goodwill of W-Cycle (the former Fraxicor).

2.3. Cash flow and balance sheet analysis

During the past financial year, Colruyt Group's tangible and intangible non-current assets increased by 7,6% to EUR 1.590,2 million. This increase is the result of the group's intensive investment programme (EUR 298,2 million) reduced by amortisation, depreciation and impairment of non-current assets amounting to EUR 196,2 million.

During the financial year 2011/2012, EUR 82,56 million was spent on the purchase of treasury shares. The group held 7,39% of its shares on 24 June 2012.

The above elements combined with incoming cash flows resulted in cash and cash equivalents of EUR 307,6 million on the balance sheet date.

2.4. Outlook

The economic context and weakening consumer climate suggest a challenging year ahead for us, as for all retailers.

At the General Assembly of 26 September 2012, Colruyt Group will present its full-year 2012/2013 net profit guidance.

2.5. Dividend

At the Ordinary General Assembly of 26 September 2012, a gross dividend of EUR 0,95 per share will be proposed, versus EUR 0,92 for the previous financial year, which represents an increase of 3,26%.

Segment information

	Revenue	Operating cash flow (EBITDA)	Operating profit (EBIT)
(in EUR million)			
I. RETAIL	5.996,7	597,8	470,1
- Colruyt (1)	4.973,2		
- OKay and Bio-Planet (2)	478,4		
- DreamLand and DreamBaby	234,9		
- Food retail stores in France	194,2		
- Other supermarkets (3)	40,1		
- Transactions with other operating segments	75,8		
II. WHOLESALE AND FOODSERVICE (4)	1.290,6	37,1	22,0
- Wholesale	684,1		
- Foodservice	599,4		
- Transactions with other operating segments	7,1		
III. OTHER ACTIVITIES			
- Dats 24 Belgium and France	686,3	17,4	(18,0)
- Printing & document management solutions	602,5		
- Engineering activities	14,8		
- Other	21,9		
- Transactions with other operating segments	4,0		
- Transactions with other operating segments	43,2		
IV. TRANSACTIONS BETWEEN OPERATING SEGMENTS	(126,1)		
V. CORPORATE (not allocated)	0,0	29,1	11,1
Total Group consolidated	7.847,6	681,4	485,2

(1) including the turnover of the webshops (Collect&Go, Bio-Planet, ColliShop, DreamLand and DreamBaby) realised by the Colruyt stores

(2) including the turnover of ColliShop and DreamBaby realised by the Okay and Bio-Planet stores

(3) Supermarkets pending the conversion to another.

(4) The group has decided to replace the geographical segmentation in the operating segment Wholesale and Foodservice by a further segmentation according to the nature of the activities. Therefore, as from this financial year, the segment Wholesale and Foodservice is no longer divided into Belgium and France, it is divided into Wholesale and Foodservice..

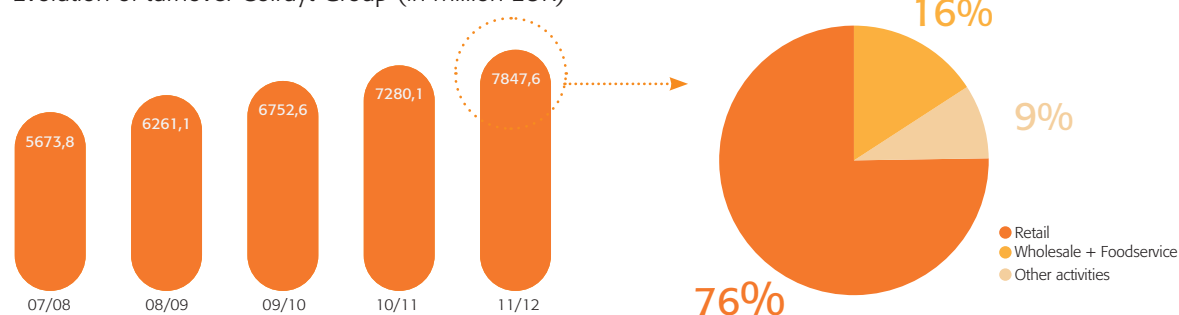
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the Chairman

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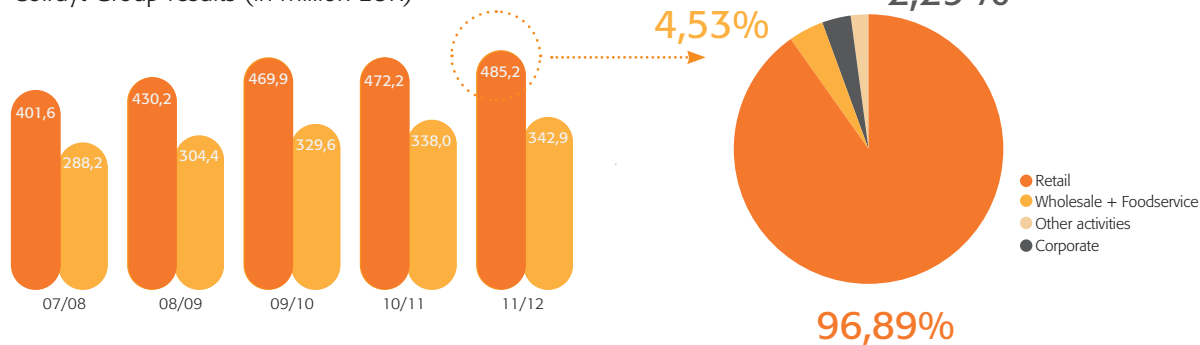
Overview of
key figures

3. Overview of key figures

Evolution of turnover Colruyt Group (in million EUR)

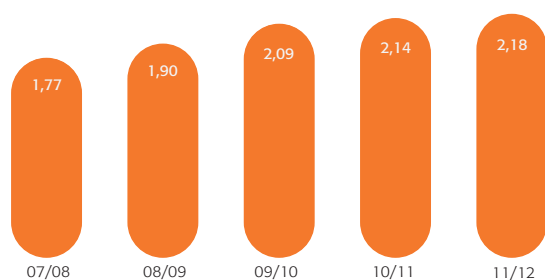


Colruyt Group results (in million EUR)

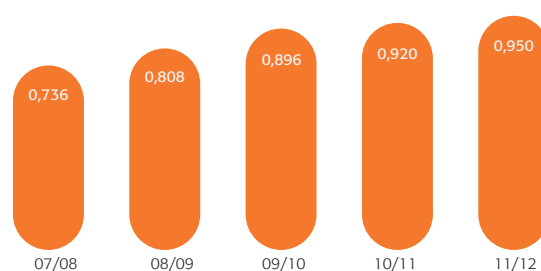


● EBIT
● Profit of the financial year (share of the Group)

Profit per Colruyt share (in EUR)



Gross dividend Colruyt share (in EUR)





01

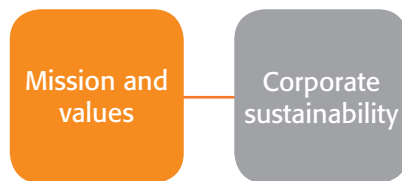
Who are we?

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Corporate sustainability p.21

Kan ik je helpen



reaml
rainbow



1. Mission and values

The Colruyt Group's mission statement is: **"Together, we create sustainable added value through value-driven craftsmanship in retail."** Every word in our mission statement has been chosen carefully. That the statement starts with the word **together**, is very self-evident for us. As we carry out our business on behalf of and together with all of our stakeholders: employees, customers, suppliers, manufacturers, shareholders, etc.

We wish to conduct our business in a sustainable manner so that we can continue to do business. With a minimal consumption of resources and energy and minimal human effort, we aim to provide maximum sustainable human, economic and ecological added value. We are able to do this because our employees contribute their very best every day. Professionals with, of course, the necessary Skills, Attitude and Knowledge. But above all, professionals who radiate pride in their work and who are inspired by the group values.

Nine values

Our values are not just empty promises, we bring our values into practice. To this end, we have defined nine values that really mean something throughout the group. Everything starts with respect for each individual. Everyone is equal. This is why everyone is addressed by their first name and our managers do not have reserved parking spaces. Furthermore, we stimulate cooperation at all levels. This results in more efficiency, satisfaction and inspiration. And when we talk about efficiency, we are also talking about simplicity. We constantly ask our employees to keep things as simple as possible and to make sure that everyone else also keeps things as simple as well.

We are always eager to help our customers and colleagues. In whatever role, through our willingness to help and our service-oriented attitude, we aim to provide constant quality. We also believe in each other. We have confidence in each other, and that gives people positive energy. Of course, we all hope that we will succeed in everything we undertake. This is why our employees earn a sufficient income. They are also given the room and the time to reflect on their work, to become aware of what they are doing. In this manner, our employees can continue to grow both professionally and personally.

Only when there is a good balance between all of the aforementioned values will everyone have the energy and the courage to show entrepreneurship. This enables us to do our job to the best of our ability and to enjoy the work that we do.

Our mission

Together, we create sustainable added value through value-driven craftsmanship in retail

Our values

Respect
Solidarity
Readiness to serve
Simplicity
Belief
Space
Hope
Courage
Strength



Mission and
values

Corporate
sustainability

2. Corporate sustainability

Corporate sustainability is in the Colruyt Group's DNA. The company aims to create sustainable added value in various sectors within society with the use of minimal resources, energy and human effort. With an economic impulse as the point of departure, the group also wishes to start up a positive social and ecological development. In this manner, entrepreneurship can be the driver for sustainable development.

By making conscious choices and taking initiatives, the retailer aims to **inspire his environment** to make a difference together. The group makes efforts in all segments of the retail chain and assumes a different role depending on the segment.

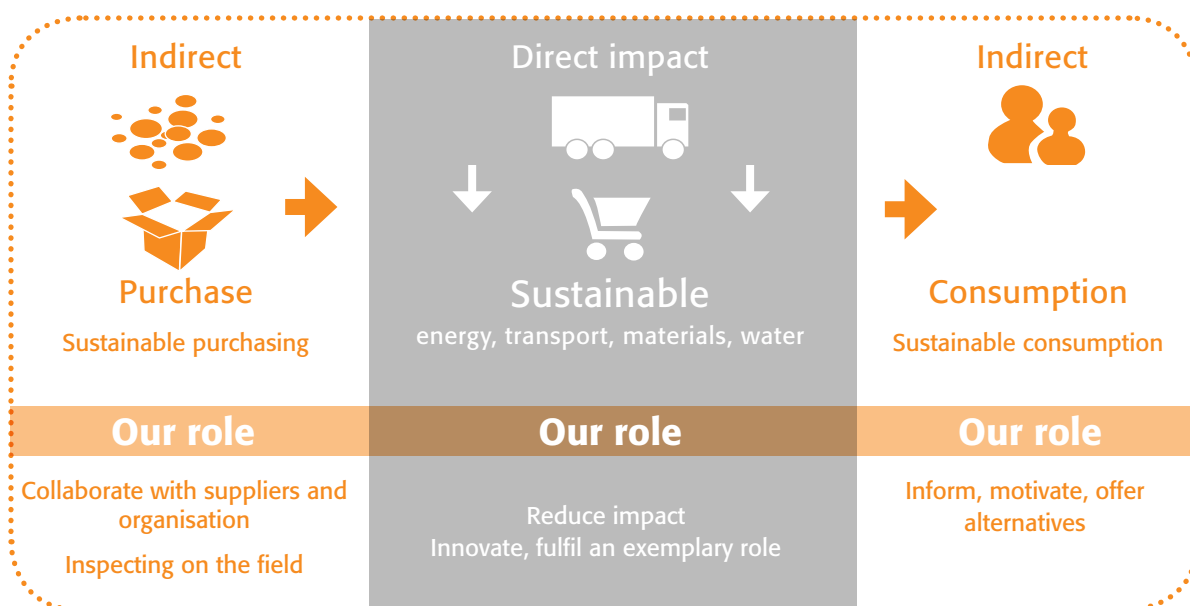
The distribution operations have the greatest impact on the sustainable organisation of the company's own logistic processes. Colruyt Group builds and renovates its stores and distribution centres in an energy-efficient manner, limits the transport kilometres and generates its own green energy. The group also wishes to assume its responsibility in areas where the group does not have a direct impact and thus inspire other suppliers in the chain to conduct their business in a sustainable manner. Colruyt Group combines forces with other retailers, sets up pilot projects or stimulates debate within society. As the group wishes to engage in sustainable purchasing, the group considers correct working conditions at its suppliers and organisations to be of utmost importance. The company has targeted audits performed in the field of child labour and working conditions in the country of origin. In the end, the customer determines what his point of view is on sustainable consumption. In this case, the retailer's role is to offer a sustainable product range, to explain this choice and thus to make the customer more conscious of his choices and the impact of these choices.

A steering group corporate sustainability has been established to coordinate and monitor the various sustainable initiatives within the group. CEO Jef Colruyt heads the steering group which consists of various sub-groups (such as environment & energy, mobility and sustainable sourcing). Experts

from different divisions of the company participate in the sub-groups. They aim to realise sustainable growth and innovation in as many areas as possible.

EUR 871 million or 55,18% of the added value generated by Colruyt Group in Belgium is paid over to the Belgian treasury.

Colruyt Group is working on energy-efficient stores and distribution centres, is limiting the number of transport kilometres and generating its own green energy.



2.1. Direct impact

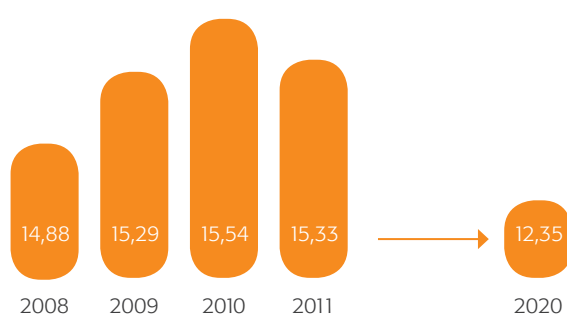
2.1.1. Living environment and energy

A retailer's activities are energy intensive. For instance, the 90.000 kilometres that the group's trucks travel every day already just in Belgium to supply all of the stores. Therefore, Colruyt Group has already taken many measures to reduce its energy consumption and to limit its impact on the environment to a minimum.

The group is currently working on a CO₂ reduction plan and the emission levels of different clusters, including heating, cooling, the transport of goods, the transport of people, etc. are being monitored systematically with the aim to achieve a 17% reduction of CO₂ emissions in 2020 compared to 2008 in relative terms. This implies that emissions will have to decrease in relation to turnover, although the emissions may be higher in absolute terms due to the growth of the group's activities.

Colruyt Group participated in a pilot project at the request of DG environment to test the European method for determining the environmental footprint of organisations and products in various areas (biodiversity, water, climate, etc.).

ton CO₂eq./M EUR revenue



Waste prevention and waste processing

Colruyt Group engages in extensive waste prevention. Packaging is becoming smaller and thinner or is being replaced by reusable alternatives. By bottling wine itself in reusable wine bottles the amount of glass in circulation is reduced by as much as seven times. Products in slightly damaged packaging or of which the expiry date is approaching are donated to the Belgian Federation of Food Banks. This federation distributes these products to the poorest people in the country.

The waste that cannot be avoided is **recycled as much as possible**. In 2011, 76% of the company's waste was recycled, which represents an increase of 2,2% compared to last year. The aim is to increase the share of recycling to 80% by 2017.

A project was started together with the organisation Fost Plus to sort the PMD waste. First in the offices and, since the beginning of 2011, also in the stores and central services. In the past financial year, over 71 tons of PMD was collected.

As the only distributor in Belgium, Colruyt Group also participates in Plan C, a pilot project for sustainable equipment management which is supported by the Flemish government. The participants come from all sectors of society: companies, consumers, government and scientists.

Lower energy consumption

The company seeks to reduce its energy consumption by 10% in 2015 in relative terms compared to 2009. This means that the energy consumption will decrease in relation to turnover in relative terms, although the energy consumption can increase in absolute terms due to the growth of the company's activities, the larger demand for heating and cooling, etc.

This is why the stores and distribution centres are being built as energy efficient as possible. Using self-developed highly accurate measurement systems, the group records the main energy flows in the buildings. This is very useful to monitor the energy consumption and intervene where necessary. After one year, an evaluation was made of the energy-friendly applications in the Bio-Planet store in Leuven, the group's first low-energy store. The results exceed the expectations (you can read more about this on page 49).

In order to work in an energy-efficient manner, Colruyt Group requires the support of all of its employees. For example, the group has its drivers follow an ecological driving course. Employees with a new company van or car also follow this course. Their fuel consumption is monitored systematically.

The Colruyt Group vehicle fleet now includes 31 vans and vehicles that run on CNG, which is by far the cleanest fossil fuel at present. In addition, DATS 24 has submitted permit requests for 11 additional petrol stations where CNG will be available.

The group has been testing a production unit for green hydrogen in Halle since the beginning of 2012. To this end, they participate in a European project that promotes sustainably produced hydrogen as an alternative for traditional fuels.

Own production of renewable energy

When building or renovating stores and business premises, we systematically look into whether solar panels for own use are technically and economically feasible. Four wind turbines are operational on land, of which two on the sites of the distribution centres. Colruyt Group also participates in large-scale wind parks in the North Sea. For example, the group has an interest of 37,3 % in Belwind, with 55 turbines the largest green electricity project in Belgium. The group also invests in the future wind park Northwind (2014), which with 72 turbines can provide green electricity to 250.000 households.

In 2011, the group generated more electricity from renewable sources (solar and wind) than it consumed in total in that year. This was realised to a large extent (86%) as a result of participations in offshore wind energy (you can read more about this on pages 39 and 94).

2.1.2. Mobility

Over 25.000 employees who travel to work every day, this has an impact of course on traffic and the environment. In times of rising energy prices, Colruyt Group assumes its responsibility by working on more efficient, safer and ecological commuter traffic. The retailer travels the distances in an as safe, clean and quiet a manner as possible and also takes many measures to

10%

less energy consumption by 2015

17%

CO2 reduction by 2020

71 tons

of PMD collected

76 %

of operating waste recycled

optimise the transport of goods, for example, by reducing the number of kilometres.

Sustainable commuter traffic

Over 5.000 employees make use of a sustainable transport alternative when commuting between home and work. Together, they avoid more than 22 million car kilometres on an annual basis.

Employees who use public transport to commute to work receive a full refund of their season tickets. This also applies with regard to season tickets for the Brussels transport company MIVB (metro, tram and bus). Employees who live within cycling distance can opt for a traditional company bicycle or an electric model (as from a home - work distance of 7 km). Additional parking places were created for carpoolers during the past financial year.

Efficient transport of goods

Colruyt Group has a distribution system that limits the number of truck kilometres in all segments of the logistic chain to a

37,3%
participation of the group in Belwind

5.000
employees make use of
sustainable transportation
alternatives

22
million
car kilometres avoided per year by employees

minimum. Better stacking methods make it possible to fill the transport vehicles and trucks to maximum capacity. Ordering, stock management and deliveries are highly computerised. Furthermore, suppliers do not deliver their goods directly to the stores, the goods are delivered to the distribution centres. However, all these measures can only go so far. Moreover, the traffic density is increasing further, causing traffic jams and time loss to continue. As the group wishes to avoid traffic jams in as far as possible during the day, it is looking into realistic ways to **spread its deliveries**. The retailer is the asking party for more deliveries before dawn (before the morning and after the evening rush hour). Deliveries can then be made faster and more efficiently and with a higher traffic safety, while the fuel consumption and the CO2 emissions decrease. The PIEK project regarding quiet and sustainable city distribution of the Flemish government also demonstrated this. Colruyt participates in this project and invested up to the present over 2 million euros in quiet deliveries (you can read more about quiet deliveries on page 61).

Another way to make the transport to distribution centres more sustainable, is to switch to transport via rail, sea or barge in the event of international transport. In Spain, for example, cargo is transported via rail from Barcelona and Valencia up to the border

of the north of France. In this manner, 620 truck transports are avoided which amounts to a savings of 1.346 tons of CO2 per year. Within Belgium, the group is also increasingly opting for transport by rail and barge.

2.1.3. Public projects

Cooperation with social organisations

Colruyt Group donates a wide range of products to the Food Banks of which the packaging is slightly damaged or of which the expiry date is approaching. In 2011, the group donated 241 tons of food products and 22 old deep freezers. In accordance with our annual tradition, Colruyt customers could donate food packages.

During 'Zuiddag' (South Day) in 2011, over 150 students worked at Colruyt Group for one day. These students worked in fifty stores in Flanders and the Brussels region, in the central administration, production divisions and distribution centres. They donated their compensation of 40 euros to the Zuiddag. This organisation used this to finance a youth project in Tanzania.

For the maintenance of its company bicycles, which are stalled at the Cycle Point at the Halle station, the group makes use of the services of a sheltered workshop located near the station.

All branches of Colruyt, Okay and Bio-Planet loyally participate in Earth Hour and turn off the lighting of signs and billboards.

Colruyt demonstrates its social responsibility by actively working together with national and local charitable organisations. These charities can submit a request for organising a collection, sale or other activity at the parking area of the store.

2.2. Indirect impact

2.2.1. Sustainable purchasing

More sustainable own brands

Colruyt Group is taking steps in the direction of more sustainable and animal-friendly retail. The action plan to make the company's own brand more sustainable is being developed and various initiatives have already been taken. For instance, by the end of 2012, the group wishes to only make use of free-range eggs in around a thousand of its own products. Colruyt is the only Belgian retailer that has taken this decision. Colruyt has already stopped selling battery-cage eggs since 2005. With this step, the retailer was seven years ahead of the European legislation.

The free-range eggs issue demonstrates that Colruyt Group only offers products (food and non-food) that can be produced under **acceptable conditions**. Only suppliers that have a quality

certificate our eligible. In the past year, the group also included environmental criteria in its specifications. For example, the meat specifications stipulate with regard to the purchase of pork that the group may only do business with suppliers that use green electricity.

In this manner, we are evaluating our product range step-by-step, and initially our own brands, and we are looking into where we can make improvements.

Education and training in the South

As Colruyt Group believes that education and training are essential for further development, a number of small-scale education and training projects were started in the South in 2002. This was mainly financed by the product range 'Colibri Foundation for education', which can be recognised by the seal with the same name. This concerns typical products from the South, such as coffee, bananas, chocolate and rice. An amount of EUR 278.571 was invested in social projects this year, which brings the total amount, as from the start, up to EUR 1.339.004.

In order to be able to invest more in education in the South, the group established its own fund: the 'Colibri Foundation for Education.' This foundation is managed by the King Boudewijn Foundation and supports new education and training projects in cooperation with recognised Non-Governmental Organisations (NGOs). In the past year, the group supported a new project of Broederlijk Delen in Peru to help 300 poor farm families. The farmers learn new agricultural techniques and the local schools work with educative material about environmental protection. The financial support provided to coffee farmers in the north of Burundi was also expanded, in view of an integrated chain project in cooperation with a number of cooperatives.

DreamBaby helps to combat mortality among mothers and DreamLand has been providing support to school projects in Indonesia already for many years. To this end, the toy specialist worked together with Vlajo (Flemish Young Companies) during the school year 2010-2011.

Auditing labour conditions at suppliers

As an importer, Colruyt Group does everything it can to improve the working conditions at its suppliers, in particular in toy and other non-food factories in the Far East. A charter regarding child labour and working conditions was introduced in 2002. Since then, approximately 300 non-European manufacturers and suppliers have signed the code of conduct and have implemented improvements. Colruyt Group had 123 social audits performed in 2011 at suppliers of non-food and, for the first time, also at suppliers of food products (you can read more about social audits on page 35).

620

truck transports avoided per year by transporting
by rail in Spain

241 tons

of
food donated to
the Food Banks

2.2.2. Sustainable consumption

Colruyt Group informs its customers about its view on sustainable business practices and provides useful tips and tools to its customers. For example, the cooking newsletter 'Cooking with leftovers' is a source of inspiration to waste less food. In this manner, customers can also make the difference themselves in their daily environment.

The price-conscious consumer will find an extensive product range of own brands at the various retail formulas of the Colruyt Group. The new store brand Eco-select offers a strong product range of ecological non-food products which have at least one recognised sustainability label (you can read more about Eco-select on page 47). And Veggie Eger is the name of a new product range of fresh veggie products at Colruyt, which also published a vegetarian cookbook for the first time.

In order to share know-how and to formulate a policy on sustainable nutrition, Colruyt Group participates in The New Food Frontier. This is a network of people from (production) companies, distributors, governments, non-governmental organisations, etc. who are working on developing more sustainable agriculture and food systems.

Colruyt Group also demonstrates its commitment with regard to sustainable business practices on a European level. The company combines its actions in the Retailers' Environmental Action Programme (REAP), in close cooperation with the European Commission and the European retail federations.



02

Time line

12 months of initiatives and realisations

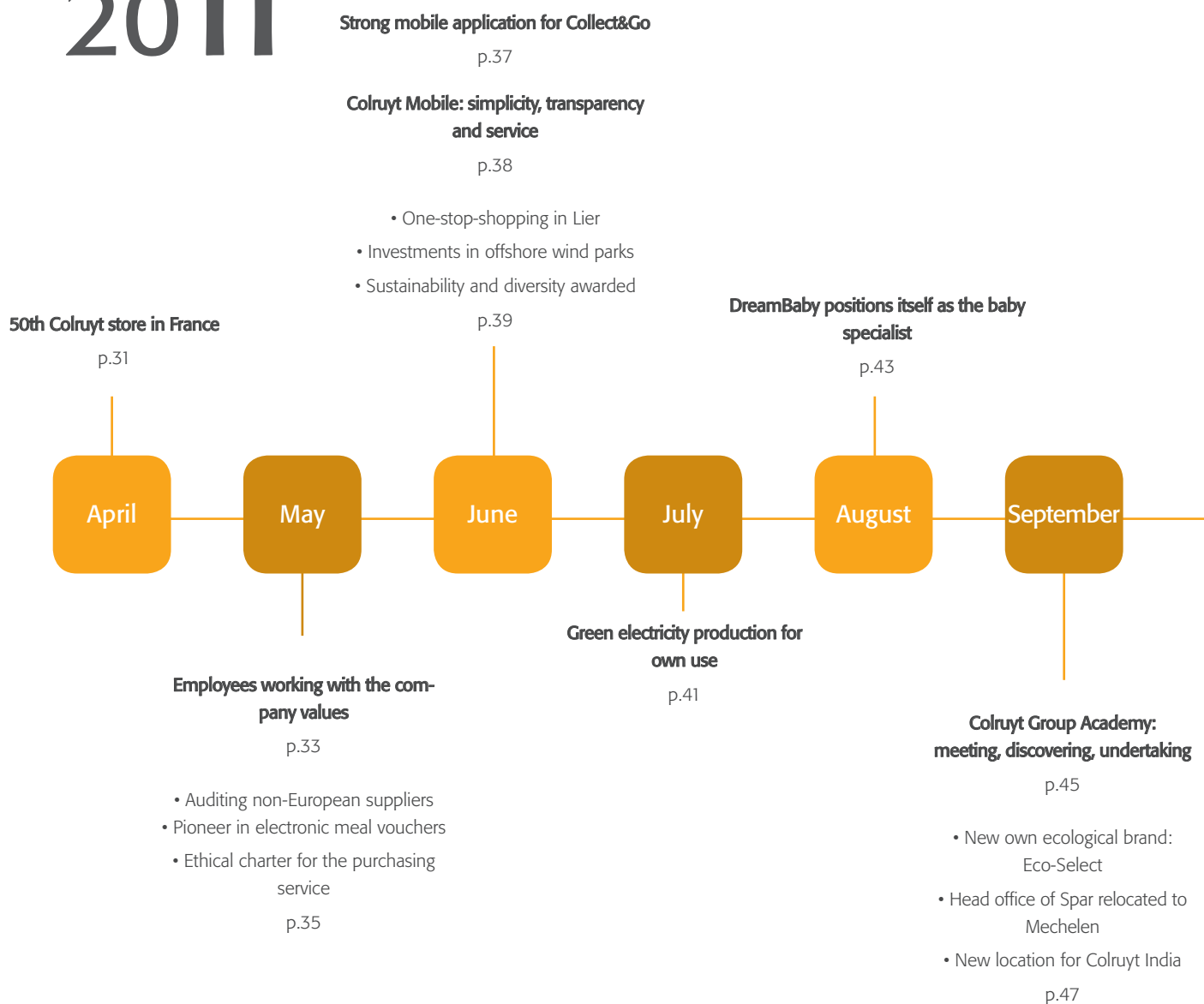
Aprilp.31
May p.33
June p.37
Julyp.41
August p.43
September p.45

October p.49
November p.53
December p.57
Januaryp.61
February p.65
March p.69

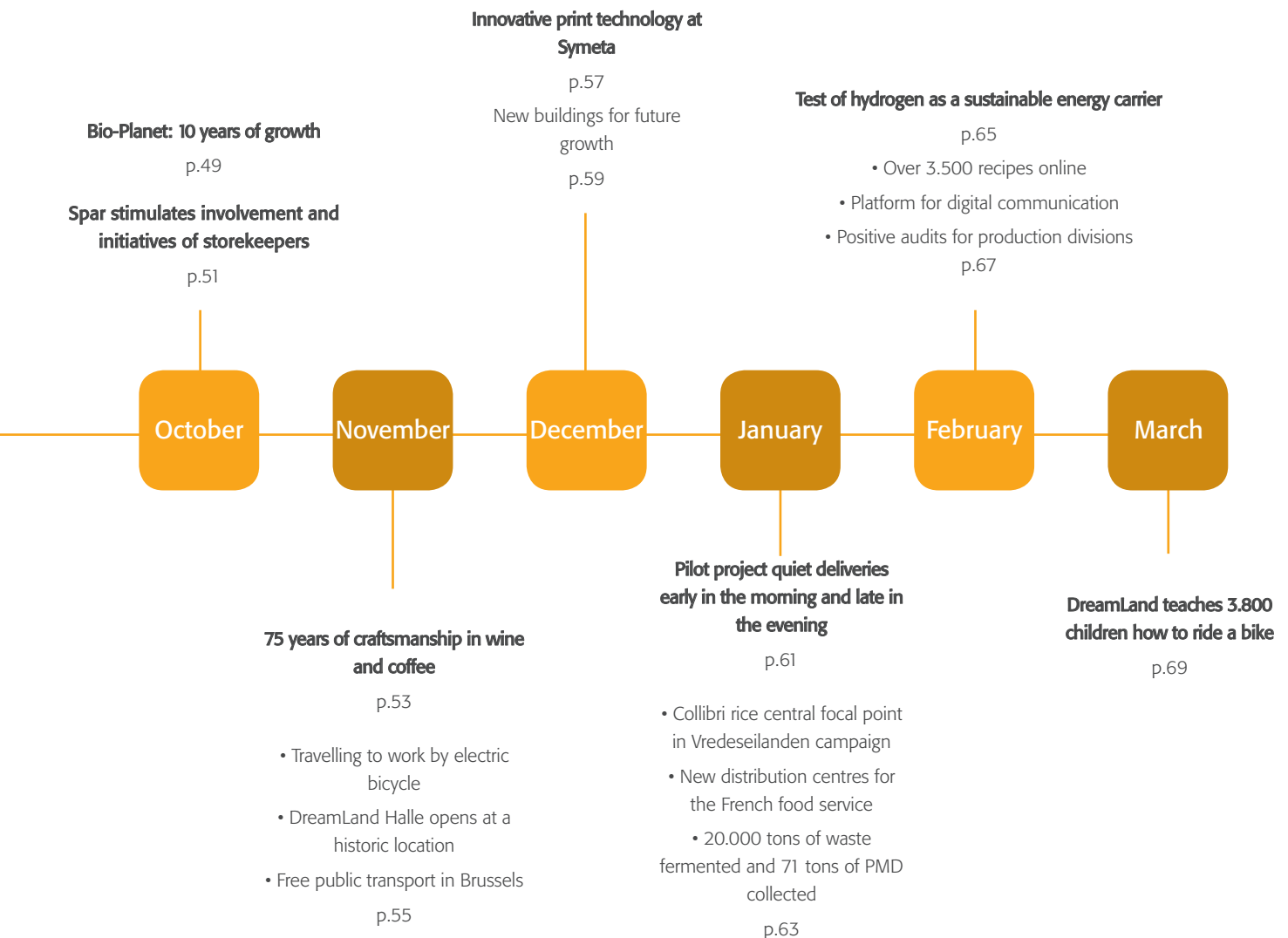
Time line

12 months of initiatives and realisations

2011



2012





Movie

Flash here

50th Colruyt store in France

In 2011, Colruyt opened the 50th Colruyt store in France and by the end of the financial year, there were already sixty stores. Since the acquisition of the distribution group Ripotot at the beginning of 1996, the group has grown steadily in France. Codifrance employs approximately 2000 people and targets both retail and professional customers.

Colruyt entered the French market in 1996 with the acquisition of the distribution company Ripotot, which was later renamed Codifrance - Colruyt Distribution France. A year later, the first French Colruyt store was opened in Pontarlier. Today, the group has sixty Colruyt stores and four Coccinelle stores and furthermore, it groups together over 200 affiliated, independent neighbourhood stores under the labels Coccinelle, Coccimarket and Panier Sypma.

The Colruyt stores are concentrated in the north-eastern part of the country. These are **local supermarkets** of a modest size where the service-oriented personnel and hospitality are of primary importance. Other USPs with which Colruyt distinguishes itself from its competitors in France are the quality and the freshness of the products. For instance, each Colruyt store has a traditional in-store butcher, where professional butchers prepare fresh meat, including the famous Charolais beef. The product ranges fresh, fruit and vegetables, wine and Belgian beers are very popular in France. The product range is supplemented per region with local and traditional products.

Lowest prices

The Colruyt concept in France is based largely on the Belgian formula. Since 2009, Colruyt has also succeeded in guaranteeing the lowest price in France for all brand products in a radius of 10 kilometres around every store. Colruyt France's slogan is therefore 'le prix le plus bas sur toutes les grandes marques.' In order to be able to guarantee this, a "Service Prix" exists based on the same model as in Belgium.

In France, the stores do not work with 'Extra Discounts', but with 'Tickets Gagnants', which are discounts on the promotion prices or on large quantities. The total value is printed on the receipt

in the form of a voucher that is settled with the next purchase. These tickets are very successful, as more than 98 % of the customers come back with their 'ticket gagnant'. Dries Colpaert, General Manager Colruyt France, on the prices in France: "People talk about a price war in Belgium ... but in France you will find the real price war. The 'Galland'-law ensured that you may not sell with a loss. However, since this law has been relaxed, prices differ ten to fifteen percent, whereas this used to be around three percent. As a small distributor on the French market, we have to follow the prices of market leaders such as ITM or Leclerc. We are forced to give up margin; however, in the long term it is an investment as in this manner we will gain market share. And today, our turnover is growing more rapidly than the market."

Solution for the crisis

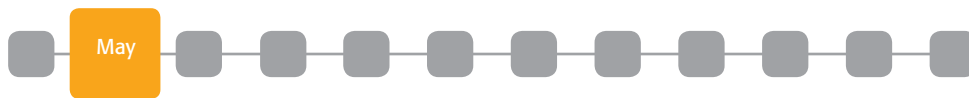
Dries Colpaert (General Manager Colruyt France): "We notice that the French consumers are paying very close attention to their budget. Due to higher fuel prices, they are less inclined to drive 10 to 15 km to a hypermarket. In those hypermarkets, customer have a tendency to buy more than planned, whereas customers in Colruyt stores tend to stick more to their shopping lists. They are very price conscious and consider our formula to be a good **solution for the crisis**. As Colruyt stores are efficient neighbourhood supermarkets where you will find everything you need without wasting time. Some people still believe that you get the lowest prices at a hypermarket; but the hypermarkets focus more on non-food and have a higher margin on food."



Movie



Flash here



Value-driven entrepreneurship, with and by the employees

Respect, solidarity, readiness to serve, simplicity, belief, hope, space, courage and strength: nine values that typify the corporate culture of Colruyt Group. Under the impulse of CEO Jef Colruyt, we consider it important that our corporate culture and values are supported and promoted as broadly as possible by all 25.000 employees of the group. To this end, an ambitious project was set up whereby all teams will have participated in workshops on the corporate values and the related points of attention by the end of 2012.

The objective of these sessions is to enable the company to maintain and promote its typical culture of value-driven entrepreneurship. In this manner, the multi-national company can still maintain the feeling of a family company and remain loyal to its identity. The individual employees and the teams obtain more **insight** into the corporate values, so that they can integrate these values into the daily practice. In turn, this paves the way for better results, more job satisfaction and entrepreneurship.

From workshop to store

Although the basis for the first workshop is the same, the approach can differ. Depending on the nature of the team, within the various management teams a choice is made for one of the basic scenarios in consultation with the staff responsible for training and education. For instance, a team could benefit more from a workshop that starts with a game element, whereas another team may prefer to work through consultation.

The process consists of three steps: In the first workshop, the team works with the corporate values together with the supervisor and a professional trainer. If a lot of issues come up during the sessions, an experienced trainer can quickly identify and name the patterns, the strengths and the pitfalls of a group.

The workshops have been set up in an **accessible** manner. As the point of departure, the participants first consider their personal perception of the corporate values. For example,

'respect' can mean something totally different for one colleague than for another. The participants examine to what extent their perception of the corporate values corresponds with or differs from the company's interpretation. It is often the case that there is a considerable overlap.

The nine 'attention points' that are related to the corporate values are also discussed. The attention points indicate what we consider important based on our history and identity in everyday practice while the corporate values specify the underlying reasons. The attention point 'efficiency' is linked to the value 'simplicity': the objective is not simplicity for the sake of simplicity, but to simplify things in order to ultimately work as efficiently as possible. (See also the section on our mission and values on page 19).

Each employee gives his team a score for each attention point, the average of these scores is recorded on a 'barometer'. Based on these scores, a team draws up an action plan to work with the attention points in practice. During the follow-up session six months later, the team and the supervisor evaluate the plan and adjust the plan where necessary. They do the same exercise again six months later. A new barometer is drawn up each time.

Mission

"As a company, we not only have an economic role, we also have a role in society. For me, this means that everyone can have a job which is satisfying and in which he can develop and grow. Realising this mission together based on our corporate values; what does that mean for each one of us and for the team? This is the question that we wish to answer through the workshops."

Jef Colruyt

to grow further and it creates more room for job satisfaction and entrepreneurship.

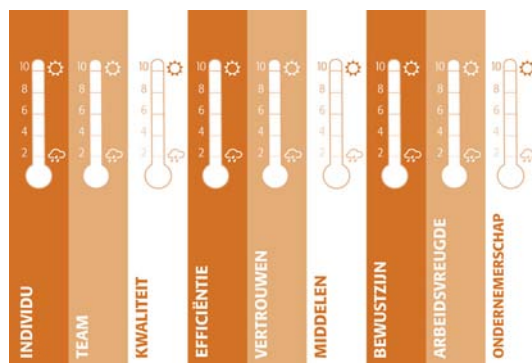
Attention for the group values also ensures that the company culture is supported effectively by all employees together. And that the inspired, authentic atmosphere of a family company can be maintained in a multi-national context.

High scores for job satisfaction and quality

Via the workshops and the barometer, the group obtains a rather accurate picture of how the employees regard their team, service, department and the whole company. For instance, quality and job satisfaction mostly score high in the barometer, whereas awareness often scores lower. This may sound logical in a hands-on organisation; however, the low score is then a signal that it would be good to take the time to consider this. The item that scores low in the barometer is not necessarily the attention point that has to be worked on the most. The action plan thus focuses mostly on the team and the individual, efficiency and resources. Occasionally issues also come to the fore that an individual team cannot really change. These can then be action points for the whole organisation.

Family company

Values cannot be conveyed in the same manner as knowledge. This is why the values project invites employees to discover their own perception of the values. In order to, based on this insight, connect with the corporate values, to integrate these values and to actively use these values as a **frame of reference** in their daily work. The supervisors play an important role in this process. If they pay attention to the action plan in practice, they also keep the attention points and the accompanying values alive in their team. In this manner, the team receives impulses to steer itself and



Each employee gives his team a score on the nine attention points. The average of the scores is recorded on a 'barometer'. The team then draws up an action plan to work on the attention points in practice.

Auditing non-European suppliers

In 2011, Colruyt Group had social audits performed at 123 of the 248 non-European suppliers from whom we purchase products directly. 80 % of the 123 factories were audited for the first time. In all factories that were audited again, conditions had improved ranging from slightly to considerably in comparison to the previous audit. The cooperation was terminated with eleven suppliers due to unacceptable working conditions and with 14 factories that refused to allow an audit.

In order to make its importing activities more sustainable, the group invested nearly EUR 91.000 in social audits in 2011, audits were also performed at 11 food suppliers for the first time. Internationally certified firms check whether the factories respect local laws and the conventions regarding, for example, child labour, wages and safety.

As an importer, Colruyt Group does everything it can to improve the working conditions at its suppliers. However, the group does wish to point out that further progress demands efforts on the part of **all parties involved** in the retail chain, from manufacturer to seller. For example, local governments could supervise the compliance with local laws more strictly.



Pioneer in electronic meal vouchers

Colruyt Group is the first distributor in Belgium to accept electronic meal vouchers. Since October 2011, customers can pay with these vouchers at Colruyt, OKay and Bio-Planet. An agreement is being drawn up for Spar.

The group entered into a collaboration with Monizze, a small issuer of electronic meal vouchers. Monizze was the only issuer that was willing right from the beginning not to charge higher transaction costs than the costs of a traditional debit card, such as Bancontact or Mister Cash. This was a specific condition demanded by Colruyt Group. Only in this manner, could the system be affordable and **no extra costs** would have to be charged to the consumer by the distributor.

Scan ID and Sodexo subsequently also lowered their transactions costs, after which the group also entered into agreements with these issuers. An agreement with a fourth issuer, Edenred, is still being negotiated.

Electronic meal vouchers increase the safety in the store and lead to more efficiency. Payments are processed rapidly, while manual counting is no longer required at the cash register and for the administration.

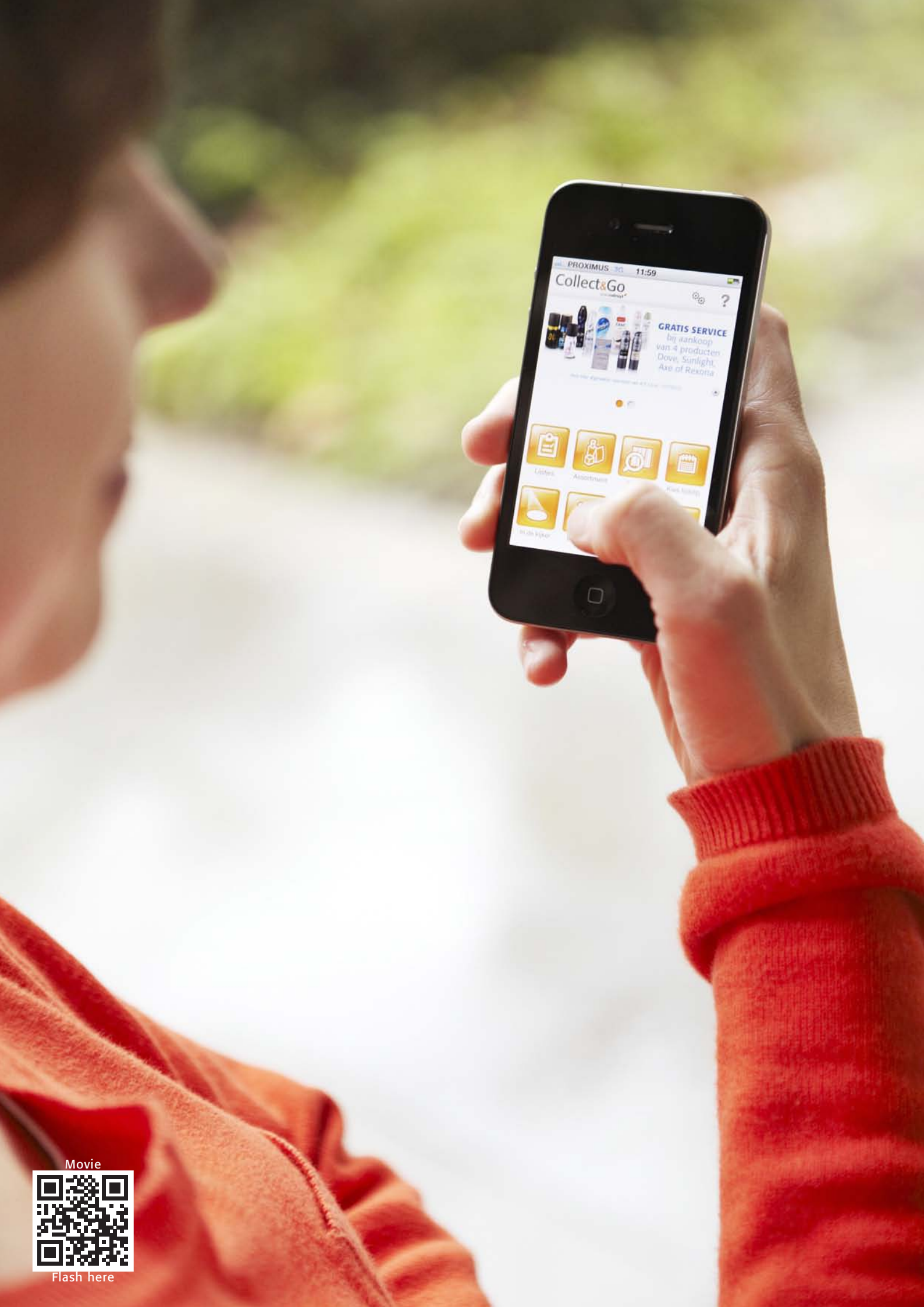


Ethical purchasing charter

Since 2011, Colruyt Group has an ethical charter for the purchasers. It consists of nine principles. This important code of conduct is an extension and formalisation of existing agreements regarding the cooperation with suppliers. Purchasers are often the first point of contact for external partners and they were already bound to a number of unwritten rules. The rapid growth of the company has led to an increase in personnel. It has therefore become necessary to draw up a charter and to ensure that all (new) employees are familiar with these rules.

Colruyt Group sees this charter as a strengthening of its image and identity and expects each employee to comply with these rules. That purchasers communicate and negotiate with business partners in an **equal and respectful manner**. The boundaries between the individual's interests and the company's interests are also clearly defined. In other words, all actions and initiatives should be based on the corporate values and the mission of Colruyt Group. Each employee is an ambassador who helps to build the image and reputation of the company. The management and the department heads are leading in this.





Movie



Flash here



Colruyt is working on a mobile future

Colruyt is a great believer in technological innovation and the potential of mobile internet. Since June 2011, Collect&Go customers can order their shopping via their smart phones. Four months after the launch of the application, already four percent of the Collect&Go orders were placed via smart phones, by the end of March this had already risen to 7 %. The App was even the most popular free application at the App Store for weeks. QR codes are also appearing more and more frequently in Colruyt's communications.

A first

Ordering your shopping at any moment of the day via the computer and collecting it in the store the next day was already possible at Colruyt since the launch of Collect&Go in March 2000. But there is more now. Because of the Collect&Go application, the customer does not even need to use his computer any more. This is the first application with which you **can actually order** your shopping via a smart phone. With this, Colruyt's online shopping service introduces something completely new in the Belgian distribution sector. The application was first released for iPhone (3G, 3GS and 4), iPad and iPad Touch. A version for Android users was released in September 2011, and a month later the next version of the App was released in which suggestions made by customers were taken into account.

How does it work?

The customer can complete his digital shopping list in two ways. Either he selects the desired products on his smart phone, or he scans the bar codes of products with his phone. All products in the extensive Colruyt product range are available, and the customer profits, just as on the website, from all red prices and extra discounts. New customers can register directly via the App by scanning the bar code on their 'Extra discount' card. It is also possible to record products off-line on a digital note pad, and to add these products to your shopping list later. This is useful if the customer does not have much time or if the smart phone does not have any reception. The App searches for the nearest collection point and automatically provides directions to the collection point.

Moreover, it is very easy to switch between the Collect&Go website and the smart phone application. The shopping lists on the App and on the website are completely synchronised. The customer can start an order on his computer and finish the order using his smart phone and send it or the other way around.

The application starts with selecting the Collect&Go collection point and then automatically takes into account the specific product range of that collection point.

And there is more: QR-codes

Since the beginning of this year, the Colruyt folders contain many QR codes. By scanning these QR codes with a smart phone, the customer receives a whole lot more information on his screen: videos with recipes or preparation tips, direct links to web pages with explanations, etc. For example, with the QR code on the video recipes, the customer can view the recipe step-for-step, which is handy if the customer wants to start cooking directly at home in the kitchen. The cookbook 'Belgian Beers' also contains many QR codes. Through these codes, you can receive extra information on each beer regarding the colour, the aroma and the taste of each beer. Another QR code directs the customer to the 'Beer searcher', with which he can easily find out in which Colruyt store a specific beer can be purchased.

The QR code offers a lot more options than the bar code on packaging. This bar code is useful to store technical information about the product itself, such as the price and

the corresponding discount. However, a QR code is directed at the customer. Via the code, the customer can view moving images, or can click on to the website, to pages that he can do something with.

Collect&Go via smart phone

- The customer chooses and orders his products whenever and wherever he wants.
- The shopping lists on the App and on the website are completely synchronised.
- A product can be added to the list by scanning the bar code.
- The App is structured in the same manner as the site, which makes it easy to use and recognisable.
- Downloading and using the App is free.

“Investing in the development of an App was not an obvious choice. In the study phase, we concluded that e-commerce in Belgium is still relatively small, and that m-commerce (mobile commerce) only comprises a fraction of that. On the other hand, a mobile application could offer real added value to the Collect&Go customers. And it was a unique opportunity for Colruyt to profile itself as a pioneer in new technology.”

*Yves Desmet,
system designer e-commerce*

Transparent rates and efficient help desk at Colruyt Mobile

Of course, Colruyt Group's core business is retail; however, over the years, the group has developed into much more than that. Colruyt continues to pursue a policy of **diversification** and introduced its own GSM service at the end of 2011. With the introduction of this service, Colruyt took its first step as a **virtual network operator** and Colruyt aims to make a difference with a transparent range of products and services, a high service level and attractive prices.

Simply Clear

Colruyt Mobile stands for transparent and simple rates. The customer only pays for what he or she uses and is not bound to contracts or termination fees, the slogan 'Simply Clear' clearly conveys this message. The consumer increasingly demands and values transparency. And indeed, in spite of a low-profile launch, over 2.000 people became customers at Colruyt Mobile in less than three weeks.

Small-scale, virtual GSM operators such as Colruyt Mobile have a positive effect on the market and can offer more interesting rates than the large network operators. Colruyt Mobile is therefore often cheaper than the other prepaid formulas on the market in particular for average GSM users. Prepaid recharge cards can be purchased at the Colruyt check-outs; however, as from mid-2012 recharging is also possible online and via SMS. Automatic recharging is also an option.

What we do ourselves, we want to do better

As opposed to some of the other virtual GSM operators on the market, Colruyt Mobile is not only a reseller of GSM packages. Colruyt Mobile purchases phone seconds itself, puts together SIM packages itself and does the marketing, the communication and the sales. In addition, Colruyt Mobile has a well-functioning help desk, staffed by its **own personnel**.

The help desk is available from seven to seven via mail, telephone and social media, and guarantees that eight out of the ten calls are answered within twenty seconds. Colruyt Mobile's help desk staff are well-trained to answer all possible questions and provide a suitable response. Transparency is the case here as well. Colruyt Mobile says what it does and does what it says. And it also says what it does not do. The availability of the help desk also provides a lot of useful feedback from customers and receives positive comments on social media.

Five in one

Lier has a first: Colruyt Group opened a Colruyt, DreamLand and DreamBaby store, a DATS-24 petrol station and a collection point for all online web shop orders at one site. Locations are becoming scarce and expensive and by grouping different stores together, the group can make optimal use of a location. **'One-stop-shopping'** is also more efficient for the customer. The customer can shop, fill the car up and collect orders.

If the opportunity arises, more combination sites will follow. The choice for a combination site depends on various factors: surface area, the location policy of the various formulas etc.

The construction is built on pillars so that a large part of the parking is covered. 3.300 m² solar panels have been installed on the roof. The solar panels can produce 136.000 kWh a year, which equals the average annual consumption of 38 households.

Offshore Investments

Colruyt Group continues its engagement with regard to generating sustainable energy. For instance, the group invested in Northwind NV, which aims to start with the construction of a wind park for the coast of Zeebrugge on the Lodewijk bank in the spring of 2013. The wind park, with a value of EUR 850 million, is one of the largest investments in Belgium in recent years. The group owns 66,7 % of the shares and succeeded in securing the funding after the closing of the part financial year (June). Northwind already concluded an agreement with the Danish market leader Vestas for the supply, installation and maintenance of 72 wind turbines. These wind turbines will be able to provide green electricity to 250.000 households. Colruyt Group also founded Parkwind NV in the past financial year to bring together the participations of the group in Northwind. Furthermore, the group is competing, in a consortium, for the seventh and last concession for a wind park off the Belgian coast. Finally, the group is also a shareholder of Belwind, which was launched at the end of 2010. This wind park has 55 turbines that produce electricity for approximately 175.000 households. The largest green electricity plant in Belgium will be expanded in 2014-2015 with another 55 turbines.

Sustainability and diversity awarded

Colruyt Group strives for sustainable added value in all areas and therefore awards a prize annually to a student of the University of Brussels (HUB) whose thesis provides added value for sustainable entrepreneurship.

The prize for the thesis 'Sustainable Entrepreneurship' was awarded for the first time this year to the student Davina Degelaen. In connection with her masters degree in commercial sciences, she examined whether consumers were willing to pay more for bio-products. This turned out to be the case: for example, customers are willing to pay 30 to 54 cents more for a kilo of potatoes with a bio-label.

Colruyt Group itself was also awarded the Brussels diversity label this year. This label rewards the **open personnel policy** and the group's efforts in the field of education and training. It is awarded by the Brussels-Capitol Region and the Brussels public employment organisation ACTIRIS and is valid for two years.

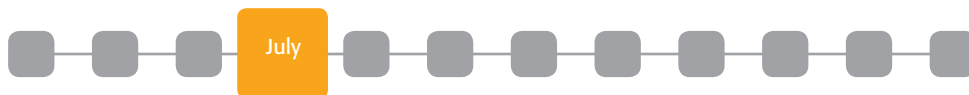




Movie



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Green electricity production for own use

Colruyt Group invested considerably in renewable energy in recent years. Recently, the group has succeeded in producing more green electricity than it consumes. Energy from wind, the sun and waste form the green alternative for expensive and scarce energy from oil, coal and natural gas. Colruyt Group thus combines engagement and economic benefits.

Based on conviction

The group wishes to create sustainable added value and thus bring about a positive development. Oil, carbon and gas supplies are not inexhaustible and the safety of nuclear energy plants is a topic of social debate. It is therefore absolutely necessary to invest in green alternatives. The low energy consumption policy that the group has been conducting for many years offsets the extra costs of sustainable alternatives.

Wind energy

Colruyt Group already built its first wind turbine in Halle in 1999. At present, four wind turbines are operational on shore. In addition, the group also invests in two large-scale wind parks in the North Sea. Also as a result of the investments in these offshore wind parks, since 2011, the group has been able to produce more green electricity than it consumes on an annual basis.

Solar energy

In recent years, the company has equipped a number of stores and buildings with solar panels. When constructing a new building or renovating an existing building, the group systematically examines whether solar panels are technically and economically feasible. For instance, 8.000 m² of solar panels have been installed on the roof of the distribution centre in Halle since 2006. With a surface area larger than a football field, the installation was the largest in the country at the time. In the meantime, an additional 17.000 m² have been installed. Approximately 45.000 m² of solar panels have also been installed on the more recent distribution centre in Beersel. In addition to the new head office in Haasrode, the group has also equipped 22 stores with solar panels. The total capacity of the store installations amounts to 1,5 MW. On an annual basis,

they produce more than 1 million kWh green electricity, which is sufficient for the annual consumption of 285 households. Both employees and customers can follow the electricity production on a screen in the store.

Energy from waste

For a number of years already, Colruyt Group has been producing green electricity from waste. For instance, all of the organic waste is fermented by the company Vanheede Biomass Solutions. This concerns vegetables, fruit, bread and other organic products that can no longer be sold or cannot be donated to the Food Banks..

Fermentation is a natural process whereby micro-organisms breakdown the organic waste to a liquid that does not smell strongly. The bio-gas that is released is converted into green electricity by a combustion engine. In addition, the heat generated by the engine is recouped to heat water, while the residual liquid serves as manure for agriculture.

In 2011, the fermentation of 20.000 tons of organic waste produced approximately 4.500.000 kWh of energy. This is comparable to the annual consumption of 1.285 households.

Wind energy: Wind turbine Halle (1999), Wind turbine Ghislenghien (2006), Wind park Ieper (2009), Wind park Belwind (2010), Wind park Northwind (2014)

Solar energy: Distribution centre Halle (2006), Distribution centre Beersel (2010), Colruyt stores in Ninove, Alsemberg, Herentals, Ekeren, Aarschot, Liedekerke, Geel, Wetteren, Merksem, Hasselt, Kontich, Merelbeke, Wondelgem, Vilvoorde, Aalst, Sint-Gillis-Waas and Leuven.

Listes de naiss



Movie



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DreamBaby positions itself as the baby specialist

DreamBaby wishes to position itself even more clearly as the baby specialist. Today, DreamBaby has nine branches and it has various departments in DreamLand stores. In the past financial year, the departments in Denderleeuw and Lochristi were converted into independent DreamBaby stores. In the future, additional departments will be converted into independent stores.

In order to offer a better service to pregnant women and young mothers, DreamBaby wishes to separate its product range from DreamLand and set up its own stores. The new stores not only offer a broader product range, the store also has a more relaxing atmosphere. Furthermore, the staff can specialise more and they are given more space to focus on the customer with assistance, advice and service. In this manner, DreamBaby wishes to become the first stop for young families within Colruyt Group.

However, DreamBaby and DreamLand will remain **loyal partners**. For instance, a number of new DreamBaby stores will be housed in the same building as a DreamLand store or the stores may share a parking area. DreamBaby will also continue to work together closely with other store formulas in the group.

Greeting cards for a good cause

Since 2011, DreamBaby offers greeting cards for a good cause: the maternity waiting homes in Kenya and Mozambique of the International Centre for Reproductive Health (ICRH), founded by professor Marleen Temmerman. Together with ICRH, DreamBaby wishes to combat the high death rate among mothers in these regions.

Women often give birth there without proper medical care because they have to travel a large distance from where they live to a hospital or health centre. Together with ICRH, DreamBaby wishes to offer a solution for this problem. Customers can buy a greeting card in the DreamBaby stores for 10 euros. For each greeting card sold, DreamBaby

donates another 2,50 euros via the Colibri Foundation for Education. This whole amount goes to the ICRH.

DreamBaby aims to collect an amount of around EUR 30.000 every year with this campaign. With this money, the ICRH can support the maternity waiting homes in Kenya and Mozambique. In these waiting homes, pregnant women receive medical care during the last days or weeks of their pregnancy. A second objective is education. The ICRH thus wishes to convince women to come to the maternity waiting homes on time and to counter the cultural bias against giving birth away from home.

DreamBaby wishes to be the first stop for young families within Colruyt Group.



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Colruyt Group Academy: meeting, discovering, undertaking

With the launch of the Colruyt Group Academy, a dream comes true for CEO Jef Colruyt. The Academy will gradually group together all education and training activities in the group, both for employees and for customers and partners. For example, workshops are already being organised for customers about forgotten vegetables, cutting techniques, reading to children, etc. Eventually, Colruyt Group aims to offer two workshops a day in training centres spread over the whole country.

For employees

Colruyt Group is well-known for its extensive range of training opportunities. The over 25.000 employees of the group can choose from professional courses such as time management or creative thinking and personal growth training courses such as assertiveness or mindfulness. Annually, the group spends on average 3,76% of the total payroll costs on training and education.

Due to the growth of the group in recent years, it has become necessary to group and structure all internal courses and training programmes. A strong training and education range should offer all employees the right training at the right time. In order to do this as efficiently as possible, the Academy is going to work more with training programmes for each position. This does not mean that individual adjustments will no longer be possible, but it does provide more insight for the person who is responsible for training and education. For example, the first 18-month training program for supervisors will start in October 2012. As the same group follows the whole programme together, there is much more room to exchange experiences.

For external parties

The company has already been conveying its view on development and craftsmanship to its own employees for many years. This view is based on a strong belief in the strength of people and in their motivation to grow both personally and professionally. The group wishes to communicate this positive

view of mankind to the rest of the world via the Colruyt Group Academy.

In the first place, the Academy aims to be a **meeting place** for consumers, employees and suppliers and to create an open learning environment to discover and to undertake activities. In practice-oriented sessions, participants are shown tips and tricks that they can work with further at home. The Academy invites potential participants via mailings, the websites of the group, folders and flyers. The Academy does not only make use of its own experience and expertise for its educational and training programmes. The Academy also works together with suppliers and local partners such as VZW's, schools and external trainers or consultants. A small contribution is requested for most of the sessions.

The Colruyt Academy is for ...

- Employees: with a wide range of training and education programmes, they can discover, learn and develop and grow to the fullest extent.
- Consumers: people can attend interesting workshops and courses at various locations.
- Suppliers and local partners: by making use of the services of professional partners, the Academy can guarantee an extensive and high quality range of courses and training programmes.

In the meantime, the pilot phase has been completed. Enthusiastic programme coordinators from the various store formulas prepared items for education and training programmes. For instance, DreamLand organised a workshop 'Reading to children from the right book' for young parents. Bio-Planet set up a workshop 'Forgotten Vegetables' and a Colruyt workshop discussed which wine should be served with which dish.

In brief, it is the intention to give customers the opportunity to discover various products and themes and learn more about these. That there is a demand for this is apparent from the large number of participants and from the fact that the first workshops were fully booked in no time even though they were not free.

"Continuing to learn and discover new things everyday, that is my lifestyle. As only by continuing to learn, is a person able to develop and grow and make a difference.

This is a view that I like to share with my employees, and now also with our customers. It gives a fantastic feeling."

CEO Jef Colruyt

3,67 %

of the total payroll costs is spent on training and education

Special training centres

The Colruyt Group Academy has a number of accommodations at its disposal for its education and training programmes.

For example, the official opening of the education and training centre Heulenberg in Halle took place in October 2011. The former villa of the Colruyt family was completely renovated and converted into a multi-functional training centre with a family home atmosphere. With Heulenberg, the group seeks to offer a quiet and pleasant environment where employees can grow, learn and be inspired.

A second training centre will be opened in Grimbergen in the spring of 2013. Education and training programmes for external parties will also take place here. Accommodations such as the one in Grimbergen are intended to become meeting and discovery locations where the Academy will organise workshops and courses in cooperation with all of the group's store formulas. In the future, Colruyt Group intends to open more accommodations spread over the country. As a result, more people will be able to attend workshops closer to where they live.

Workshops

Help, my child does not like to read! (DreamLand)

A reading expert gives parents tips on how to get their children to enjoy reading more.

Reading to children from the right book (DreamLand and DreamBaby)

Parents learn how to find suitable books, how to read and tell stories interactively.

Forgotten vegetables (Bio-Planet)

Participants rediscover the unique tastes of forgotten vegetables and prepare surprising dishes.

Which wine goes with which dish? (Colruyt)

Enthusiasts learn about 'food pairing', prepare dishes and sample these together with the right wine.

Espuma (Cookozi / ColliShop)

In the footsteps of master chef Ferran Adrià, amateur chefs learn to prepare these light and airy foams.

Women and wine (Spar)

Learning by sampling which wine fits with which dish. A wine expert explains the combinations and gives useful tips for at home.

Own ecological brand

Colruyt Group introduces the new store brand **Eco-select** at all store formulas as from mid-2011. This stands for non-food products that meet strict ecological criteria and offer excellent value for money. With Eco-select, the group seeks to make its non-food products more sustainable and to capitalise on the growing environmental awareness. After writing materials and maintenance products, care products and stationary will follow in the fall of 2012. Eco-select is an accessible brand with products that are purchased regularly and do not require a large investment. They are of a better quality and they cost more than the basic products; however, they are also not the most expensive in the area. The product range includes new products and restyled products of existing own brands. This concerns pencils and course pads, washing and cleaning products, shower gel, shampoo and hand soap, toilet paper and paper towels, etc. The wood and paper products bear the FSC-label, which guarantees that these products originate from forests that are managed in an ecologically responsible manner. The maintenance and care products bear the Ecocert-label. One of the requirements is that these products must contain a minimum percentage of biological ingredients. Genetic manipulation and testing on animals is prohibited.



Head office of Spar relocated to Mechelen

Spar Retail purchased land and buildings in the industrial zone of Mechelen-South. With this purchase, the company wishes to expand further and group the head office and the logistic services together on one site. The distribution centre will be relocated from Heist-op-den-Berg to Mechelen in 2014. The administrative services, which are now still located in Ternat, will be relocated at the end of 2014. The existing buildings do not have any extension possibilities, whereas the new site in Mechelen offers a minimum construction surface area of 50.000 m² and 6.000 m² office space. It is also easily **accessible** as it is located near the E19 Brussels-Antwerp and the Mechelen train station.

Spar Retail is investing over EUR 60 million in this operation (purchase, renovation and the building of a new office). The company also intends to increase its number of employees in the coming years. By the end of 2018, the number of blue-collar employees will have increased from 320 to 440 and the number of office employees will have increased from 256 to 350.



New location for Colruyt India

The 235 employees of Colruyt India will be moving into a new low-energy building of 10.000 m² with seven floors of which five for office space. The building also contains a fitness area, a recreation area, a medical area and room for prayer, which is typical for the Indian culture.

Colruyt India was founded in 2007. At the time, the employees moved into a building that the company rented for this purpose. In 2009, the group decided to build a new building in the heart of HITEC City (Hyderabad Information Technology Engineering Consultancy). Construction began in December 2009 and was completed in a record-breaking time of 18 months.

Colruyt India is an extension of Colruyt Group's BP&S department. The Colruyt India employees work on the development and maintenance of applications for Colruyt Group and on the support of the IT infrastructure, in close cooperation with the departments in Belgium.





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Bio-Planet: 10 years of growth

Saturday, September 10th 2011. All customers of the seven Bio-Planet stores received a biologically degradable flower pot with soil and a pack of seeds as a gift. Because: It was Bio-Planet's tenth anniversary. And there are plenty of reasons to celebrate. In its tenth financial year, turnover continued to increase at a good rate. In the last five years, the number of returning customers doubled and the average purchased amount rose by 20%. The Belgian bio-market is still growing and Bio-Planet plays an important role in this market.

In spite of the crisis, the bio expenditure of Belgian consumers rose in 2010 by 20% and in 2011 by 3%. There are also more and more farmers that are switching over to biological agriculture. When Bio-Planet opened the doors of its first store in Kortrijk in 2001, there were still many products that did not have a biological alternative. Now, this is no longer a problem.

Chris Van Wettere: "In the future, we wish to offer bio at the same price level as the well-known, non-biological brands. This is why it is important to become a big player and to open new stores. In this manner, we can purchase even more products directly and keep the prices low."

Young people opt for bio

In order to realise this ambition, Bio-Planet wants to continue to grow. The bio-supermarket aims to open two to four stores a year.

Chris Van Wettere: "We think that there is a potential of 25 to 30 stores in Belgium. We are mainly targeting the urban areas, because this is where our potential customers are located. The bio-market will still continue to grow. There is an increasing awareness with regard to sustainability, certainly among the younger generation. In the student cities Gent and Leuven, we are attracting more and more young people."

Bio-Planet sees a potential of 25 to 30 stores in Belgium.

Chris Van Wettere (Manager of Bio-Planet): "Bio-Planet certainly played a role in this process. As a result of our growth, we can also stimulate farmers to develop a bio alternative. In exchange for this, they can count on a lasting collaboration with us. In recent years, we have been able to convince a number of Belgian fruit growers to switch over to bio-fruit. For instance, now there are Belgian bio-grapes, bio-berries and bio-raspberries."

The lowest bio-prices

Bio-planet offers its bio and eco products at the lowest prices. The prices are five to ten percent lower than the competitors' prices. However, Bio-Planet aims to lower the prices even more.

1 year Bio-Planet Leuven: mission accomplished

In October 2010, Bio-Planet realised a first for Belgium: the opening of a low-energy store in Leuven. A year later, the store is able to report very good results. The electricity consumption in Bio-Planet Leuven is 25% lower than in the other Bio-Planet stores. With regard to the gas consumption, the difference is even 71%. Due to the excellent insulation and the use of air curtains, two small gas boilers are sufficient for the heating. The low electricity consumption is mainly due to the efficient cooling system and the economical lighting system.



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Spar stimulates involvement and initiatives of storekeepers

Spar Retail aims to be the best independent storekeepers' organisation in the country and distinguishes itself from its competitors by the special relationship it has with its storekeepers and consumers. 99 Engagements form the framework of this relationship. As these engagements were starting to lead a separate existence among the Spar storekeepers, an engagement day was held for the first time in October 2011. 180 independent storekeepers travelled with their families to the future distribution centre Schoonenberg in Mechelen for the Spar engagements theme day. Franchise holders worked in several groups on different cases, linked to challenges which they are confronted with.

The engagements did not just come into being overnight. They were based on the four pillars that symbolise the relationship between Spar Retail, the Spar storekeepers and the consumer: **neighbourhood, colleagues, employees and consumers**. This relationship is illustrated by a four-leaf clover. Spar Retail gives expert and dedicated support and guidance to storekeepers in order to thus achieve sustainable growth and success. However, the storekeepers themselves have to achieve the results. Initiatives, tools and support which they can call on are always linked to engagements.

Independence based on engagements

There are a number of basic requirements which are regarded as self-evident, with which all independent Spar storekeepers have to comply. As non-compliance can have a negative impact on all of the Spar stores. Examples of this are the daily adjustment of prices, offering a basic product range and providing quality and service. The main self-evident issue is the willingness to engage every day again and this is expressed in the slogan: 'Yes, I will'. When storekeepers with a passion for food and quality further expand their neighbourhood supermarket, a clear Spar brand is created.

Separate from the basic rules, each Spar storekeeper is given the opportunity to take the steps to successfully expand his store at his own speed and with his own emphasis. In other words, independent storekeepers have considerable decision-making powers and independence. That in turn increases the involvement and creates a base of support for decisions taken by the central organisation.

Second edition

The engagement day was organised to a large extent by the Spar storekeepers themselves. For example, on the day itself, 27 storekeepers were responsible for organising everything. The welcome was positive. The opinion and the enthusiasm of the Spar storekeepers was a central theme, which resulted in a cross-fertilisation of concepts, opinions and ideas. And that made those present eager for more. For instance, the storekeepers also make use of an internet application, SPARweb. With this, the storekeepers can exchange ideas and ask each other's opinions. A second edition of the engagement day has been planned. This will take place at the beginning of 2013 and will focus mainly on the employees.

The four engagement pillars

The various cases on the engagement day were elaborated in accordance with the four pillars. A few examples:

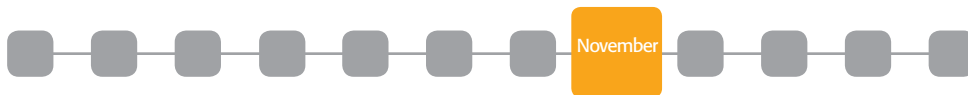
- **Neighbourhood:** A model was made of a neighbourhood-friendly parking.
- **Colleagues:** The storekeepers became better acquainted with each other via a speed date.
- **Employees:** It was demonstrated by means of role-playing how storekeepers could best deal with their personnel.
- **Consumers:** Storekeepers looked at a store simulation from the consumer's point of view.



Movie



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75 years of craftsmanship in wine and coffee

Colruyt celebrated the 75th anniversary of its coffee roasting and wine-bottling activities. Throughout the year, products were highlighted. For instance, there was a unique anniversary coffee GRAIND'OR and a special wine party box. By taking over the production itself, Colruyt can keep costs low and monitor the quality better.

Graindor: the art of making coffee

Today, Colruyt is the only Belgian distributor that still has its own coffee roasting facility. Franz Colruyt started roasting coffee in 1937. During the Second World War, the production was at a low level, but when it was possible to purchase green malt the Colruyt employees at that time started making substitute coffee. Colruyt's own brand of coffee Graindor was originally packaged in 3-kilo plastic bags and sealed with tape. That was a risky undertaking in those days as it was generally assumed that roasted coffee in sealed plastic bags gets a bad taste. Colruyt went on and proved the opposite.

The coffee roasting facility was originally located in Halle. But this location became too small and the activity was relocated in 2007 to a brand new coffee roasting facility in Ghislenghien. With craftsmanship, the master coffee roaster prepares new coffee blends for, amongst others, the stores in Limburg, Valentine's Day and the 75th anniversary. In addition to blends, there are many pure original coffees in the product range from coffee countries such as Guatemala, Ethiopia and Brazil. This concerns 100% Arabica coffees with a specific taste and aroma which is specific for the region of origin.

Wine bottling: from one wine to over 120 wines

Also with wine, keeping the price low and guaranteeing the quality are the main reasons to keep the production within the company. The first wine was bottled 75 years ago under the own brand Soubirac. And initially that took place in a very inventive manner. By attaching a rubber tube to the stick of a brush and sucking on this, they got the wine into the bottle. Not very efficient, so Colruyt started to look around for a new method. At the beginning of the 1950s, the first wine bottling

machine arrived in Halle. Over the years, Colruyt gained more and more knowledge and started to bottle more and more wine itself. Ultimately, the bottling factory became too small and this activity was also relocated to Ghislenghien. The present bottling factory is equipped with a high technology bottle line and a wine cellar with 38 large inox barrels.

"In the past, we had to make do with what we had. But that has helped us to become who we are today. The past has given us the experience and expertise to be able to do what we do now."

Wine purchaser Eric Vanrysselberghe

During those 75 years, Colruyt always continued to look for possibilities for improvement with the convenience of the client in mind. In 1979, the retailer was the first to introduce the **party box** on the market and thus it set the trend for parties and barbecues.

At the occasion of the 75th anniversary, Colruyt introduced a high quality party box in a cube size: Le Plus de Luzanet.

24

million litres of

wine per year, or 1.000 tank trucks

5.400

tons of coffee a year, or
20.000 kg per day

120

varieties of wine

1 out of every 4

bottles of wine sold in Belgium comes
from Colruyt

63

coffee references

And for the first time a wine was introduced **especially for the hotel, restaurant and catering sector**: the Cuvée des Vanniers, which is not available in the area. In addition, for the first time, a wine was bottled at the request of and with the label of a professional customer. The service Colruyt Professional developed the product for OKRA, with almost 1.200 local meeting points the largest senior citizens association in Flanders. In the future, Colruyt's bottling factory wishes to do more work for professional customers.

Craftsmanship

When founder Franz Colruyt decided to bottle wine and roast coffee himself, he started a tradition of craftsmanship; a tradition that is still maintained within the company. The desire to constantly do things better and better is the reason why Colruyt carries out a lot of production activities in-house. In addition, to its own coffee roasting and wine bottling, the group is specialised in, for example, slicing and packaging cheese and butchering and processing meat.

50 years of collaboration between Bichot and Colruyt

2011 is also the year in which Colruyt and the winery Bichot celebrate their 50 years of collaboration. Maison Bichot is one of the oldest wineries in Burgundy. This family-owned company has had its seat in Beaune since 1831 and now owns 110 ha of vineyards. The collaboration with Colruyt started in 1961. During these 50 years, a strong bond has grown between the two family companies. The similar company philosophy with a strong emphasis on sustainability and environmental awareness has contributed to this. The 50th anniversary was celebrated with a special Crémant de Bourgogne and a Cuvée Pommard 2009 with the signatures of Jef Colruyt and Albéric Bichot.

Travelling to work by electric bicycle

Employees are increasingly opting for cycling to work with an electric bicycle. Everyone who lives at least seven kilometres away from work can apply for this **sustainable transportation alternative** and receive an electric bicycle on loan. In ten months time, 246 employees of the central services and the stores submitted an application. 207 of the employees did not formerly cycle to work.

The electric bicycle has an electric motor that helps the user when cycling. It is a sustainable transportation alternative with a high fun factor that also gives employees who live a bit farther away from work the opportunity to cycle to work. They travel in a healthy manner, do not have any fuel costs and they can also use their bicycles in the weekends.

The electric bicycle is an extension of 'Bike-to-Work', the project whereby employees receive a regular bicycle and cycle equipment on loan. The Bike-to-Work project has been running already since 2007 and now has 2.629 participants (2.383 with a traditional bicycle and 246 with an electric bicycle).



DreamLand Halle opens at a historic location

A new DreamLand store was opened in Halle mid-November 2011 at the location where Franz Colruyt built his very first warehouse for his trade in colonial foodstuffs in 1935. Over the years, the former warehouse served as a bottling plant, coffee roasting facility and ColliShop showcase.

Two years ago, the old buildings were demolished and the construction was started of the residential-commercial complex 't Parkske. This complex also houses the new DreamLand store. With a surface area of 2.300 m², the store is twice as big as the previous store and it is also one of the biggest DreamLand stores in Belgium.

At the new DreamLand store, customers are introduced to a new store concept. The product range is divided into islands, each with its own entrance. In this manner, the store is completely geared to 'discovering'. The large bookshop and the range of teenagers' rooms and children's rooms are new features.



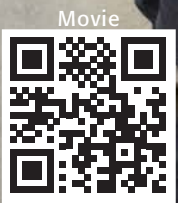
Free MIVB season ticket

The number of employees of the Colruyt stores in Brussels who commute using public transport has increased enormously in less than a year.

In May 2011, 50 store employees (or 6% of the total workforce) made use of public transport to travel to work. In April 2012, no less than 170 or almost 21% of the employees in Brussels opted for public transport, a huge difference compared to the previous year. This increase is due to the **third party payment agreement** between Colruyt and the MIVB. As a result, a MIVB season ticket is free for all Colruyt employees in Brussels. Already 122 employees travel to work with this free public transport season ticket. The system is the most successful in the stores near the city centre. For example, in Schaarbeek, almost 40% of the personnel profit from this arrangement.

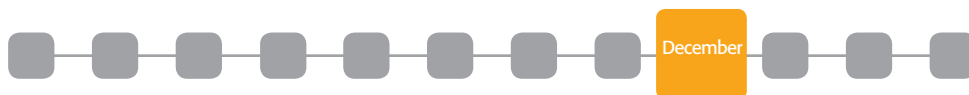
This initiative not only helps to offer a solution for the mobility and parking problems of the stores in Brussels, customers also profit: they have more parking spaces.





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Innovative printing technology at Symeta

Print & document manager Symeta was the first company in Europe to install the newest generation of HP digital printers. The T400 and the smaller T200 Colour Inkjet Web Press print large volumes of personalised communication with incredible speed, recto-verso and in full-colour. With this investment, Symeta confirms its leading role as a specialist in personalised, targeted communication.

European first

Symeta came into being on 1 January 2011 from the merger of the in-house printing company Druco, one-to-one specialist Mitto and a number of departments of Colruyt Group Services, including reprography and de-materialisation. The company focuses on the optimisation of all document and information flows in organisations. With tailor-made print and document management solutions, Symeta optimises the way in which communications are managed, sent and received by customers.

With the new HP printers, which are a real breakthrough in print technology, Symeta is becoming well-known in Europe. The printers are not only fast - the HP T 400 produces approximately 5000 A4 pages per minute - they also deliver a high quality. Moreover, the data processing technology enables **complete personalisation**.

The HP T400 and its little brother T200 were installed in Symeta's brand new production location in Sint-Pieters-Leeuw. The building was completely renovated and refurbished into an ultramodern production site for printing, mailing and de-materialisation.

The right message to the right person

The unique combination of high speed, large volumes, high colour quality and advanced personalisation provides for an effective communication tool which leads to a higher response of the target group. In this manner, Symeta guarantees that its customers will enjoy a higher return on investment. The company targets large personalised communication projects

and thus confirms its leading role in one-to-one communication. The essence of the concept is to send the right message via the right channel at the right moment to the right person. Such targeted communication also reduces paper and ink use and lowers the sending costs. In this manner, people no longer receive irrelevant or undesired information.

In addition, the collaboration with HP has more advantages than only innovative technology. HP also provides courses and inspiration and is constantly developing new applications. HP thus supports Symeta's continuing growth.

What is one-to-one mailing?

Communicating with many customers at the same time is often ineffective. With Symeta's help, companies can target the personal environment of each customer. Via a personalised approach, companies can contact their customers with relevant information: from new special offers to personal tips and gifts. The combination of this high relevance and a strong personalisation ensures that the message does not remain unnoticed, which has a positive effect on customer satisfaction and loyalty. One-to-one mailing enables an optimal use of customer data, which results in a higher return on investment per contact moment.

The HP T400
prints around
5.000 A4-pages
(2.500 A4s recto
and verso) per mi-
nute and reaches
rotation speeds of
183 m per minute.



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New buildings for future growth

At the end of 2011, employees of the central services of OKay moved into their new location in Lot. The relocation fits in with OKay's strategic plan to further develop its corporate identity. Colruyt Group will also open a new office building in Haasrode for the employees of the central services in the Leuven area. With both investments, the group creates room for further growth of the business and the number of employees.

OKay moves into its own office building

In the fall of 2010, the Colruyt Group decided that it was time for OKay to move into its own office building. The former building of the company 'Cadara' in the J. Huysmanslaan in Lot was completely renovated. The renovation was completed in December 2011 and the employees of OKay and Bio-Planet moved to their new location. The site is big enough to accommodate the future growth of both formulas. The extra space should also enable them to further improve their service to stores and customers.

The relocation of OKay to a separate site also fits in with Colruyt Group's aim to increase **decentralisation**, improve mobility and diversify risks. In the future, OKay will also have its own distribution centre on the same site in Lot.

New office building in Haasrode

On Monday, March 26th, Colruyt Group opened a new office building in the Research Park Haasrode in Heverlee, as a replacement for two former leased premises in Haasrode and Kessel-Lo. 127 employees of, amongst others, BP&S, field service and the help desk now have their permanent work stations here. The new office building was built specifically for Colruyt Group and furnished in accordance with the group's style. A fresh and modern 'loft-look' was chosen. For example, there are no lowered ceilings inside and the doors, the walls, the carpets and the furniture are a lighter colour. The look of the desk areas has been modernised but without departing from the existing style. The new building, with its 7.000 m² and five floors, offers enough space to accommodate future personnel growth.

*The **new buildings** are also in line with the group's aim to decentralise more and improve mobility and risk diversification.*

GOOD NIGHT
Switching to silent delivery

SILENT TRAILER

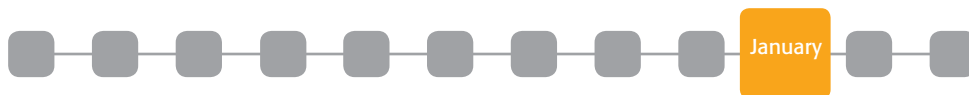
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Positive evaluation of the PIEK project

In June 2010, Colruyt Group joined the PIEK pilot project of the Flemish minister of Mobility Hilde Crevits. In this project, a test was carried out regarding store deliveries in the late evening and early morning for a number of months in nine cities. To this end, the group invested in quiet and sustainable equipment. The results were published in January 2012 and they were surprisingly positive with regard to the experience of local residents and drivers, traffic safety and fuel consumption. This is why the group immediately committed to the follow-up project.

Avoiding noise peaks

Supplying stores belongs to Colruyt Group's core business, but that is not possible at every time of the day. Each city or municipality determines itself between which hours distributors may supply their stores. Many cities and municipalities limit these hours and demand, for example, that all deliveries take place before 21:00 in order to inconvenience the local residents as little as possible.

During the PIEK pilot project, Colruyt Group participated in a test whether the delivery of stores in urban areas in the early morning between 6:00 and 7:00 or in the late evening between 21:30 and 23:00 could take place quietly. The main challenge was to avoid or at least reduce higher noise levels when unloading the trucks. Because it is this noise that can wake up the people who live near the stores.

Investing in sustainability

Colruyt Group made many technical and structural adjustments in connection with the pilot project. 23 quiet trailers and 15 quiet transport pallets were developed to enable quieter loading and unloading. The walls and the ceilings of the trucks were also insulated better, so that they could absorb the noise of loading and unloading. A number of Colruyt stores already also have covered unloading docks. The drivers can drive their trucks in after which the

door is closed and the driver can unload his truck without disturbing the people who live nearby. Finally, considerable investments were made in training drivers, who were given tips on how to work as quietly as possible. All these efforts have contributed to the pilot project ultimately receiving a positive assessment in various areas.

Advantages in all areas

The PIEK pilot project demonstrates that deliveries late in the evening and early in the morning offer many advantages for all parties involved. First and foremost, the investments in quieter equipment were welcomed positively by the local residents. Only a few complaints were recorded with regard to the pilot project. In addition, deliveries at these times also contribute to increasing traffic safety. At those times, it is less busy in the street and at the store, which reduces the risk of traffic accidents.

Deliveries at these times also have a positive effect on fuel consumption. Fuel consumption is considerably lower because trucks are caught less in traffic jams and can therefore drive at a constant speed. The emission of fine dust and CO₂ is also reduced when driving outside of rush hours, which in turn is good for the environment. Finally, there is also considerable time savings. As drivers who drive in the early morning or the late evening avoid the rush

“*Colruyt Group invested more than two million euros in quieter equipment and infrastructure*”

15

quiet transport pallets

23

quiet trailer trucks

18

integrated unloading docks

hours and do not get caught in traffic jams. This in turn results in less stress among the drivers. The deliveries in the early morning and late evening also allow Colruyt Group to spread its transport activities better and operate more efficiently.

Engagement for the future

Due to the good results, the PIEK pilot project will be given a follow up. PIEK 2 is an extension of the first project, whereby other companies from the distribution and transport sector and other cities and municipalities will be invited to test quiet deliveries in the early morning and the late evening. The colleagues of Minister Crevits in Brussels and Walloon have also already been approached with the request to start similar projects in their regions. The programme of the PIEK 2 follow-up project is being drawn up in close cooperation with all of the partners in the pilot project, including Colruyt Group.

Luc Rogge, General Manager:

“The PIEK pilot project has been a good learning experience. It has demonstrated that quiet deliveries in the early morning and late evening are certainly possible, provided that we invest in a few technical adjustments and in our personnel. It offers many advantages for mobility, traffic safety, the environment, our drivers, etc. And we can organise our business more efficiently. Therefore, it has a lot of potential.”

Education and training in the South

The rice project in the West-African country Benin is the central focal point in 2012 in the Vredeseilanden campaign. Already for five years, Colruyt Group has provided an important contribution to this project that helps farmers in Benin to improve the quality of their rice. The group makes financial resources and know-how available for quality and packaging.

As a result of the **improvement of the quality**, the farmers now receive a better price for their rice and they can compete on the local market with imported rice. The rice is now on the shelves at Colruyt, OKay and Bio-Planet, under the store brand Shiwa and with the 'Colibri Foundation for Education' seal and Fairtrade label. In the past financial year, in total EUR 278.571 was invested in education and training in the South. The group aims to continue to do this consequently and for this reason it founded the 'Colibri Foundation for Education'. This company foundation will monitor the existing initiatives and support and set up new educational projects in cooperation with independent experts and acknowledged NGOs such as Vredeseilanden, Broederlijk Delen and Zuiddag.



New distribution centres for the French foodservice

The French food services specialist Pro à Pro opened a new distribution centre on the island Réunion and took a new distribution centre into use in Montauban, in the south-west of France. The surface areas of the two new sites are 4.200 m² and 18.000 m² respectively, which is sufficient to accommodate **future growth**.

The new site in Montauban has a cold storage of 2.000 m² and more than 1.500 m² cooled loading docks. Montauban II is almost twice as big as Montauban I, which had become too small. The central services such as ICT, accounting, HR, marketing and communications, purchasing, quality control and export will remain in Montauban I.

The new distribution centre in Réunion symbolises the merger within Pro à Pro Export of the companies Didier (specialist in deep frozen products), Morer (dry foods) and INECO (fresh products). Approximately sixty people work here, from order pickers to drivers and deliverers. The sustainable building is well insulated, has air-conditioning that turns off when a window is opened and lighting in the hall and the toilets that automatically turns off.



20.000 tons of waste fermented and 71 tons of PMD collected

In 2011, Colruyt Group succeeded in fermenting 20.000 tons of organic waste. This is 3.000 tons more than in 2010. In addition, the group also collected 71 tons of PMD, which is three times as much as in the previous year. These results are also due to a more **thorough sorting** in the stores.

In this manner, less waste that could be fermented ends up with the remaining waste, and thus less has to go to the incinerator. The waste that can be fermented is sent to collection centres in Halle and Ghislenghien and is processed by the company Vanheede Biomass Solutions.

The aim is to recoup 4000 tons annually from the portion of remaining waste and to have this fermented and thus save EUR 400.000. Fermentation is a natural recycling process whereby micro-organisms breakdown the waste. Green electricity and heat is generated with the bio-gas that is released, while the residual liquid can serve as manure to enrich soil. In the future, Colruyt Group wishes to build its own installation and use the energy that is produces.

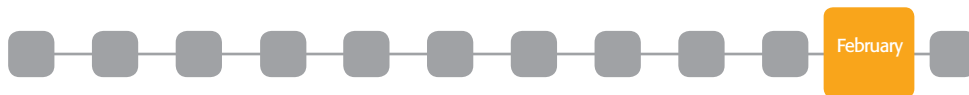




Movie



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Test of hydrogen as a sustainable energy carrier

Colruyt Group launched a unique project in Europe with the official opening of a hydrogen filling station at its distribution centre Dassenveld in Halle. With the sustainable energy that is generated via a windmill and solar panels, the group produces 'green' hydrogen. This hydrogen serves as a CO₂-neutral fuel for forklift trucks in the distribution centre. Colruyt Group intends to carry out a thorough evaluation of the advantages of hydrogen as a sustainable fuel in the logistic chain. The project therefore fits in perfectly with the group's ambition to make its logistic processes more sustainable.

Unique in Europe

A unique hydrogen filling station was opened officially in Halle in the presence of the Flemish prime minister Kris Peeters. With this hydrogen filling station, Colruyt Group will be able to further investigate generating hydrogen from sustainable energy. The green electricity from the renewable energy sources wind and the sun are converted via electrolysis into green hydrogen and stored in a gas buffer on site. This hydrogen can then be used for the fork-lift trucks in the distribution centre. It is the first time in Europe that the production of hydrogen from sustainable energy and the use of hydrogen is combined on one site.

The construction of the filling station was commissioned by WaterstoNet, a VZW that researches and stimulates hydrogen as a sustainable energy carrier. The producer is Hydrogenics, a company that manufactures machines that produce hydrogen using electricity.

Hydrogen as a CO₂-neutral fuel

Hydrogen is a potential energy source for vehicles in the Colruyt Group production and distribution centres because it is a clean energy carrier. A fork-lift truck that runs on hydrogen via fuel cells only emits steam and does not emit

CO₂ or fine dust, and also has a low noise level because no mechanical parts are used.

In addition, hydrogen could possibly offer many logistic advantages and thus result in **efficiency gains** and **lower costs**. This is now being investigated: fork-lift trucks running on hydrogen could be recharged at one central filling station and as a result space is saved with regard to battery charging locations. Moreover, fork-lift trucks on hydrogen would require little or no charging time so that it is possible to work faster and more efficiently. Charging in this manner could possibly cost less than charging traditional batteries and they would lose less power in the freezer.

Colruyt Group intends to test the green fork-lift trucks for a period of at least 18 months. At present, one fork-lift truck is already in use and two additional fork-lift trucks will be taken into use in July. Colruyt Group expects that all fork-lift trucks with a full tank of hydrogen will be able to remain operational for one shift (8 hours).

Hydrogen as a sustainable energy carrier

Colruyt Group is going one step further in its ambitions with regard to hydrogen. Since the beginning of 2012, the retailer is carrying out thorough research into the potential of hydrogen as a sustainable energy carrier together with WaterstofNet and Hydorgenics.

The objective of this research project is to demonstrate how hydrogen can be used for on-site production and the use of renewable energy sources. Hydrogen could serve as a **smart buffer** for the storage of surplus green electricity. When too much energy is produced, the excess energy is converted into hydrogen. If the windmills and the solar cells produce too little energy, for example during the winter, the hydrogen can then be converted into electricity again. The fluctuating energy production from wind and the sun can be geared to the demand via such a smart buffer. Hydrogen is therefore an important factor in order to develop a 'smart' grid, i.e. a smart electricity network, in the future

Energy Technology Innovation Platform (MIP), which was given the assignment to stimulate a greener economy by the Flemish Government in 2009.

Colruyt Group invested EUR 58.000 in this feasibility study. 50% was sponsored via MIP financial support. These funds will be used to carry out research, build infrastructure and buy a number of fork-lift trucks. This investment is in line with Colruyt Group's ambition to create added value with the lowest possible energy costs and thus to strive for an optimal energy balance.

Facts & figures hydrogen filling station

produces 30 Nm³/h or 3 kg/h
which can be increased up to 60 Nm³/h
hydrogen quality 99,999 %
storage buffer approx. 50 kg
filling temperature -20 °C

"We expect that fork-lift trucks that run on hydrogen will provide important logistic advantages for us and that the efficient use of personnel and resources will result in lower costs."

Jef Colruyt

WaterstofNet develops, coordinates and evaluates a number of projects in which hydrogen is used as a sustainable energy carrier in cooperation with companies and governments in the region Flanders and in the south of the Netherlands. These projects, which are part of the European Interreg-programme, enjoy the support of Europe, the Flemish government, the Dutch government and the industry. These projects focus on the development and application of hydrogen technology. The filling station at the Colruyt Group site is one of these projects. A feasibility study was also commissioned by the Environment and

**EUR
58.000**

Investment in the MIP feasibility study regarding development and application of hydrogen technology.

Over 3.500 recipes online

Already for many years, Colruyt has been a source of culinary inspiration for its customers. The 25 cookbooks and the numerous recipes in the folders are evidence of this. There is also the culinary website 'Lekker Koken' [Delicious Cooking], which was considerably enlarged and restyled in 2011.

The website was modernised and at the same time given a more home-like feeling. In addition, the search engine was further optimised. As the IT staff have created an extensive data bank which contains over 3.500 Colruyt recipes from the cookbooks and the folders. The search engine was optimised to facilitate browsing through all of these recipes. Via a simple search using key words, ingredients, types of dishes, etc. customers can find a specific recipe quickly and easily. They can also compile a shopping list with the ingredients of the chosen recipes. The recipe data bank ensures that all of the Colruyt recipes are available for everyone at any time.

Take the data, leave the paper

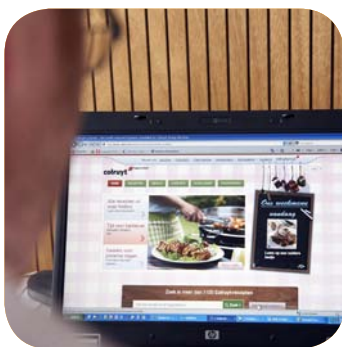
Colruyt Group is constantly working on improving sustainability. In this context, the company wishes to reduce the paper flow and to increasingly communicate with its suppliers electronically. To this end, BCom was launched. BCom is a central platform for digital communication.

Digitising the paper documents can speed up the work flow by 70 %. Colruyt Group aims to exchange 95% of these documents electronically by the end of 2013. At present, the group places electronic orders at around 200 suppliers. Around 40 suppliers send electronic delivery statements and the group receives electronic invoices from around a dozen suppliers since May 2012. The remaining paper inflow is processed efficiently. Symeta, the group's print and document manager, scans the documents. The BCom software converts the information in the document into digital data and stores this in the BCom filing system. This already contains 3 million digital documents.

Positive audits for production units

The production units of the distribution centres Dassenveld and Ghislenghien and the meat processing company Vlevico satisfy the highest standards with regard to hygiene, orderliness and cleanliness, training of personnel, food safety and traceability of products. This is apparent from audits performed by Independent Certification Institutions (OCI) such as TÜV Nord. Dassenveld (deep-freeze products, cheese, fruit and vegetables), Ghislenghien (coffee, wine and rice) and Vlevico were awarded the BRC-certificate category A: the certificate of the **highest level**. Colruyt Group invests heavily in the quality of its products. In addition to the frequent internal audits, the production units and the meat processing company Vlevico are also subject to 'auto-control' audits. These are carried out by an external certification agency based on best practice guidelines approved by the FAVV.

There was good news for Vlevico. As a fast growing company, the meat processing company now belongs to the **Trends Gazelles 2012** of the province Flemish-Brabant in the category large companies. For the weekly magazine Trends, the Gazelles are a symbol of competitive entrepreneurship.

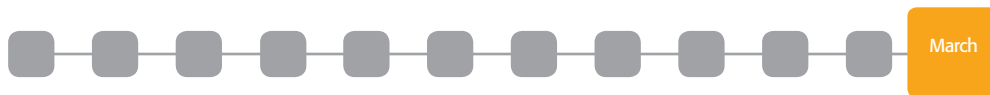




Movie



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DreamLand teaches 3.800 children how to ride a bike

On Saturday March 24th and 31st, DreamLand welcomed 3.800 children between the ages four and eight and their parents on the parking lots of thirty Belgian DreamLand stores for the 'Let's Bike' event. Learning to ride a bike is a milestone in the life of a child, and it is also a challenge for their parents. DreamLand wants learning to ride a bike to be a positive experience for both children and their parents, and was ready with professional advice to help them with this. In this manner, DreamLand wishes to act as a coach for parents and children.

Let's Bike

The previous edition of 'Let's Bike' in 2011 attracted around 2.600 participants on one day. At that time, more experienced cyclists could enjoy biking on a special track. In view of the large interest, DreamLand decided to organise the event on two days in 2012. This year, the focus was on young cyclists who were just learning to bike. Children who had not learned to bike yet received professional assistance with developing their biking skills.

During the session, the children who were just learning to ride a bike were divided into small groups and they did fun exercises together with their parents until they learned the basic techniques of cycling. DreamLand not only provided advice and support to the kids, the parents also received useful tips.

DreamLand made a conscious choice to teach children how to ride a bike in a fun way. In this manner, learning to ride a bike should be a positive experience for children and their parents. As parents do not always know how they should teach their children how to ride a bike, DreamLand decided to lend a hand.

DreamLand as coach

In each store, a number of employees were trained by professionals of the Cyclist Union and the Belgian Institute for Traffic Safety (BIVV). During the activity itself, didactic

material of the BIVV was also used. In order to guarantee the safety, DreamLand provided a good quality children's bicycle and a helmet for each participant.

DreamLand aims to be more than just a toy store. With information evenings and fun initiatives, the store wishes to **advise and coach** parents and children. For instance, at the 'Let's Bike' event, the children received a lot of tips to practice at home, such as a nice poster with exercises to practices steering skills and learning to brake. 'Let's Bike' is not the only initiative for parents and children. For instance, there were also information evening such as 'Help, my child does not like to read!', Reading to children from the right book' and 'Safe online'.

Let's Bike, second edition

Two Saturdays in the Belgian DreamLand stores

- between 1 pm and 6 pm
- 25-minute sessions
- 3.800 participants (2.600 in 2011)
- free
- third edition is planned in 2013
- first edition in the two French DreamLand stores in 2012



03

Activities

Retail	p.74
Wholesale and foodservice	p.86
Other activities	p.91
Corporate activities	p.96

Activities

1

Retail

colruyt  laagste prijzen



colruyt  prix ■ qualité



ColliShop

76 %

of group revenue

2

Wholesale and
foodservice

Wholesale

Belgium

SPAR 

EUROSPAR 

alvo

France

coccinelle 
Pour vous satisfaire !

CocciMarket 

panier Sympa 

Foodservice

COLLIVERY
UW BOODSCHAPPEN THUIS

 **FOODINVEST**

PRO  **PRO**

16 %

of group revenue

3

Other activities



- DATS 24: petrol stations in Belgium and France
- Symeta: print & document management
- Intrion : engineering
- WE-Power: renewable energy

9 %

of group revenue

4

Corporate activities

The corporate activities combine all support services, including business processes and systems, central administration, accounting and finance, environment, human resources, communication, corporate marketing, real estate and expansion.

Geographic segmentation

Our retail activities are mainly located in Belgium, France and Luxembourg. In addition, we are also active abroad.

France:

retail, wholesale, foodservice and DATS 24

French overseas territories:

Wholesale and foodservice

India:

IT department

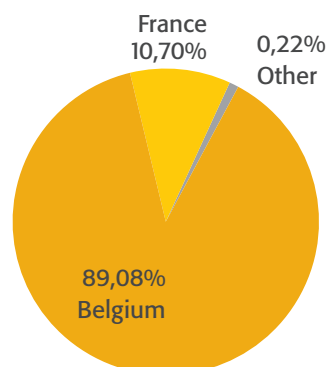
Luxembourg:

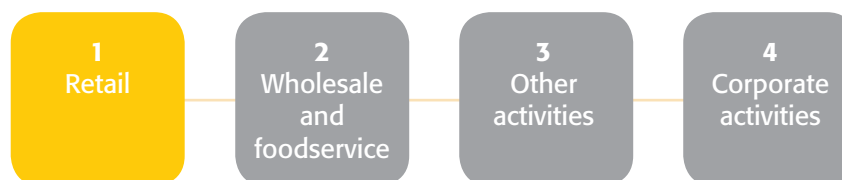
retail, re-insurance company

The Netherlands and the United Kingdom:

engineering

The list of all companies included in the consolidation can be found in note 8.33 in the financial section.





1. Retail

1.1. Colruyt

colruyt  lowest prices

- Year of inception: 1976
- Revenue: EUR 4.973,2 million (+ 6,0 %)
- Number of stores: 225 (including 1 in Luxembourg)
- Average store surface area: 1.400 m²
- Number of employees in FTE: 15.257 (+ 640) (1)
- Baseline: Lowest prices

(1) store personnel + personnel employed in distribution centres and in the administrative departments for sales



Colruyt is well known for its low prices and no-nonsense discount policy. The economical furnishing of the stores and the working methods are designed in order to be able to work as efficiently as possible and reduce cost. Colruyt mainly targets families with children, who are price conscious and who organise their shopping in an efficient and rational manner.

Colruyt systematically monitors the prices of other stores in the area and adjusts its prices if necessary. Therefore, at Colruyt, customers will find all the special offers at any given time of all the other stores under one roof. As a result, Colruyt is always the cheapest, for each individual product category and for the contents of an average shopping cart with products from several categories. Via the 'Extra discount' card, they receive on average an additional 3% discount on the lowest prices. Customers can find additional promotional campaigns in the bi-weekly personalised shopping leaflet 'Selection for you'.

At Colruyt, customers can count on skilled and service-oriented personnel. Based on readiness to serve and simplicity, the formula aims to establish long-term relationships with its customers.

Developments

Rarely has Colruyt's revenue been so affected by external factors as in the past financial year. Since the financial-economic crisis in the whole South-West of Europe, customers are keeping a tight hold on their purse strings and are spending less. As a result, revenues have come under pressure.

In a very competitive environment, Colruyt's market share nevertheless continued to grow in the past financial year. Compared to its competitors, Colruyt is even the only company to achieve a strong increase in market share. The market share over the calendar year 2011 amounted to 25,20%. The opening of new stores and longer opening hours have certainly contributed to this. Combined, the Colruyt stores realised a total

343.003_{m2}

total store surface area

revenue of EUR 4.973,2 million, which represents a 6% increase compared to the previous financial year.

Colruyt opened five new stores and renovated or enlarged 12 existing stores. On 31 March 2012, there were 224 Colruyt stores in Belgium and one in Luxembourg. Four stores were closed temporarily in connection with renovations.

At the end of the financial year, the total sales surface area amounted to 343.003 m², a 5,4% increase compared to the previous financial year.

A Colruyt store that wishes to offer the complete product range requires a sales surface area of 2.200 m². As the average sales surface area of a Colruyt store currently amounts to 1.400 m², there is still a lot of work to be done. Therefore, it remains our target to increase the sales surface area by 14.000 m² annually by means of a combination of expansion and opening new stores. In Belgium, Colruyt sees potential for around forty additional stores.

In the annual price survey of the Belgian consumer magazine Test-Aankoop, Colruyt remains the cheapest supermarket, both for national brands and for discount products (from Everyday). In addition, from the winter report of the market research agency GfK, it appears that the image of the stores appeal to customers the most. Colruyt has ranked number one in this report for the elements 'advantageous' and 'friendliness' already for ten years.

Colruyt also compares its prices with retailers in other countries. According to its own calculations, Colruyt is on average around 10% cheaper in comparison to other Belgian retailers. This is sufficient to compete successfully with Belgian and foreign competitors. Due to the price difference, Colruyt also has many foreign customers.

In recent years, Colruyt also invested significantly in a higher quality of its products and that is paying off. In its own blind tasting tests for meat, vegetables and fruit, Colruyt usually has the highest score. In the past financial year, Colruyt started to sell freshly baked bread in around eighty of its stores.

225

stores

25,20%

market share in Belgium over 2011

Colruyt reduced its toys product range in favour of the toys specialist DreamLand. The area that then became available has been used for freshly baked bread or other food products. This results in higher revenues as a group and creates room at Colruyt to create added value within other product ranges.

In November 2011, Colruyt customers could purchase an exclusive building block box of Westvleteren XII with six bottles of the famous Trappist beer and two unique beer glasses. This was the first time that the Trappists of Westvleteren sold their beer outside the walls of their abbey and worked together with an external partner for the distribution.

The company also positioned itself even more as a beer specialist in the past financial year with its 24th cookbook about Belgian beers. The book has a digital window with QR codes for smart phones. These codes provide a link to a new 'Beer Search' tool on the culinary website.

'Delicious Cooking', Colruyt's culinary website, was completely restyled to better meet the customer's expectations. The site was equipped with an advanced search engine, a library with over 1000 recipes and an attractive design.

In 2000, Colruyt launched the service Collect&Go, the service whereby the customer orders his shopping online and then collects his shopping at the collection point of a store of his choice. This service continues to grow exponentially and opens ten collection points every year with in total 131 collection points at the end of the financial year. In order to accommodate the increasing success of this service, Collect&Go makes use of the services of E-logistics, a group company that provides logistic services to third parties from a distribution centre in Zaventem. In addition, there are also a number of collection stores that are not located in a Colruyt store. These are located on busy entry roads, which is convenient for customers who wish to collect their shopping after work on their way home.

Colruyt is a great believer in the potential of mobile shopping and was the first supermarket to launch a smart phone application in June 2011 with which customers could forward their shopping lists and order the desired products. At present, already 7% of the Collect&Go orders takes place via iPhone or Android smart phone.

In November 2011, Colruyt entered the Belgian telecom market with the launch of Colruyt Mobile, a new GSM service with rechargeable cards. This service is pioneering with a transparent offer, an excellent help desk and advantageous rates. The consumer apparently appreciates this approach as the results of the prepaid formula are above expectations. Over 16.330 Start Packs were sold by the end of the financial year.

6 %

increase in revenue

14.000m²

target annual expansion of sales surface area

Colruyt has invested significantly in the past financial year in training staff, constantly improving quality, the further optimisation of processes and the organisational structure and gearing the approach of the various store formulas within the group to each other. Colruyt is convinced that, in the future, it will be able to reap the benefits of this.

Outlook

In spite of the contracting consumer market, Colruyt expects to be able to realise further revenue growth by opening new stores and enlarging existing stores.



www.collectandgo.be

The complete range of food products (including fresh produce, meat and frozen products) and a selection of Colruyt non-food products. Place orders (online and via smart phones) and collect your order at over 130 Collect&Go collection points.

wijn.colruyt.be

More than 1.000 first-rate wines in addition to the product range in the store, delivered within three working days at a Colruyt store.

colruyt.fujiprint.be

Fuji prints digital photographs on many different carriers: albums, canvas, greeting cards, mouse mats, T-shirts, etc. To be collected at a Colruyt store selected by the customer.

beenhouwerij.colruyt.be

After ordering online, the customer can pick up his meat order as from the next day at the store butcher. A popular site during holiday periods.

Colruyt.be > Single-malt whiskeys

Over 60 first class whiskeys for the lowest price, mainly from Scotland, but also from Ireland, Japan, the US, India, etc. To be collected at a Colruyt store three days after ordering.

1.2. OKay



- Combined revenue OKay and Bio-Planet: EUR 478,4 million (+ 14,5%)
- Year of inception: 1998
- Number of stores: 80
- Store surface area: 400 to 600 m²
- Number of employees in FTE: 1.085 (+ 91)
- Baseline: Save yourself time, money and effort



At OKay, the convenience for the customer is the central focal point, so that they can save themselves time, money and effort. The neighbourhood stores are centrally located in a village or municipality, so that customer do not have to travel long distances and can avoid traffic jams. The long opening hours and easily accessible parking areas increase the accessibility.

The compact neighbourhood stores (400 to 650 m²) are structured logically, the product range is offered in a clear and accessible manner. OKay offers a wide range of fresh products. It represents an important part of the revenue.

OKay guarantees the lowest prices in the area. Should a customer nevertheless find a lower price, then the difference is paid back to the customer and the price is adjusted immediately.

Developments

OKay opened six new stores in the past financial year: Wevelgem, Pecq, Zulte, Dilsen-Stockem, Gistel and Kortemark. If there had been no delay with the granting of

permits, then OKay could probably have opened more new stores. One store was also relocated and enlarged to 650 m². There were 80 OKay stores at the end of the financial year. As a result of the opening of new stores and attracting new customers in the existing stores, the OKay stores achieved a highly satisfactory increase in revenue of 14%.

45 employees of the central services of OKay and Bio-Planet moved to a new administrative building in Lot, near Halle, at the end of 2011. This relocation is part of OKay and Bio-Planet's strategic plan to further develop their corporate identity. In the future, OKay will also have its own distribution centre on an adjacent industrial site.

OKay continues to confirm its image as a sustainable growth company. After winning five years in a row as a 'Trends Gazelles Ambassador', OKay has been proclaimed Golden Ambassador.

Outlook

The formula aims to open eight new stores and renovate a number of existing stores in 2012/2013. OKay envisages a potential of 150 to 170 stores in Belgium in the future. In order to realise this growth, OKay aims to recruit another 120 to 150 employees this year.

14,5 %

increase in revenue OKay and
Bio-Planet

6

new OKay stores
in 2011/2012

1.3. Bio-Planet



- Year of inception: 2001
- Number of stores: 7
- Store surface area: 400 to 750 m²
- Number of employees in FTE: 155 (+ 8)
- Baseline: Conscious enjoyment



Bio-Planet is the bio-store that inspires people to consciously enjoy the good things in life. By working in a sustainable manner, the retailer reduces its impact on the environment. The product range consists of over 7.300 biological and ecological products.

Therefore, the Bio-Planet stores are located in cities where they can reach a lot of people. Customers who do not have a Bio-Planet nearby, can order more than 3.500 of our products online and collect their products at a Colruyt or OKay store of their choice within four days.

Developments

The Belgian bio-market has shown a steady growth in recent years. The bio-market in Belgium accounts for a market share of 2%. According to VLAM, three percent more was spent on biological products in 2011 than in 2010. Bio-Planet is also profiting from this growing trend and was able to further increase its revenue and market share.

Outlook

After the opening of a low-energy store in Leuven at the end of 2010, no additional new stores were opened due to a delay in the granting of permits. As a result, the number of bio-stores at the end of the financial year remained seven.

Bio-Planet plans to open at least one new store in the coming financial year. Bio-Planet envisages a potential of 25 to 30 stores in Belgium in the future.

In addition, Bio-Planet will also focus on the B2B market in close cooperation with the existing B2B channels in the group. In view of the growing demand, Bio-Planet aims to supply companies, day-care centres, schools and governments with bio-products.



www.bioplanet.be

Over 3.500 biological and ecological products, delivered within four workdays after ordering at a Colruyt store.

7
unique
bio-stores

7.300
Bio-products and
eco-products

1.4. DreamLand, DreamBaby and ColliShop

The specialised non-food formulas of Colruyt Group are the physical stores DreamLand and DreamBaby and the webshops by the same name and the webshop ColliShop. These activities realised a 9,4% increase in revenues to EUR 234,9 million in the financial year 2011-2012.

1.4.1. DreamLand

Toy specialist DreamLand targets children ages 0 to 14 and their families, and bases its product range on the needs and wishes of the target group. Besides toys, school supplies, gifts and seasonal products, there is also a wide range of multi-



- Year of inception: 1994: acquisition of Droomland, in 2002 renamed DreamLand
- Combined revenue DreamLand and DreamBaby: EUR 234,9 million (+ 9,4%)
- Number of employees in FTE: 913 (+ 66) (DreamLand, DreamBaby and ColliShop)
- Number of stores: 35 in Belgium, 2 in France
- Average store surface area: 1.600 m²
- Baseline: The widest choice, nowhere as cheap.



media and gaming and fun things to furnish their rooms.

The product range of DreamLand is very extensive and closely follows the newest trends in the market. By always including the latest new releases and brands in the product range, DreamLand demonstrates that it has a large affinity with the world of young people. DreamLand has even developed into the biggest seller of brand book bags and rucksacks.

In addition to the in-store sales, online sales are also becoming more and more important. When a customer orders a product online, he can collect it at one of the nearly 300 Colruyt and OKay stores. As a result of this extensive distribution network, DreamLand has a unique position in the E-tail market.

DreamLand regularly organises workshops. In these workshops, parents learn how they can provide guidance to their children in a well-balanced manner in their different stages of life. For example, in the workshop 'Let's read', parents are given useful tips and tricks to read to their children from the right book.

Developments

In the past financial year, DreamLand opened new stores in Drogenbos (2.300 m²), Lier and Halle. In Lier, the DreamLand store was situated next to a DreamBaby and a Colruyt store. DreamLand opened a new third generation store in Halle. The new store concept emphasizes the cosy family atmosphere, but then tailored to children. There were 35 DreamLand stores at the end of the financial year.

DreamLand increased its online product range with 1.300 products from the former ColliShop toys product range in the past financial year.

Since two years, the store network is supplied from a central distribution centre (35.000 m²) in Lot, previously this was from three locations. Since we have opted for only one location, we save on average 16% per delivery to a store.

The DreamLand formula is also active abroad. DreamLand now has two stores in France. Step-for-step, DreamLand is bringing the product range of its French stores more in line with French culture.

With the opening of an office in Hong Kong, we aim to further expand our sourcing activities (direct imports) and increase the sustainability of our imports. In this manner, we can offer our customers more guarantees for fair, safe and healthy products.

Outlook

DreamLand is looking for a new location in order to improve the accessibility of this existing store in Roeselare. In the coming financial year, DreamLand plans to open new stores in Tongeren (July 2012) and in Leuven (February 2013). DreamLand aims to eventually grow to around 70 stores in Belgium.

DreamLand intends to gear its product range more to the hobbies of children and young people. For instance, the newest stores have a bookshop with a reading area. In addition, DreamLand is also working on a new bed, bath & beauty product range.

DreamLand is increasing its efforts for safe toys and aims to recruit new employees in the near future to check the quality and safety of its toys even more thoroughly.



www.dreamland.be/webshop

Under the wings of ColliShop, the DreamLand-webshop offers a wider toys and games product range than the paper catalogue. Orders can be collected at Colruyt and OKay.

9,4 %

turnover increase in specialised
non-food activities

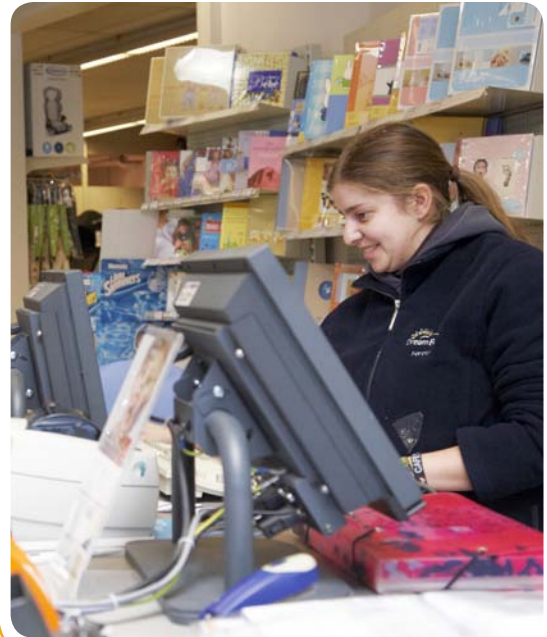
15.000

DreamBaby followers on Facebook

1.4.2. DreamBaby



- Year of inception: 2001
- Number of stores: 9
- Average store surface area: 650 m²



The Colruyt Group baby specialist offers a complete range of products and services, including the successful baby gift lists. Mothers and future mothers can find everything for their babies and for themselves, as from the beginning of their pregnancy until the child is two years old.

DreamBaby has nine flagship stores in Belgium and departments in most of the DreamLand stores.

Developments

In the past financial year, two baby departments were removed from DreamLand stores, in order to set them up in fully-fledged DreamBaby stores. Customers can enjoy the peaceful atmosphere and a more targeted product range and can count on advice from highly specialised staff. This new approach is bearing fruit. For example, the new DreamBaby store in Denderleeuw doubled the number of its baby gift lists.

In order to increase the interaction with its customers, DreamBaby started an application on Facebook in the past financial year. The community is a success with over 15.000 followers.

Outlook

DreamBaby is planning to open new stores in Bruges and Leuven in the coming financial year. DreamBaby plans to open 20 separate stores in Belgium by 2014. The ultimate target is 35 stores in total.



www.dreambaby.be

Under the ColliShop flag, DreamBaby offers 1.600 products for babies and young parents. These products are delivered within five days at Colruyt, DreamLand or DreamBaby store. The online baby gift lists are very popular.

1.4.3. ColliShop

ColliShop

- Year of inception: 1983
- Activity: webshop with 13.000 product for the lowest price
- Product ranges: care and leisure (Becooz); cooking and dinning, terrace and garden (Cookozi); housekeeping (Homewizz); travelling and camping (Outdoor e-shop), toys and gaming (DreamLand); baby (DreamBaby)
- Collection points : in more than 300 Colruyt and OKay stores



70 %
of the purchases at ColliShop
take place online

13.000
non-food products
for the lowest price

Developments

After a year with segmented thinner catalogues, a complete ColliShop catalogue was published again in February 2012. With this catalogue, ColliShop is clearly being positioned again as an all-inclusive online shopping centre that guarantees service, customer service and warranties for the five underlying brands. Under the wings of ColliShop, the customer can become familiar with the six product ranges (Cookozi, Becooz, Homewizz, Outdoor e-shop, DreamLand and DreamBaby).

In order to position these brands broader in the market and to offer the customers added value, these brands will be further expanded and segmented.

In addition to internal training programmes for its personnel, ColliShop also regularly organises workshops for its customers, in cooperation with Colruyt Group Academy, specialists in a specific fields and manufactures. For instance, workshops have been organised on preparing espuma, cutting techniques and sharpening knives.

B2B

The B2B department offers professional customers an exclusive B2B product range in addition to the retail customer product range. An important spear point is the loyalty and incentive programmes for customers and personnel. The revenue and contribution of the B2B activities are included in the wholesale segment.

More cross-channel sales

Over 70% of the purchases at ColliShop take place online and we are investing substantially in order to further

stimulate internet sales. For example, the new webshops have been designed specifically to support the online buying process. The aim is to strengthen the cross-channel sales, so that webshop, store and catalogue complement each other perfectly. At every moment in the buying process the customer can easily switch between the three channels. Gathering inspiration in the catalogue, comparing online and ordering directly, online by telephone or asking advice in the store, or examining the product more closely in the store, collecting it there or having it delivered at home. In order to support the purchasing process as much as possible, we structure the store and the catalogue in the same manner as the webshop. We are working on the necessary time to adapt the stores and the training of the personnel to the new concept.



www.collishop.be

10

new Colruyt stores opened in France

1.5. Food retail France

colruyt  **prix ■ qualité**

- Year of inception: 1996 (acquisition)
- Revenue: EUR 194,2 million (+18,6%)
- Number of stores: 64 (Colruyt and Coccinelle)
- Average store surface area: 1.000 m²
- Number of employees in FTE: 878 (+ 83)
- Baseline: All major brands for the lowest price



Codi-France S.A. operates the integrated neighbourhood Colruyt supermarkets and a number of its own neighbourhood Coccinelle stores in the East and North-east of France. We expect that these Coccinelle stores will switch to the Colruyt formula or become independent in the near future.

The French Colruyt concept is based on the Belgian formula and offers, for example, identical store brands such as Bio-time, Kelvin and Everyday Selection (premier prix). The brands Belle France and Les Délices de Belle France, a range of more than 1400 own brand products, have been developed specifically for the French market.

In view of the very different market situation, Colruyt profiles itself with 'Prix-Qualité'. At the same time, the label guarantees the lowest prices for all national brands and for comparable products in all Colruyt stores since the beginning of 2009.

Developments

Due to lower consumer confidence, the French retail market as a whole saw a drop in the volumes sold. Nevertheless, the integrated stores were able to realise an 18,6% increase in sales. In a stagnating retail market, Colruyt took an important step in its expansion strategy in the past financial year with the opening of 10 new stores. Never before did the retailer realise more than 12.000 m² sales surface area in one year, a growth of 25%. The number of integrated stores at the end of the financial year amounted to 64 (of which 60 Colruyt stores), with a total sales surface area of 59.982 m².

The expansion strategy combined with the fierce price competition that puts pressure on the margins, resulted in the short term in a negative contribution. However, Codi-France is convinced that it will be able to reap the benefits of the current expansion in the near future.

Recent survey results from the market research agency Nielsen show that Colruyt customers are the most satisfied about the prices. With this high score, Colruyt ranks in the same position as the French hypermarket Leclerc and before Intermarché and Super-U as the main competitors.

In the past year, the Colruyt stores focussed on three spear points: the butcher's shop, a high quality fruit and vegetable product range and an extensive wine and cheese product range. The 'premier prix' product range was expanded with 30 own brand products specifically for the French market.

Codi-France is working on the concept for its third generation stores. The focus lies on more fresh products (dairy, butcher's shop, vegetables and fruit) and its own traditional bakery. Colruyt aims to profile itself even more as a neighbourhood supermarket with the new concept.

Codi-France separated the logistics for its own Colruyt stores and the logistics for the independent stores. The storage and distribution for the Colruyt stores remains concentrated in Rochefort-sur-Nenon, all affiliated activities were relocated to Châteauneuf-sur-Loire. Each activity now has its own distribution centre and can continue to grow at its own pace. Codi-France is thus able to measure the operational and commercial performance of both activities better.

The ten new DATS 24 petrol stations that were opened on the Colruyt sites are an extra service that strengthens the customer loyalty at Colruyt.

Outlook

Colruyt continues to invest intensively in its lowest prices policy.

The aim is to further develop the integrated store activities in the coming year in "le Grand-Est" of France, from the Luxembourg border to south of Lyon. The target is to open five to eight new stores a year in the coming five years with an average surface area of 1.000 m² per store.

25 %

increase in store surface
area

18,6 %

increase in revenue

15.000
pallets,
capacity of the future
distribution centre in Ollignies

5 %
increase in productivity due to
voice picking

1.6. Logistics and production

Colruyt Group has its own production units (wine bottling, coffee roasting, cheese processing and rice packaging) on various sites near the head office in Halle. The group saves costs by bottling, roasting and packaging itself and is able to guarantee a certain quality. The own production also gives the group extra possibilities to distinguish itself from its competitors.

Developments

The high-tech coffee roasting and wine bottling plants celebrated their 75th anniversary in the past financial year. The production of de-mineralised water was discontinued.

All of the Colruyt, OKay and Bio-Planet stores are equipped with scanners with which customers can easily read the exact price of pre-packaged goods with a variable weight (cheese, fruit, cold cuts, fish, etc.). The customer only has to scan the bar code. The exact weight of the products is now recorded in the bar code on the packaging. As they no longer have to weigh the products, the system results in time and efficiency gains for the store personnel at the check-out. The customer is served faster.

In the past financial year, the training for the project voice picking, or the collection of products for the stores using voice recognition, was completed in all of the distribution centres. The new system resulted in a big gain. Productivity rose beyond expectation by 5%. The error list decreased by more than half, from 0,8% to on average 0,3%.

Colruyt participated in the PIEK project of the Flemish Government regarding quiet deliveries in the late evening and early morning. The objective of the project is to make

the mobility in peak hours in cities and municipalities more sustainable and safer. For Colruyt, this offers the opportunity to spread the deliveries to the points of sale better over the whole day. And thus also to make a more efficient use of its logistic resources. Deliveries in the late evening and early morning also offer advantages for the drivers, less driving in traffic jams means less stress during work. Today, deliveries take place early in the morning, late in the evening and at night where this is allowed according to local regulations.

The drivers of the group participated in workshops in the past financial year on updating the transport charter. The drivers drew up the charter themselves over 10 years ago and committed themselves in the charter to drive politely and safely.

Colruyt Group is carrying out research into alternative fuels for its haulers. For instance, test are being conducted with an electric and a natural gas hauler.

The group also participates in BCom, a central platform for the exchange of digital communication. At present, the flow of goods is mainly supported by a paper-based administration. BCom aims to enable suppliers to send shipping slips and invoices as far as possible electronically. This should lead to a significant administrative simplification.

Outlook

Colruyt Group is building a new distribution centre Ollignies, near Lessen (Henegouwen). The building will be 30 meters high. Such a high construction in which the pallets are put ready automatically is a first for the group. The distribution centre will be used for products with a high rotation such as beer, water, milk, fruit juice and paper. The software is being developed

custom-made and supervised by Intrion. To this end, the engineering company is working together with external partners. The new distribution centre has a capacity of 15.000 pallets and will be completed in the fall of 2014. A traditional distribution centre and a return centre will be built on the same site.

In order to support the growth of OKay, the formula will have its own separate distribution centre that will be housed in one of the group's existing logistic buildings.

1.7. Technics and real estate

As a true one-stop-shop Technics and Real Estate (T&I) manages all technical aspects of buildings, the machinery, vehicles, the environment, etc. The energy specialists pioneer with a newly purchased truck on CNG, the production of green hydrogen and other forms of sustainable energy.

The 1200 employees of T&I, including technicians, architects and engineers offer a complete service: from research, design, purchase, construction and installation to maintenance and repair.

T&I is active throughout Belgium and Luxembourg and also serves the DreamLand stores in France.

Developments

T&I built two low-energy stores in the past financial year: OKay Welle and Colruyt Wépion. Only sustainable technology and materials were copied from the Bio-Planet store in Leuven, the first low-energy store in the country that was opened at the end of 2010. T&I applies stricter standards than stipulated in the future laws for the construction of the new stores. The stores have a high performance cooling and ventilation system and high insulation values.

T&I also implements energy efficient measures in existing stores. Movement-sensitive led lighting was installed at the emergency exits. Experiments were conducted with energy-saving led spots for the lighting of the store fronts. The butcher shops in the Colruyt stores in Kuurne and Zele were equipped with a new cooling system.

T&I built an ecological office building in Haasrode according to an innovative concept. Modern landscape offices with light colours create a feeling of space.

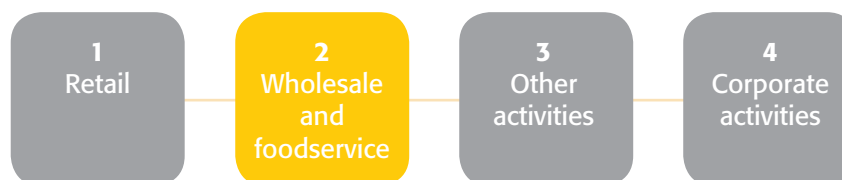
T&I is also building a new data centre in Halle, which will be taken into use by the end of 2012.

In order to monitor consumption, T&I has drawn up an inventory of the water, gas, electricity and compressed air consumption at the group's production sites.

The group has been carrying out in-depth research into the buffer capacity of hydrogen for the storage of excess green electricity since January 2012. The production of wind and solar energy fluctuates strongly. The 'smart' buffer ensures that the energy supply is geared to the demand. The electricity consumption is optimised in two directions. Hydrogen is therefore an important factor in the long term to arrive at a 'smart grid'.

1.200
employees provide total
service

2
new low-energy
stores



2. Wholesale & Foodservice

2.1. Wholesale

The wholesale activities in Belgium and France include the deliveries of Spar Retail to independent storekeepers of the various Spar formulas, the deliveries to independent Alvo stores from Alvocol, the B2B activities and the supplying of affiliated stores in France. The combined revenue of this activity over the past financial year amounted to EUR 684,1 million (+5,0%).

2.1.1. Spar Retail



- Year of inception: 2003 Spar Retail, licence holder of the Spar formula in Belgium. 1932 DESPAR, the present Spar International.
- Revenue: EUR 501,4 million (+ 5,7%)
- Number of affiliated stores: 226
- Store surface area: 200 to 1.200 m²
- Number of employees in FTE: 621 (+ 29)
- Baseline: My Spar, pleasant and delicious



With a passion for food and quality, Spar Retail aims to be the best independent storekeepers' organisation in the country. Independent storekeepers are given every opportunity to expand their business sustainably and successfully.

The store park comprises three formulas, for supplementary shopping (stores up to 400 m²), for daily shopping (400 m² to 700 m²) and for weekly shopping (from 700 m²). All stores fulfil the role of 'neighbourhood store', with the emphasis on fresh, quality and personal service. The independent storekeepers add their own touch that makes their store unique. The win-win situation between Spar Retail and the independent storekeepers is based on a combined effort and cooperation, belief in the consultation model and sharing the enthusiasm for independent entrepreneurship.

Developments

Spar Retail can look back on a strong financial year. Eight new stores were opened. Eight existing stores were restyled. Spar Retail was the strongest grower of all Belgian retailers with regard to sales per m². Spar Retail's market share rose to 3,33% (1), a very good performance in an extremely competitive market. It is remarkable that Spar Retail has achieved this gain with 19 stores less and a sales surface area that decreased further to 113.640 m². Spar Retail had 226 points of sale at the end of the financial year, which together realised a 5,7% increase in revenue.

Spar Retail wishes to increase the involvement of its independent storekeepers. This is why they are being given more of a say in the consultation bodies of the business unit. In addition, Spar Retail also organised an engagement day. The storekeepers were able to familiarise themselves with the four core engagements of their company in an interactive manner: neighbourhood, colleagues, employees and customers.

(1) Market share calculated based on the store categories F1-F2-F3 (F1 wholesale, F2 medium-sized supermarkets and superettes, F3 small-scale self-service stores and stores offering traditional service)

With the roll-out of automatic stock management and work simplification methods, Spar Retail offers the independent storekeepers additional tools to organise themselves more efficiently and to work even more productively.

Outlook

Spar Retail adjusts its prices daily, so that the customer can always count on competitive prices. In the coming financial year, Spar Retail plans to communicate about its price positioning extensively. Since January 2012, a weekly advertisement is published in the national press instead of every two weeks. In these advertisements, each time different storekeepers present competitive promotional campaigns.

The 50.000 m² site in the industrial zone Mechelen South, which was purchased in the past financial year, will house the distribution centre and the central services in 2014.

Spar worldwide

Spar was founded in 1932 in the Netherlands as the first cooperative of independent storekeepers. 'The Spar' stands for 'Door eendrachtig samenwerken profiteren allen regelmatig' (by working together in unison everyone will profit regularly). With 12.124 affiliated stores in 36 countries, Spar has grown into the world's largest retail organisation that serves over 10 million customers and realises a total annual turnover of more than EUR 31 billion. Spar International provides support to the national organisation from a central office in Amsterdam. There is a second licence holder in Belgium that has around 60 affiliated stores and that follows its own course, independent of Spar Retail.

5,7 %
increase in revenue Spar
Retail, with 19 stores less

3,33 %
market share

2.1.2. Alvo



Colruyt Group has been collaborating successfully with Alvo, a Belgian purchasing group of independent supermarkets, since 2003. The joint company Alvocol NV is active in purchasing, delivery and logistics. The Alvocol distribution centre in Bornem and the Spar distribution centre in Heist-op-den-Berg supply the 54 affiliated Alvo members and their 79 supermarkets. Colruyt Group and Alvo are continuing to look for ways to strengthen their collaboration in the future.

2.1.3. Supplying independent stores in France



- Year of inception: 1996 (Coccinelle and CocciMarket) – 2003 (Panier Sympa)
- Active in: all of France
- Number of stores: more than 250 Panier Sympa, CocciMarket and Coccinelle stores
- Unaffiliated independent clients: 680
- Average store surface area: 100 to 400 m²
- Number of employees in FTE: 199 (+33)



Within the holding company Colruyt France, Codi-France provides for the supplying of independent stores. This includes, on the one hand, the affiliated stores under the formulas Coccinelle, CocciMarket and Panier Sympa. These stores are supported in the area of pricing, marketing, communication, etc. Furthermore, on the other hand, there are around 680 independent storekeepers without a formula that are only supplied.

Developments

In consultation with the own purchasing combination Francap, Codi-France worked on a complete restyling of Coccinelle and CocciMarket. Coccinelle Express is a new modern neighbourhood store with the emphasis on fresh products. Ten existing stores were converted to the new concept. In addition,

the commercial team is focusing on opening additional neighbourhood stores operated by independent storekeepers based on the new model.

Outlook

In a very competitive market with fierce price pressure and higher transport costs, Codi-France is continuing to work on improving its profitability by, for example, limiting its radius of action and concentrating on the departments in which the wholesaler is already active. By working even more cost efficiently, Codi-France believes that it will be able to realise further cost savings.

2.2. Foodservice

The foodservice activities comprise Collivery and Foodinvest in Belgium and the Foodservice in France under the name Pro à Pro. The combined revenue over the past financial year amounted to EUR 599,4 million (-0,2%).

2.2.1. Collivery & Foodinvest in Belgium



- Year of inception of Collivery NV: 1998
- Year of inception of Foodinvest: 2010 (acquisition)
- Collivery customers: 21.000 companies without a kitchen, day care centres, retirement homes, schools, youth and sport clubs, retail customers
- Foodinvest customers: 1,400 caterers, grocers, retirement homes, hospitals, hotels, restaurants, cafés
- Products: dry, fresh, frozen
- Radius of action: all of Belgium
- Logistics: 2 distribution centres, 4 hubs, 95 trucks/vans
- Number of employees in FTE: 381 (+ 18)



The Belgian foodservice companies Collivery and Foodinvest, which was acquired in 2010, supply professionals in the extensive market of eating out. This concerns both commercial restaurants and social restaurants in schools, hospitals, OCMWs with a hot kitchen. There are also deliveries to B2B customers without a hot kitchen such as grocers, food producers, day care centres or KMO companies that order food products for their cafeterias.

The customer portfolio also includes retail customer, among which self-employed persons and professionals. Finally, the foodservice supplies ingredients to catering companies to prepare meals.

Collivery and Foodinvest offer a complete foodservice and extensive retail product range with a complete service. They receive logistic support from two distribution centres in Lot and Bornem, in combination with four hubs throughout Belgium.

In a climate of increasing complexity in the out-of-home market, our foodservice company have made a spear point out of providing professional convenience to their customers.

Developments

In the past financial year, the foodservice division worked on the further integration of the activities of Foodinvest and Collivery. Together with the French foodservice, Foodservice started working on developing its own brand policy.

Eighty percent of the B2B customers places its orders via the internet. In order to meet this rising demand, Foodinvest also launched a new order website for its professional customers together with its French counterpart Pro à Pro in March 2012. The Foodinvest and Pro à Pro order websites are technically identical. A considerable cost savings is realised by working with the same IT platform. In a following phase, one single website will be launched for all of the group's foodservice activities.

Outlook

The Belgian foodservice activities expect to realise higher revenues in 2012.

Synergy between the Belgian and French foodservice, on the one hand, and the retail activities, on the other, should lead to better purchasing terms and conditions and an optimisation of the product range.

In the future, one combined website will be launched for all foodservice activities in Belgium.



www.collivery.be

Order website with a wide range of retail products and a range of wholesale products.



www.colruyt.be > b2b

Combines all services for professionals: Collivery, Colruyt Export, Colruyt debit card, Colruyt Professional, ColliShop B2B and DATS 24.



www.foodinvest.com

Professional foodservice customers can place their orders online. They can see all of the products and promotions at once and they can place their orders 24 hour a day.

2.2.2. Foodservice in France

Pro à Pro provides foodservice throughout France, which is also referred to in France as 'RHD' or 'restauration hors domicile'.



- Year of inception: 2001 (acquisition)
- Customers: 42.000 in catering, social restaurants, wholesalers and hotels, restaurants and cafés
- Products: dry, fresh, frozen
- Radius of action: all of France
- Logistics: 19 distribution centres, 11 hubs, 350 trucks/ vans
- Number of employees in FTE: 1.406 (+ 24), among whom 200 sales and 100 tele-sales persons
- Baseline: Le goût de l'engagement



Pro à Pro supplies food products to hotel and catering companies (restauration commerciale) and to collectives such as hospitals, schools, the army and company cafeterias (restauration sociale). Pro à Pro is also active overseas, with branches in the DomTom regions Guadeloupe, Martinique, Ile de la Réunion and French Guyana.

Developments

In spite of the stagnating market, Pro à Pro still managed to realise higher sales figures. In times of economic crisis, the social restauration performs slightly better than the commercial restauration. People eat out less often and spend less money.

In order to increase the service and to lower costs, Pro à Pro worked on optimising its logistic process, which resulted in a substantial contribution improvement.

Together with its own purchasing centre, Unifrais, Pro à Pro focuses on enlarging its product range of fresh products. In addition to dry goods, the formula also wishes to offer a full range of fresh products.

Pro à Pro opened two new distribution centres. In Montauban in the south-west of France (18.000 m²) and on the island Réunion (4.200 m²). The existing distribution centre in Valenciennes was enlarged with 4.000 m². Furthermore, in order to better serve the region Île de France a new platform of 4.500 m² was taken into use in Rungis near Paris.

Pro à Pro is developing synergies within Colruyt Group to sell its soft cheeses in the various store formulas of the group. In the past financial year, 15.000 cheese platters were sold. The customer is offered a wide choice and Colruyt Belgium wishes to be the reference for French cheeses in the future.

In order to meet the rising demand for online ordering possibilities, Pro à Pro launched a new order website in March 2012 together with its Belgian counterpart Foodinvest. The Foodinvest and Pro à Pro order websites are technically identical. A considerable cost savings is realised by working with the same IT platform.

Outlook

Pro à Pro expects to realise good sales results again in 2012.

Pro à Pro plans to expand its existing distribution centre in Saint-Gilles with 3.000 m² for fresh products. The expectation is that the distribution centre will be operational by the beginning of 2013.



www.proapro.com

Professional foodservice customers can place their orders online. They can see all of the products and promotions at once and they can place their orders 24 hour a day.

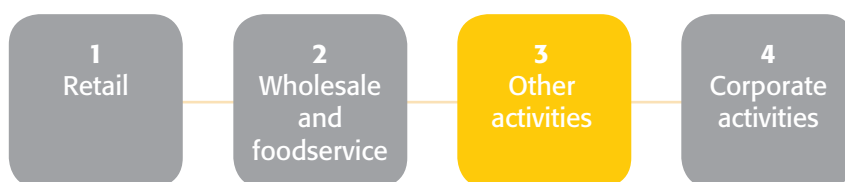
2.2.3. Export



Colex is Collivery's export division. Colex makes deliveries on various continents by container or by plane and provides a total service package, including customs formalities and permits. The focus lies on supplying retail products to retailers, wholesalers and supermarkets in Africa. In addition, it is the intention to develop more foodservice activities, also on other continents. In France, the export activities are carried out by Pro à Pro.

With total revenues of EUR 28 million, the past financial year was a record-breaking year for the export activities of Colruyt Group. Export remains a profitable activity in the group and, moreover, it still has a lot of potential.

Since 1 January 2012, there is one operational management for both Colex and the French export division Pro à Pro Export. As a result of this synergy, both formulas can exchange know-how. It is eventually the intention to evolve into one export activity at a group level.



3. Other activities

3.1. DATS 24



- Year of inception: 1972
- Revenue: EUR 602,5 million (+ 29,3%)
- Number of petrol stations: 87 in Belgium, 31 in France
- Number of employees in FTE: 33 (+ 2)



Since 1972, DATS 24 (Discount Automatic Tanking Service) offers quality fuels of the large petroleum suppliers at very competitive prices.

When you fill up your car and use the DATS 24 tanking card, you will receive a monthly invoice that is then settled at the end of the month. Increasingly, customers opt for an electronic invoice that is settled via online banking or for a pre-programmed electronic transfer. B2B customers can opt for either detailed invoices per vehicle or one total invoice and they can monitor the fuel consumption per vehicle and per driver.

As an environmentally conscious fuel supplier, DATS wishes to advise its customers to opt for efficient mobility, so that they can limit their impact on the environment. For instance, DATS 25 enables its customers to put air in their tires for free. As driving a car is safer and more economical when the tyre pressure is right.

The location of the petrol stations is also in line with the smart concept. Where the opportunity arises, new petrol stations are located next to an existing store of the group (70% of the stations). In this manner, customers can do their shopping and fill up their cars at the same location. The customer thus enjoys a double advantage: saving time and kilometres.

DATS 24 also has 4 CNG filling stations. CNG or natural gas under pressure is currently the most sustainable fossil engine fuel. The increasing popularity among customers and company is not only due to the environmentally friendly aspect but also to the price, which is on average 30% lower than that of diesel. Colruyt Group is also promoting this fuel actively itself. For instance, Colruyt's vehicle fleet already has company cars and vans on CNG and an experiment is being carried out with a CNG truck.

15.000 m²

29,3% additional production space for Symeta

increase in revenue DATS 24 due to price and volume increases

Developments

DATS 24 realised strong revenue growth in the past financial year due to higher prices and a higher volume. Revenue rose 29,3% to EUR 602,5 million. After all, in times of economic crisis people choose more consciously for the lowest prices.

In total, there are 87 petrol stations operating in Belgium and 31 in France. Due to delays in the granting of permits, only one new station could be opened in Belgium in the past year. As a result of acquisitions of existing stores with petrol stations, ten new DATS 24 petrol stations were opened in France on Colruyt sites in 2011.

The number of customers that use CNG is constantly rising. With CNGdrive, a collaboration between federations from the car and gas sector, DATS 24 is drafting proposals to interest the government.

Outlook

DATS 24 wishes to open five new petrol stations in the coming financial year. In order to limit the impact on the environment, the new petrol stations will be equipped with adjustable LED lighting and permanent monitoring of fuel fumes. DATS 24 foresees in total 150 petrol stations in Belgium in the future, spread evenly over the country. At present, there are opportunities for petrol stations, in particular, in the provinces Antwerp, Limburg, Namen and Luxembourg.

In the coming financial year, DATS 24 plans to equip around ten existing petrol stations with CNG pumps. Such integrations on existing infrastructure lower the costs. However, the fuel supplier regards CNG as a transition fuel, awaiting the switch to more renewable energy sources. DATS 24 plans to offer bio-gas as a fuel by 2015 and in the long term also hydrogen.

Approximately 7 new DATS 24 petrol stations in combination with Colruyt stores are foreseen in France in 2012.

3.2. Symeta

Symeta combines a wide range of print and document management services and thus occupies a unique position in the business communication market.

This young business unit still works mainly for internal customers within the group; however, Symeta aims to appeal



- Activity: print & document management
- Date of inception: 2011, merger of Druco (1979) and Mitto (2011),
- Production locations: Halle en St.-Pieters Leeuw
- Turnover: EUR 14,8 million (- 4,8%) externally and EUR 34 million intra-group
- Number of employees in FTE: 287 (+ 4)
- Baseline: Smart print & document solutions



to the external market more and more via strong cases. Symeta is strong in tailor-made solutions for large-scale offset printing and de-materialisation as well as highly personalised communication.

Symeta's contractual customers are increasing (industry, Flemish government, agencies, publishers, utility companies, etc.). Customers used to focus on mass communication; however, more and more customers are now opting for one-to-one communication. Symeta inspires its customers by introducing customers to the huge potential of this type of targeted communication.

Developments

Symeta opened a new ultramodern production site of 15.000 m², one of the largest in Europe, in Sint-Pieters-Leeuw in September 2011. The new location has four production units: digital printing, mailing, de-materialisation and the production of POS material. All of the offset printing and finishing activities will continue to be located in the head office in Halle.

Symeta was the first company in Europe to install the two new HP digital inkjet colour printing presses. The company prints, amongst others, international newspapers digitally and in full-colour with this revolutionary technology.

Symeta invested in three new mailing lines in order to be able to process large volumes of personalised documents and folders in the short term.

Symeta is also concentrating on achieving efficiency gains by means of the de-materialisation of documents in Colruyt Group (such as the scanning of invoices and bills). This is why the company is participating in BCom, a central platform that the group has set up for the exchange of digital communication with its customers and suppliers.

1 april 2012

**Intrion leaves Colruyt Group
after a management buy-out**

3.3. intrion



- Activity: engineering, industrial automation solutions
- Date of inception: 2008, merger of Createch Engineering and Dolmen IP
- Turnover: EUR 21,9 million (+ 0,0%)
- Number of employees in FTE: 121 (+ 8)
- Baseline: Excellence in product and materials handling



The engineering company Intrion designs, installs and maintains industrial automated systems and is a specialist in linking production and logistics. Intrion works mainly for three target groups:

- Production companies: production, assembly and packaging lines for food, pharmaceuticals, automotive, etc. (end of line automation).
- Storage and distribution centres: systems that automatically sort, store, transport, carry out order picking, etc. (automated material handling).
- Courier services and air freight companies: systems to automate goods and document flows.

Intrion integrates existing technology with in-house developed technology and has the necessary know-how and practical experience with mechanics, electronics, robotics, steering, etc. After the systems have become operational, the company also provides support and maintenance 24/7. In addition to the knowledge centre with 120 engineers in Huizingen near Brussels, Intrion has satellite offices in Hillegom (NL) and Bedford (UK) for local support.

Intrion realises its turnover mainly outside of Colruyt Group and has built up a strong portfolio of over 200 customers, especially multinationals. The company is mainly active in Belgium and its surrounding countries but at the customer's request also throughout Europe and inter-continental.

Developments

In the past financial year, Intrion was taking preparations for a spin-off. In the course of the years, the engineering company's activities had become increasingly far removed from retail, which is the core activity of Colruyt's Group.

At the beginning of 2011, the Board of Directors of Intrion decided about the 'drivers' for the exit from the group. Various takeover candidates came forward, but gradually the idea of a takeover by the management did start to ripen. The possibilities were examined by Colruyt Group together with external advisers. The Intrion management took over the assets, liabilities and the trading fund by means of a management buy-out on 1 April 2012. The new company ensured a smooth continuation, for the 120 employees, the suppliers and the customers.

Intrion also developed sorting systems for the Colruyt Group for empty goods, a container washer and a fully-automatic order picker that set pallets of vegetable and fruit ready for the stores. The group will also continue to make use of the engineering services of the new Intrion company in the future.

3.4. Renewable energy - WE Power

WE-Power combines all projects regarding energy care and sustainable energy production. The activity fits in with the group strategy to reduce its energy requirement in a sustainable manner. In 2011, the group generated more electricity from renewable sources than it consumed.

WE Power grew from a supporting activity into an autonomous business activity directed at internal use.

Solar energy

When building or renovating stores and business premises, WE-Power systematically looks into whether solar panels are technically and economically feasible. It is important to note that Colruyt Group never installs more solar panels than are necessary for its own consumption.

Wind energy

Colruyt Group has submitted an application for a permit for six wind turbines in Beersel and Sint-Pieters-Leeuw together with Ecopower. The group also received a permit in the past financial year for two wind turbines in Halle, which will be built in

2012. WE-Power is also examining the feasibility of a number of additional wind parks onshore in Sankt Vith and other locations.

The group also participates, together with external partners, in two wind parks off the Belgian coast: Belwind, which was started at the end of 2010, and the future wind turbine park Northwind. Belwind, the largest green electricity plant in Belgium, produces energy for 175.000 households and will be expanded in 2014-2015 with another 55 turbines.

Colruyt Group incorporated the holding Parkwind in the past financial year as a holding company for its participation in the offshore wind project Northwind. The funding of Northwind will be finalised in the first half of 2012 and the construction of the wind park will start in 2013. The 72 wind turbines will provide electricity to 250.000 households.

Finally, the group is competing in a consortium for the seventh and last concession for a wind park on the Lodewijk bank (formerly the Bank without a name), where Northwind will also be built.

Biomass

The former Fraxicor, which produces electricity from animal waste fat was given a new name in the past financial year: 'W-Cycle'. Due to the high fuel prices and the uncertainty regarding supporting mechanisms, the project has temporarily been discontinued, as was the case with regard to most installations in Belgium that produce green electricity from animal fats.

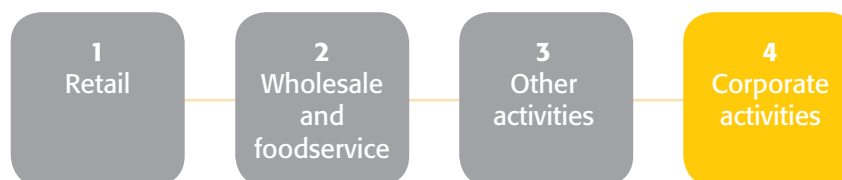
Fermentation

Already for a number of years, WE-Power has been fermenting the group's organic waste, such as vegetables, fruit and bread that were not longer suitable for sale and meat scraps. This has taken place externally already for many years. In order to ferment the waste within the group, WE-Power is planning the construction of a fermentation installation next to the distribution centre in Ghislenghien.

Participations

Based on its expertise with hydrogen as a sustainable fuel for logistic uses, Colruyt Group is also participating in the 'Factory of the Future'. This new concept of the Flemish government stimulates companies to produce in a sustainable manner. WE-Power is carrying out research into the use of hydrogen in every day applications and into fuel cells on hydrogen. In addition, WE-Power also participates in the NER 300 project of the European Commission. This project supports companies that invest in innovative renewable energy projects.





4. Corporate activities

The corporate activities combine all support services, including business processes and systems, central administration, accounting and finance, environment, human resources, communication, corporate marketing, real estate and expansion.



4.1. BP&S

Since April 2001, Colruyt Group can count on the restructured corporate partner 'Business Processes and Systems'. BP&S arose from the former 'IT' and 'Processes and Systems' (which comprised system design and work simplification). BP&S seeks to capitalise on the rapid technological development and on the constant attention of Colruyt Group for high quality and efficient processes, information flows and communication systems. BP&S aims to be an enabler for Colruyt Group in the creation of sustainable added value.

BP&S employs 872 people in Belgium and 45 people in France; 229 people work in its own office in India (Hyderabad). In addition, the group continues to work together with external parties. For the flexible employment of professional IT personnel in projects and constantly bringing in new expertise, Colruyt Group also works together with the Indian partner Tata Consultancy Services (TCS).

In March 2012, Colruyt Group opened a new office in the Research park Haasrode in Heverlee. The staff of the central BP&S services in the Leuven area have their permanent work stations here.

In order to reduce the costs of the group's IT park, the infrastructure teams in Colruyt India were also involved in IT management projects. For example, they now carry out more than 25% of the software maintenance projects on the server park.

BP&S is working on innovative concepts regarding research and development and is testing new methods within software development. To this end, the cooperation with the University of Antwerp has been intensified.

In order to accommodate the growth of the number of IT systems (and the accompanying technical installations), the existing data centres will be relocated to new locations between 2013 and 2015. Together with the revision of the management processes, these new data centres will contribute to guaranteeing the availability of IT even better, to a swifter introduction of new technology and to the further reduction of the energy consumption.

4.2. Communication

The internal communication agency Premedia, translates the marketing strategy of Colruyt Group and its various business units into communication strategies.

Premedia guarantees accurate cross-channel communication: the right message at the right moment to the right person through various communication channels.

Over 300 employees mainly produce marketing materials and campaigns such as folders, catalogues, direct mailings and packaging for the own brands. In addition, the communication agency also takes care of the internal communication and corporate communication such as press releases and the annual report.

In the past financial year, Premedia mainly examined ways in which the business units of the group could communicate in a more targeted and interactive manner with their target groups. For instance, Premedia created a Facebook application for DreamBaby and also worked on a smart phone application for the webshop service Collect&Go together with a number of other parties.

A new platform (STEP) has been taken into use that functions as a single source for cross-channel communication. Moreover, the platform will eventually provide the necessary content for all e-commerce sites digitally.

The first episode of LINK Logistics was broadcasted in September 2011. The new video news programme for the logistic services is made by Premedia's video studio, similar to LINK for the personnel in the Colruyt stores. LINK Logistics presents information about new machines, working methods, tips from employees, etc. in a professional manner. The video channel illustrates the Colruyt Group philosophy to inform employees as thoroughly as possible. In addition, video is a very effective means of communication to communicate all sorts of techniques with regard to work simplification throughout the organisation.

Nearly 10.000 internal orders were processed, from posters about new house styles to webshops, in the past financial year.

In order to increase the service, efficiency and quality for his partners and to strengthen its own identity within the group, Premedia worked on drafting a new mission statement. The key words of its mission statement are: innovation, creativity and effectiveness.

4.3. Personnel / Human Resources and Organisation

The Human Resources & Organisation department employs in total 290 people, spread over seven divisions.

The Social Secretariat does the complete payroll processing for 22.000 employees in Belgium. The Prevention & Medical Service gives expert advice with regard to job safety, well-being and medical issues and HR-support facilitates telephone and translation work in the group.

The Selection, Orientation and Recruitment division 130.368 CVs and letters, held 14.782 interviews and provided assistance with the recruitment of 3.079 employees in 2011-2012. In 2012, another 3.000 new recruitments are planned.

The Employee and Team Development division and the Human Resources division play an essential role in the support, development and promotion of a number of strategic group projects. The aim is to embed common values and drivers in the organisation and to prepare the group for a new era, always with respect for the uniqueness of each individual. In addition, both sub-departments provide the daily support in the field of human resources for all group departments.

130.368
curriculum vitae received

10.000
orders processed by Premedia

Employee and Team Development also manages all of the group training and educational programmes, including 186 personal growth training sessions (2.700 participants). All of the training and education programmes for the employees as well as for customers and partners will be grouped together in the coming year in the newly founded Colruyt Group Academy.

In the past financial year, a new internal Portal Site was launched with, amongst others, online news reports about the group and the retail sector. In this manner, Colruyt Group wishes to strength the group feeling and the involvement of the employees.

In the past financial year, Human Resources & Organisation also started to organise Z-inspiration sessions with the objective of increasing the external focus of employees by bringing them together to discuss meaningful themes.

During the next four years, Human Resources & Organisation will be working on building a new HR - platform that will further support the human resources policy. After drawing up an inventory of the HR processes, the training and education activities, recruiting, the payroll administration and the complete personnel management will be set up successively.

4.4. Finance

The Finance department employs approximately 350 employees and supports the business activities within Colruyt Group with a complete service package.

Within the division accounting and banking, the transaction activities department supports the stores with the processing of the cash sheets, payments, invoicing and the inventory. The accounting department comprises the customer, supplier and central administration as well as the fixed assets, payroll and costs administration. This division is also responsible for cash planning, treasury and bank relationships.

The division business administration and consolidation supports the group directorate, the individual business units and the operational activities and services with financial reporting and forecasting. The consolidation team is responsible for group consolidation and reporting.

Finally, the Finance department also houses corporate development, investor relations, tax affairs, insurance and legal support.

All of these services are linked to their counterparts in the foreign branches.

In connection with efficiency gains, the improvement of the internal processes and optimising and simplifying the group structure is being worked on, both in Belgium and in France, in order to align these better with the business activities.

For instance, all investments in renewable energy are now grouped together in one business unit (WE-Power) and seven operating companies were merged.

After the centralisation of the real estate activities in Belgium, which was implemented in the previous financial year, we are examining taking similar measures in France.

In the past financial year, the Finance department also provided assistance with the introduction of electronic meal vouchers for employees.

2.700
participants in personal
growth trainings

5. Annexes

5.1. Activities

5.1.1. Realised investments

	2011/2012	2010/2011
(In EUR million)		
I. Retail	198,3	234,3
Colruyt	93,5	145,6
OKay and Bio-Planet	7,4	15,8
DreamLand and DreamBaby	5,8	8,7
Integrated stores in France	23,0	22,4
Other and real estate	68,6	41,7
II. Wholesale and foodservice	28,8	32,2
Wholesale	7,4	6,0
Foodservice	17,0	18,4
Real estate	4,4	7,6
III. Other activities	38,6	12,8
IV. Corporate activities not allocated	32,5	22,4
Total Group consolidated	298,2	301,8

Excluding possible acquisitions of participations, Colruyt Group expects to realise an investment programme of a maximum of EUR 315 million for the financial year 2012/2013. The majority of this is intended for the construction or renovation of stores and distribution centres in Belgium and France as well as for investments in green energy.

5.1.2. Distribution centres and administrative buildings

	m ²	number
Production/distributions centres		
Belgium (1)	467.239	19
France		
GMS (2)	50.651	3
RHD (3)	89.888	19
Redistribution platforms	14.533	19
Administrative buildings (office floor space) in Belgium	117.628	22 sites (1)

(1) including Symeta, Vlevico and intrion

(2) GMS: Grandes et Moyennes Surfaces

(3) RHD : Restauration Hors Domicile

5.1.3. Integrated Colruyt Group stores

	11/12	10/11	09/10
BELGIUM + LUXEMBOURG			
Colruyt			
- number of stores (1)	221 (2)	217	214
Of which leased externally	22	21	28
- m ²	343.003	325.281	316.601
OKay			
- number of stores	80	74	66
Of which leased externally	11	10	9
- m ²	43.706	39.074	33.501
Bio-Planet			
- number of stores	7	7	6
Of which leased externally	3	3	3
- m ²	5.200	5.200	4.400
DreamLand/DreamBaby			
- number of stores	44 (3)	40	37
Of which leased externally	16	17	17
- m ²	73.092	66.388	63.215
FRANCE (4)			
Colruyt/Codimarché (5)			
- number of stores	58	47	41
Of which leased externally	5	4	4
- m ²	56.929	44.610	38.640
Coccinelle			
- number of stores	6	7	7
- m ²	3.053	3.452	3.452
DreamLand			
- number of stores	2	2	1
- m ²	3.953	3.953	1.954

(1) The drink centres, located on the same site as a Colruyt store, are no longer counted as a separate store.

(2) On 31 March 2012, four Colruyt stores were closed in connection with a renovation (the same number as on 31 March 2011). Therefore, they are not included in the total. However, our store in Luxembourg is included in this total.

(3) Of which: 35 DreamLand (67.646 m²) and 9 DreamBaby (5.446 m²).

(4) For France, this concerns the situation as at the closing date of the financial year on 31 December.

(5) Codimarché : points of sale being converted into Colruyt stores.

5.2. Personnel

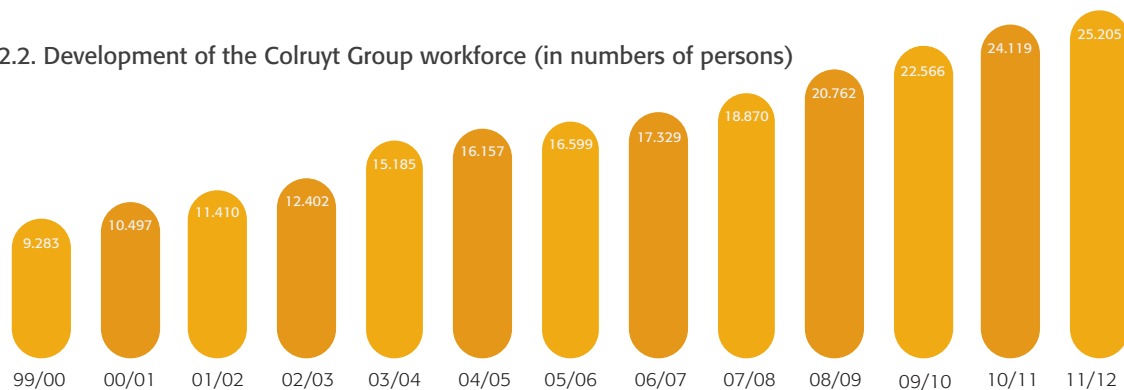
5.2.1. Job creation

	Number of employees			In full-time equivalents		
	31.03.12 (1) (2)	31.03.11 (1) (2)	Difference compared to the previous year	31.03.12	31.03.11	Difference compared to the previous year
Retail	19.903	18.912	+ 991	18.419	17.524	+ 895
Wholesale & Foodservice	2.750	2.666	+ 84	2.668	2.611	+ 57
Other activities	461	471	- 10	443	454	- 11
Corporate (not allocated)	2.091	2.070	+ 21	2.025	1.999	+ 26
Group Total	25.205	24.119	+1.086	23.555	22.588	+967
- Belgium	21.985	21.110	+ 875	20.757	19.889	+868
- France (2)	2.949	2.740	+209	2.528	2.430	+98
- Other countries	271	269	+2	270	269	+1

(1) These figures do not take into account the working students who are employed in the weekends or during school holidays. (4.014 on 31 March 2012 and 3.463 on 31 March 2011)

(2) For France, the number of employees are taken into account on the closing date as of 31 December. On 31 March 2012 France employed 2.999 employees (or 2.693,9 in full time equivalents).

5.2.2. Development of the Colruyt Group workforce (in numbers of persons)



5.2.3. Number of employees in Belgium on 31 March

Number	Description	In %
13.560	men	61,68 %
8.425	women	38,32 %
16.636	office employees	75,67 %
5.349	labourers	24,33 %
17.278	full-time	78,59 %
4.707	part-time	21,41 %
14.267	Dutch speakers	64,89 %
7.718	French speakers	35,11 %
14.497	living in Flanders	65,94 %
6.022	living in Walloon	27,39 %
1.308	living in Brussels	5,95 %
158	living outside of Belgium	0,72 %

5.2.4. Salary costs and net salary in Belgium

	In EUR million	In %
Total salary costs	912,82	100%
Employer's NOSS contributions and insurance	210,36	
Gross remuneration of Belgian employees	702,46	76,95%
Employees' NOSS contributions	80,52	
Withholding tax	137,84	
Net salaries	484,10	53,03%

The employees receive EUR 484,10 million net, or 68,91% of the gross wages of EUR 702,46 million. The employer NOSS contributions and other statutory insurance together amounted to EUR 210,36 million. The total annual payroll costs for Colruyt Group thus amount to EUR 912,82 million (EUR 702,46 million + EUR 210,36 million). Of this sum, the employees received EUR 484,10 million or 53,03% net. In the financial year 2011/2012, Colruyt Group paid an amount of EUR 290,88 million (EUR 210,36 million + 80,52 million) to the social security.

5.2.5. Contributions paid to the Belgian Treasury

The total contribution transferred to the Belgian Treasury represents 55,18% of the added value generated by Colruyt Group in Belgium. This added value equals the operating income less the cost of goods sold less services and miscellaneous goods, or EUR 1,58 billion in Belgium.

	In EUR million
Social Security	290,88
Withholding tax on salaries	137,84
Corporation tax on profits	142,38
Difference between payable and deductible VAT	275,88
Withholding tax on income from moveable assets	13,13
Withholding tax on income from property	6,54
Provincial and municipal taxes and other federal taxes	4,85
Total	871,50

5.2.6. Financial involvement

5.2.6.1. Profit participation

As a sign of appreciation for everyone's contribution and efforts, Colruyt Group allows all the employees in Belgium to share in the profit. A different system applies to the employees in France in accordance with the French laws.

History of the profit participation in Belgium

- Since 1988, a substantial group of executives have participated in the capital of the company through a collective shareholdership.
- In 1996, a 'personnel dividend' was paid out for the first time.
- In 2002, a number of group companies set up a system of

profit participation together with the social partners, which was based on the Act of 22 May 2001 regarding the profit participation in the capital and in the profit of the companies. The Collective Labour Agreement was extended a number of times.

- As from the financial year 2007/2008, the system was expanded to include all companies within the group, for the employees working in Belgium.

The participation varies in accordance with the operating result of the past financial year. It consists of a basic amount which is multiplied by coefficients for salary, seniority and position. Part of this is paid out in cash or in shares of the parent company as desired.

In this manner, in total EUR 152,46 million was paid out to the personnel working in Belgium in the period 2002 to 2010.

- As from the financial year 2010/2011, the profit participation is determined in accordance with the Act of 22 May 2001 regarding employee participation in the capital and the profit of the companies, as well as in accordance with the Collective Labour Agreement 90 (CAO 90) of 20 December 2007 regarding the non-recurrent results-linked benefits. The benefits of the CAO 90 can only be paid out in cash.

- A profit participation of EUR 8,97 million (62% in cash and 38% in shares) will be paid out for the financial year 2011/2012, subject to the approval of the General Assembly. The profit participation has been determined in accordance with the Act of 22 May 2001 regarding the employee participation in the capital and the profit of the companies. In addition, an amount of EUR 15,62 will be distributed in accordance with the CAO 90 of 20 December 2007 regarding non-recurrent results-linked benefits. The total profit participation thus amounts to EUR 24,59 million.

Year	Amount profit participation In EUR million	Total employees	Cash		Shares		
			In EUR million	Number of employees	In EUR million	Number of Shares	Number of employees
2001-2010	152,46	101.136	79,61	61.763	72,85	2.504.540	39.373
2010-2011	9,89	19.605	5,54	11.985	4,35	101.339	7.620
	14,95		14,95				
	24,84		20,49				
2011 – 2012	8,97	20.877	5,55	13.797	3,42	97.196	7.080
	15,62		15,62				
	24,59		21,17				
TOTAL	201,89		121,27		80,62	2.703.075	

5.2.6.2. Capital increase reserved for the personnel

In order to allow the employees to share in the growth of the company, we stimulate them, since 1987, to participate in the capital. Via an annual reserved capital increase, the personnel can subscribe to shares of the parent company Etn. Fr. Colruyt NV at an advantageous price (within the statutory framework), which remains blocked for five years.

During the most recent capital increase in November 2011, 2.171 employees subscribed for 225.194 shares, which represents a capital contribution of EUR 6,19 million. Since 1987, the employees of the Colruyt Group have already subscribed to (recalculated) 19.662.049 shares in their own company or in their parent company for a total amount of EUR 147,52 million.

Year	Amount in EUR million	Number of shares
From 1987 to 2008	103,69	18.214.375
2009	13,74	506.895
2010	23,90	715.585
2011	6,19	225.194
TOTAL	147,52	19.662.049



04

Corporate governance

Management, Supervision and Directorate ... p.106
Sustainable Corporate Governance p.108
Share Ownership – Colruyt Shares p.120

1. Management, Supervision and Directorate

1.1. Board of Directors

1.1.1. Composition

Capacity	Name	Member of the Audit Committee	Member of the Remuneration Committee	Year of the end of the mandate
Representatives of the Principal Shareholders, Executive Directors:	Jef COLRUYT (Chairman) Frans COLRUYT			2014
Representatives of the Principal Shareholders, Non-Executive Directors:	François GILLET - Chief Investment Officer at Sofina SA ANIMA NV Director for which acts as permanent representative: Jef COLRUYT	X		2012
	HERBECO NV for which acts as permanent representative: Piet COLRUYT	X		2012
	FARIK NV for which acts as permanent representative: Frans COLRUYT			2013
	Wim COLRUYT		X	2013 2014
Independent Directors:	DELVAUX TRANSFER BVBA, for which acts as permanent representative: Willy DELVAUX	X	X	2017
	UNITEL BVBA for which acts as permanent representative: Astrid DE LATHAUWER		X	2013
Secretary	Jean de LEU de CECIL			

Messrs Jef Colruyt, Frans Colruyt, Piet Colruyt, Wim Colruyt, Willy Delvaux and François Gillet also have other directorships in addition to the directorships in the companies of Colruyt Group.

1.1.2. Auditor

CVBA KLYNVELD PEAT MARWICK GOERDELER, Company auditors represented by Ludo RUYSEN [00949]. The auditor's mandate expires after the General Assembly of 2013.

1.1.4. Honorary Director

Leo DESCHUYTENEER

1.1.3. Mandates

The mandates of François Gillet and of Anima NV, for which Jef Colruyt acts as the permanent representative, expire after the General Assembly of 26 September 2012. Both are eligible and available for re-appointment. The Board of Directors proposes that they be granted a new four-year mandate to expire after the General Assembly in 2016.

1.2. Directorate

1.2.1. Colruyt Group Directorate

Jef COLRUYT	Director-Chairman
Luc ROGGE	General Manager Colruyt
Dries COLPAERT	General Manager Colruyt France and Foodservice
Dirk DEPOORTER	General Manager Spar Retail
Chris VAN WETTERE	General Manager OKay and Bio-Planet
Dirk BERTELOOT	General Manager DreamLand, DreamBaby and ColliShop (as from 1 November 2011)
Wim BIESEMANS	Chief Financial Officer
Koen DEMAESSCHALCK	Human Resources and Organisation Manager
Peter VANBELLINGEN	Business Processes and Systems Manager
Koen BAETENS	Real Estate, Technics & Energy Manager

1.2.2. Colruyt Group Future Board

Jef COLRUYT	Director-Chairman
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1.2.2.1. Corporate Services, Symeta, DATS 24 and WE-Power

Wim BIESEMANS	Chief Financial Officer
Koen DEMAESSCHALCK	Human Resources and Organisation Manager
Tony VERLINDEN	Deputy Manager Social Relations and Administration
Peter VANBELLINGEN	Business Processes and Systems Manager
Philip D'HOOGHE	Manager of Symeta
Koen BAETENS	Real Estate, Technics & Energy Manager
Filip VAN LANDEGHEM	Deputy Manager of Real Estate and DATS 24

1.2.2.2. Colruyt, OKay and Bio-Planet

Luc ROGGE	General Manager Colruyt
Jean-Pierre ROELANDS	Commercial Manager Colruyt
André VANDENBOSSCHE	Manager of Vlevico
Claude ROMAIN	Sales Manager Colruyt
Marc VANDEVELDE	Sales Manager
Rudi DEWULF	Sales Manager
Bart DE SCHUTTER	Sales Manager
Christian BOURG	Sales Manager
Chris VAN WETTERE	General Manager OKay and Bio-Planet
Martine PAUWELS	Logistics, Transport and Production Units Manager
Christophe DEHANDSCHUTTER	Purchasing Manager

1.2.2.3. DreamLand, DreamBaby and ColliShop

Dirk BERTELOOT	General Manager
André CERON	Logistics and Administrative Services Manager

1.2.2.4. Spar Retail

Dirk DEPOORTER	General Manager
Jean-François STEVENS	Sales Manager
Eric PAPPAERT	Logistics Manager
Jan PELGRIMS	Purchasing Manager

1.2.2.5. Retail France and Foodservice Belgium and France

Dries COLPAERT	General Manager France and Foodservice
Laurent FRANSIOLI	Finance and Administration Manager France
Johan VAN DEN BOSSCHE	Operations Manager GMS (1)
Gilles POINSOT	Integrated Stores Manager GMS
Anthony MEILLER	Manager of Affiliated Stores GMS
Pascal DUBOIS	Operational Manager RHD (2)
Jean-Claude LEROY	Purchasing Manager RHD
Claude COCHET	Exports Manager DomTom

(1) GMS : Grandes et Moyennes Surfaces

(2) RHD : Restauration Hors Domicile

1.2.3. Changes in the Directorate and the Future Board

Reporting period 2011/2012

After a career of more than 38 years with Colruyt Group, of which 16 years as manager, Johan GEEROMS, General Manager specialised in non-food activities, opted for early retirement as from 31 March 2012. He will be succeeded by Dirk BERTELOOT.

Recent changes after 31 March 2012

Chris VAN WETTERE was appointed General Manager of OKay and Bio-Planet on 1 April 2012.

As from the fall of 2012, Jef and Frans Colruyt will oversee the operational management of the group together. After a sabbatical for a period of 15 months, Frans Colruyt will be in charge of the group's retail activities as from 1 September 2012 as Chief Operations Officer Retail. Jef Colruyt will remain the Chairman of the Board of Directors and the Directorate of Colruyt Group and as of September 2012 he will also be in charge of the corporate services and all non-retail activities (Symeta, Dats 24 and WE Power) as Chief Operations Officer Services.

2. Sustainable Corporate Governance

2.1. Sustainable Corporate Governance

2.1.1. Reference code

The act of 6 April 2010 to strengthen the responsible management at stock-listed companies was published in the Belgian Official Gazette on 23 April 2010. Most of the new obligations stipulated in the act will apply as from this financial year 2011/2012. This mainly concerns the appointment of a Remuneration Committee within the Board of Directors and the provisions regarding the remuneration of directors and the senior management.

The Board of Directors has decided to adopt the Belgian Corporate Governance Code 2009 as reference for the sustainable corporate governance within Colruyt Group as from the publication of the act. This code has now been designated as the compulsory reference framework by the Royal Decree of 6 June 2010. The code and the Royal Decree of 6 June 2010 were published in the Belgian Official Gazette of 28 June 2010.

In accordance with the 'comply or explain' principle, below we will describe where Colruyt Group has departed from the Code's recommendations during this financial year:

At this time, the Board of Directors is composed of two executive directors and seven non-executive directors, two of which are independent directors.

The Board of Directors is of the opinion that an increase in the number of members must also constitute an enrichment in experience and competencies, without detracting from its efficient functioning.

The Board of Directors appointed an Audit Committee composed of one independent director and two non-executive directors. Based on the current composition of the Board as well as the various competencies that are present, this composition is optimal for an efficient functioning of this committee.

The Remuneration Committee, which consists of two independent directors and one non-executive director, was appointed after the General Assembly of 21 September 2011. The first remuneration report of the Remuneration Committee has been published in this annual report 2011/2012.

The Board of Directors has not appointed an Appointment Committee. The appointments therefore remain the competence of the plenary Board of Directors. The candidate-directors are presented to the General Assembly by the plenary Board of Directors.

The appointment of Managers takes place at the proposal of the Chairman of the Directorate with the approval of the plenary Board of Directors.

In line with Colruyt Group's long-standing tradition, Jef Colruyt is the Chairman of the Board of Directors and Chairman of the Colruyt Group Directorate and the Future Board. This deviation from the recommendations of the Belgian Corporate Governance Code for companies quoted on the stock exchange is justified in light of Colruyt Group's history and the desire of the reference shareholders to entrust one of the reference shareholders with the leadership of the Directorate.

2.1.2. Charter

2.1.2.1. General Assembly

The annual General Assembly of Shareholders takes place on the last Wednesday of the month of September at 4 pm at the company headquarters. If that day is a holiday, the assembly will be held on the first business day thereafter.

The Board of Directors and the Auditor may call the General Assembly and determine the agenda.

The General Assembly must also be called within one month of an appeal or written request from shareholders representing jointly at least 1/5th of the authorised capital.

All General Assemblies are called in accordance with the law. One or several shareholders who together hold at least 3% of the authorised capital, and who satisfy the statutory formalities regarding participation in the assembly, can have items placed on the agenda of the assembly and submit proposals for resolutions. The formalities to submit and register agenda items and proposals must take place in accordance with the statutory provisions and must be made known to the company no later than the 22nd day before the assembly of the company.

Each share entitles the holder to one vote. In order to be admitted to the assembly, each owner of shares must, before the opening of the assembly, provide evidence of his capacity as shareholder by registering his shares administratively no later than on the registration date and he must inform the company of his intention to participate in the assembly no later than the sixth day before the date of the assembly.

The owner of bearer shares must convert these bearer shares in advance into registered shares or into de-materialised shares, at his own option.

The registered shares are registered in the shareholder register at the company and the de-materialised shares must be registered on an account of an acknowledged account holder or clearing institution in accordance with Section 474 of the Belgian Company Code.

Shareholders shall vote in person or through a proxy. The proxy holder must be designated in accordance with Article 20 of the Articles of Association. Each proxy holder must meet the conditions to gain access to the assembly.

Shareholders who satisfy the statutory formalities to be admitted to the assembly as stipulated in Article 20 of the Articles of Association, can address their questions to the registered office of the company or electronically as soon as the convocation is published and no later than the sixth day before the beginning of the assembly. This right to put questions is regulated in Article 20bis of the articles of association.

The General Assembly may not deliberate on matters that are not announced on the agenda.

2.1.2.2. Board of Directors

Composition

The composition of the Board of Directors is the result of the structure of the shareownership in the company in which family shareholders, with the support of Sofina NV, are reference shareholders. As in the past, the family shareholders ensure the stability and continuity of the company and in this manner, they promote the interests of all shareholders. They choose to propose the role of directors to a limited group of representatives with diverse backgrounds, ample experience and thorough knowledge of the company. The directors form a small team with the necessary flexibility and efficiency to be able to adapt to events and to capitalise on the opportunities in the market.

There are no statutory rules for the appointment of the directors and the renewal of their mandate. The Board of Directors has decided to propose candidates for possibly renewable terms of no more than four years.

The General Assembly of Shareholders has the exclusive right to appoint (and if necessary to dismiss) the directors.

At this time, the Board of Directors is composed of two executive directors and seven non-executive directors, two of which are independent directors.

The Board of Directors is of the opinion that an increase in the number of members must also constitute an enrichment in experience and competencies that supports the development of the Colruyt Group.

In line with the Colruyt Group's long-standing tradition, Jef Colruyt is currently the Chairman of the Board of Directors and Chairman of the Colruyt Group Directorate and the Future Board. This deviation from the recommendations of the Belgian Corporate Governance Code for companies quoted on the stock exchange is justified in light of Colruyt Group's history and the desire of the reference shareholders to entrust one of the reference shareholders with the leadership of the Group Directorate.

Functioning of the Board of Directors

The Board of Directors meets every quarter in accordance with a previously determined schedule. The meetings are always held during the second half of the months September, November, March and June.

When necessary, interim meetings are held to discuss specific subjects or to make decisions within specific time frames.

The decisions of the Board of Directors are only valid if at least half of the members of the Board are present or represented. All decisions of the Board of Directors are taken by an absolute majority of votes. In the event of a tie, the Chairman's vote is decisive.

During the quarterly meetings of the Board of Directors, ideas are exchanged and decisions are taken on general strategic, cultural, economic, commercial, financial and accounting issues affecting the companies that belong to the group. This takes place based on a dossier, which, in addition to the consolidated information about Colruyt Group, also contains detailed information on each of the sectors within the group and the various group companies.

Fixed items on the agenda include financial results, financial forecasts, investment prospects and activities reports per sector within Colruyt Group.

The directors receive their dossiers at least five days prior to the meeting.

Committees within the Board of Directors

The Board of Directors appointed an Audit Committee composed of one independent director and two non-executive directors. This committee works together with the Group Directorate and the Auditor.

The Audit Committee has drafted an internal code. This code is published on our website at www.colruytgroup.com/financialinfo.

The members of the Audit Committee receive no special remuneration as members of this committee.

The Board of Directors also appointed a Remuneration Committee composed of two independent directors and one non-executive director.

The Remuneration Committee fulfils the tasks described in Section 526 of the Belgian Company Code on the remuneration policy (in the broadest sense) of the directors and the members of the Directorate. The Remuneration Committee will also prepare the remuneration report for the Board of Directors each year. After approval by the plenary Board, this remuneration report will be included in the corporate governance statement. Providing and explanation of the remuneration report before the General Assembly of Shareholders, as well as notifying the Works Council are also among the responsibilities of the Remuneration Committee.

In view of the small number of members of the Board of Directors, there is no Appointment Committee at present.

Remuneration

There is no protocol regarding exercising the position of Director. It is not common policy to grant loans or advances to Directors. The Directors do not receive bonuses or share-related incentive programmes or advantages in kind or advantages related to a pension plan.

In their capacity as managers, the executive directors receive the same remuneration components and advantages as the executive management of Colruyt Group.

The remuneration of directors (individual) and of members of the Directorate (collectively) is published in the remuneration report that is included under item 2.2.4.

2.1.2.3. Day-to-Day Management

Under the Chairmanship of Jef Colruyt, the Colruyt Group Directorate is composed of the general managers of the various sectors within the group and the Chief Financial Officer, the Human Resources Manager, the Technology and Real Estate Manager and the Business Processes and Systems Manager of the group.

The Colruyt Group Directorate determines the general strategy and policy options at the group level and ensures coordination between the various sectors of the group.

Future Board and Strategy meetings are held for each sub-activity on specific themes such as sustainable business practices, communication, marketing, human resources policy, etc.

The General Future Board consists of all the managers of Colruyt Group. As consultation and connection platform, the Future Board mainly focuses on the development of the group's long-term strategy and discusses the common vision and objectives of the group.

These meetings are scheduled at fixed times, every four and eight weeks respectively and are chaired by Jef Colruyt, Chairman of the Board of Directors.

There are also biweekly/monthly meetings under the chairmanship of the general managers, with the managers of the various sectors. Those meetings are devoted to the concrete implementation of the policy options chosen.

The day-to-day management of the company is divided between the General Managers and the managers of the group services (Finance, Human Resources and Organisation, Business Processes and Systems and Technics & Real Estate).

Each manager listed as a member of the Future Board has the obligation, within their individual departments, to ensure compliance with all statutory, regulatory, organic and conventional provisions and is responsible in the event of a breach thereof.

With the exception of Jef Colruyt, the members of the Colruyt Group Directorate are bound to their employer by an employment contract.

2.1.2.4. Profit Appropriation – Dividend Policy

The General Assembly may, at the proposal of the Board of Directors, decide to fully or partially allocate distributable profits to a free reserve or to carry them over to the following financial year.

The Board of Directors strives to at least increase the annual dividend per share in proportion with the increase in group profits. Though this is not a set rule, at least 1/3rd of the group's economic profits are paid out annually in the form of dividends and bonuses.

Pursuant to the provisions in the company's articles of association, at least 90% of distributable profits (excluding the profit participation of the employees) is reserved for the shareholders and no more than 10% is reserved for the Directors.

2.1.2.5. Shareholders / Shares

Transparency Notification

Each shareholder holding at least 5 % of the voting rights must comply with the act of 2 May 2007 on the disclosure of significant participations, the Royal Decree of 14 February 2008 and the Belgian Company Code.

The statutory thresholds per bracket of 5 % apply. Those concerned must send a notification to the Financial Services and Markets Authority (FMSA) and the company.

The most recent transparency notification is published in the company's annual report and on the website at www.colruytgroup.com/financial info.

The most recent transparency notification shows the existence of a reference shareholder group in the share ownership structure. The Colruyt family and the Sofina Group are shareholders who act by mutual agreement.

These shareholders have also reported that they held more than 30% of the shares issued with voting rights, pursuant to the act of 1 April 2007 on public offerings.

Inside Information - Measures to prevent market abuse and the use of inside information

Etn. Franz Colruyt NV has drawn up trading regulations in which measures have been taken to prevent market abuse and the use of inside information.

Regarding transactions for their own account in shares of the company or in derivatives or other financial instruments connected thereto by directors or other persons with managerial responsibility, the Board of Directors of Etn. Franz Colruyt has drawn up a series of rules regarding the execution of such transactions and the publication thereof (hereinafter referred to as the trading regulations).

The trading regulations apply to the members of the Board of Directors, the Directorate and all key employees of Etn. Franz Colruyt NV and its subsidiaries, who, as a consequence of their position or employment at Colruyt Group regularly or incidentally, in connection with their involvement in an operation to which price-sensitive information is connected have access to inside information (hereinafter referred to as insiders).

It is absolutely forbidden for the insiders of Etn. Franz Colruyt NV and its subsidiaries to engage in insider trading or to share this inside information with others.

Etn. Franz Colruyt NV has appointed a supervisor who is responsible for the supervision of the compliance with these trading regulations. Unless otherwise announced, the supervisor is the Secretary of the Board of Directors. His tasks include drawing up and maintaining a list of insiders, also in order to determine the closed and restricted periods, checking the transactions, granting clearing, etc.

In its trading regulations, Etn. Franz Colruyt NV has provided for a number of periods during which transactions in financial instruments are prohibited.

The periods in which no trading of shares may take place are determined by the CFO. In addition, the supervisor has the possibility during all other periods that are regarded as sensitive, when people have knowledge of sensitive information that has not yet been made public, to announce additional restricted periods.

Insiders are regularly informed of the existence of closed and restricted periods and the statutory and administrative law obligations in connection with this that are connected to the abuse or the non-permitted publication of this confidential information.

Outside of the restricted periods, the key employees must inform the supervisor before concluding a transaction in financial instruments of the company. In addition, for members of the Board of Directors and the Directorate, the trading regulations also stipulate that the supervisor must be informed before they wish to buy or sell financial instruments directly or indirectly. Once the transaction has been concluded, the directors and

the members of the Directorate must also inform the supervisor about this in writing.

All persons with managerial responsibility within Etn. Franz Colruyt NV and/or its subsidiaries and, if that should be the case, the persons who are closely connected to these persons, inform the Financial Services and Markets Authority (FSMA) about transactions executed in their name (or for their account) in shares, derivatives or other related financial instruments of the company.

Finally, Etn. Franz Colruyt NV, in accordance with the Act of 2 August 2001 and the Royal Decree of 5 March 2006, maintains lists of employees or persons who work for the company and/or its subsidiaries by virtue of an employment agreement or such, and who in one manner or another regularly or incidentally, due to their involvement in an operation to which price-sensitive information is connected, have access to inside information.

Each person whose name is on the list(s) is informed of this and is requested to read and sign the trading regulations. By doing this, they acknowledge that they are aware of their position as insider and that they are aware of the statutory and administrative law obligations connected to this inside information.

2.1.2.6. Information for the shareholders

All useful information for the shareholders is published on our website www.colruytgroup.com/financial info. All interested parties may register with the company to receive automatic notifications each time the website is modified or when new financial information is published on the website.

2.2. Events during the financial year

2.2.1. Audit Committee

The Audit Committee has drafted an internal code, which is published on our website at www.colruytgroup.com.

François Gillet, Piet Colruyt (Herbeco NV), Non-Executive Directors and Independent Director Willy Delvaux (BVBA Delvaux Transfer) form the Audit Committee. Under the chairmanship of François Gillet, the committee met on 17 June 2011, 16 September 2011, 22 November 2011 and 19 March 2012. During each meeting, the financial figures in the working document for the meeting of the Board of Directors were examined in detail and explained by the Financial Management. The auditors also presented their audit of the semi-annual and annual results at each meeting. The risk management team (internal audit) of Colruyt Group also drafted a quarterly report for the committee for each meeting.

The Audit Committee's recommendations and findings are standard items on the agenda for the meeting of the Board of Directors.

All members of the Audit Committee were present at each meeting.

This year, the Audit Committee also carried out an evaluation of its functioning as well as of its most important activities.

2.2.2. Remuneration Committee

The Remuneration Committee was appointed after the General Assembly of 21 September 2011. Astrid De Lathauwer (BVBA Unitel) and Willy Delvaux (BVBA Delvaux Transfer), independent directors, and Wim Colruyt, non-executive director, form the Remuneration Committee.

The Remuneration Committee has drafted an internal code, which is published on our website www.colruytgroup.com.

Under the chairmanship of Astrid De Lathauwer (BVBA Unitel), the Remuneration Committee met on 9 January 2012, 15 February 2012 and 19 March 2012. The main objective of these meetings was to describe and formalise the group's remuneration policy at the proposal of the Chairman of the Board of Directors of Colruyt Group.

The Committee also formulated proposals for the remuneration of the members of the Board of Directors. These activities have resulted in the remuneration report that is published integrally under item 2.2.4.

This report was finalised during the meeting of the Remuneration Committee on 5 June 2012.

The Compensation and Benefits team of the Human Resources and Organisation department provided assistance to the Committee at every meeting.

All the members of the Remuneration Committee were present at each meeting.

2.2.3. Meetings of the Board of Directors

At the proposal of the Board of Directors, Ms Astrid De Lathauwer (BVBA Unitel) was appointed as independent director by the General Assembly of 21 September 2011.

The Board of Directors held four ordinary meetings during this financial year: in June 2011, September 2011, November 2011 and March 2012. The first three meetings each took up an entire day and the main points were the discussion and development

of the services provided by the various labels and the group's trading activities. The meeting in March 2012 was held in France over two days in Rochefort-sur-Nenon (Dole, France). The directors were given an overview of the activities in France and met the local management. The directors also visited a number of Colruyt stores.

The meetings in June and November were preceded by a half a day of information on the semi-annual and annual results by the Chief Financial Officer.

In the summer of 2011, the Chairman also organised a day to perform a thorough evaluation of the Board, the Directors and their interactions with the shareholders, the Directorate, the Committees and the Auditor. After the prior preparatory individual consultations, this process was started on 1 June 2012 and it will run to the end of the financial year 2012/13. During this process, the directors will evaluate the manner in which they work together in the Board itself, as well as the interaction with the Audit Committee and the Remuneration Committee and the Directorate. The functioning of the Board in the light of the mission and corporate values of the group will also be an important item on the agenda.

All directors were present at each meeting.

No transactions occurred during the financial year 2011/2012 that could give rise to a conflict of interest within the meaning of Section 523 and 524 of the Belgian Company Code. This applies with regard to Etn. Fr. Colruyt NV as well as with regard to the subsidiaries.

2.2.4. Remuneration Report for the financial year 2011-2012

The Remuneration Committee makes recommendations regarding the level of the remuneration of directors, including the Chairman of the Board of Directors. These recommendations are subject to the approval of the plenary Board of Directors and subsequently the General Assembly.

The Remuneration Committee compares the remuneration of directors with that of other companies in order to arrive at a correct remuneration of the directors.

The Board of Directors of Colruyt Group prepared a proposal to lay down the current remuneration policy of the group. This proposal was explained and discussed with the Remuneration Committee and approved by the Board of Directors.

The Remuneration Committee submitted recommendations to the Board of Directors for approval regarding the remuneration

of the Chairman of the Directorate and, on the recommendation of the Chairman of the Directorate, with regard to the other members of the Directorate.

Finally, the remuneration of the members of the Directorate is composed in such a manner that the group is able to ensure the recruitment and retention of competent managers.

Information regarding the general principles of the remuneration policy

Directors

The Remuneration Committee has opted to pay out emoluments for directorships, irrespective of the number of meetings of the Board of Directors or one of its committees. In addition, it is proposed to the General Assembly to pay out part of the profit under the form of bonuses to the Board of Directors.

Directorate

A basic principle in the remuneration of the members of the Directorate is paying out a fair basic salary that is in line with the practice of a relevant basket of companies, and a variable salary depending on the company and individual results. This remuneration is supplemented with a group insurance policy, a disability insurance policy and a hospitalisation insurance policy on market terms. The companies with which the remuneration policy is compared, include large Belgian companies and foreign companies with important activities in Belgium, and are sufficiently comparable with Colruyt Group with regard to the size and nature of their activities.

Another basic principle in the remuneration of the members of the Directorate, who are currently all based in Belgium (1) is applying a number of principles which apply with regard to all members of the group in Belgium. For instance, all of these employees receive a profit participation as stipulated in the Act of 22 May 2001 on the participation in the profit and capital of the company, as well as a bonus related to non-recurring results as stipulated in the Act of 21 December 2007.

(1) One member of the Directorate has a "split-pay" scheme in accordance with the division of his responsibilities and activities over Belgium and France.

Finally, the remuneration of the members of the Directorate is composed in such a manner that the group is able to ensure the recruitment and retention of competent managers.

Information regarding the composition of the remuneration of the members of the Board of Directors and the Directorate

Board of Directors

All directors of the group receive emoluments as remuneration for their directorships.

Directorate

For the Chairman of the Directorate, the on-target variable salary equals the base salary. For the other members of the Directorate, the variable salary amounts to between 50% and 75% of the base salary. The variable salary amounts to maximum 1,75 times the on-target variable salary.

The variable salary of the members of the Directorate does not include a share-based remuneration. In this manner, the Board of Directors wishes to avoid any motivation to engage in speculative behaviour.

Insofar as the variable salary of the members of the Directorate consists of the profit participation, which is allocated to them based on the profit-participation plan that is in effect for the financial year concerned, this is paid out in cash or in shares, without a discount, at the choice of the member of the Directorate.

The remuneration policy for the next two financial years will be adjusted for the Chairman of the Directorate and the other members of the Directorate in line with the development of the financial targets and the adjustment of individual qualitative and quantitative performance criteria.

In other words, no significant adjustments of the remuneration policy are expected in comparison to the past financial year.

No arrangement has been provided for the right of retention, in favour of the company, of variable remuneration that was allocated based on incorrect financial information.

In 2011/2012, the members of the Board of Directors received the following remuneration:

	Remuneration received in 2011/2012 (1)	Bonuses financial year 2011/2012
Anima (2)	348.655 EUR	972.423 EUR
Herbeco	87.164 EUR	818.884 EUR
Farik	87.164 EUR	818.884 EUR
François Gillet (3)	87.164 EUR	818.884 EUR
Jef Colruyt	87.164 EUR	
Frans Colruyt	87.164 EUR	
Wim Colruyt	87.164 EUR	
Willy Delvaux (BVBA Delvaux Transfer), independent director	87.164 EUR	
Astrid De Lathauwer (BVBA Unitel), independent director (4)	65.373 EUR	

(1) Gross annual amounts

(2) The emoluments of Jef Colruyt as Chairman of the Board of Directors were paid to Anima NV.v

(3) François Gillet's compensation was paid to Rebelco SA, subsidiary of the Sofina Group, his employer.

(4) The remuneration of Ms De Lathauwer (BVBA Unitel) is specified in proportion to the period that she was a director of the group in the financial year.

It will be proposed to the General Assembly of Shareholders of 26 September 2012 to allocate EUR 3.429.075 as bonuses to the directors who represent the reference shareholdership of the group, with the exception of executive directors and directors who have an employment relationship with the company. As these bonuses are not linked to the individual performance of the directors, these bonuses are not classified as a variable remuneration. These bonuses represent 1% of the net profit of the financial year 2011-2012 and are allocated to ensure the stability in the Board of Directors of the company. These bonuses represent 0.001% of the market value of the company on 31 March 2012.

Pursuant to the provisions in the company's articles of association, at least 90% of distributable profits is reserved for the shareholders and no more than 10% is reserved for the Directors.

Information regarding the performance-linked remuneration of the members of the Directorate

The variable salary of the Chairman of the Directorate and the other members of the Directorate is determined for 70% by collective criteria based on the operating profit of Colruyt Group. This variable salary is determined for 30% by individual criteria, with in particular qualitative criteria such as the working atmosphere, staff turnover, team building, the employee's readiness to serve, prevention policy regarding accidents at work etc. All criteria are determined in accordance with the group's mission and values. The Chairman has the possibility to award an extra bonus of 10% of the variable salary, which can be awarded in the event of an exceptional performance on the part of one or several members of the Directorate.

The variable remuneration that results from the realisation of the collective performance criteria can only be allocated for a maximum of 50% in the event that the member of the Directorate has only realised the performance criteria on an individual basis for 50%.

If the group EBIT drops below a specific threshold value, then a variable remuneration will no longer be paid out.

The performance of the Chairman of the Directorate and the performance of the members of the Directorate is appraised annually, in the course of the first three months following the end of the financial year. This appraisal regards the performance in the past financial year and the development of individual competencies and performance targets over the last three years.

Information regarding the remuneration of the Chairman of the Directorate and the members of the Directorate

The remuneration, paid directly or indirectly to the Chairman of the Directorate, comprises the following in the financial year 2011-2012:

Base salary	448.682 EUR
Variable remuneration in cash	618.284 EUR
Contributions paid for pensions	63.720 EUR
Other components	9.900 EUR

The Extraordinary General Assembly of 13 October 2011 resolved to make use of the option provided for in Section 520ter of the Belgian Company Code and explicitly decided not to apply the provision regarding the definite acquisition of shares and share options as well as not to apply the provision regarding the

spreading over time of the payment of the variable remuneration to all persons who fall within the scope of these provisions. The company shall therefore not be bound to the limitations as laid down in Section 520ter of the Belgian Company Code.

The remuneration, paid directly or indirectly to the other members of the Directorate, comprises approximately the following in the financial year 2011-2012:

Base salary	1.802.440 EUR
Variable remuneration in cash	1.646.122 EUR
Contributions paid for pensions	308.739 EUR
Other components	30.840 EUR

These figures show gross amounts on an annual basis. The severance pay paid to Johan Geeroms has not been included in the above. Social security contributions are paid over the gross salaries. The members of the Directorate can opt to receive their participation in profits in the form of shares, in accordance with the law of 22 May 2001. In total, the members of the Directorate thus acquired 503 shares. The value of these shares is included in the above calculation.

The Board of Directors has opted not to allocated a share-based remuneration, with the exception of shares that the members of the Directorate can acquire under the Profit Participation Plan. These shares are blocked for a period of two years.

No substantial adjustments have been made with regard to the remuneration of the Chairman of the Directorate and the other members of the Directorate in comparison to the past financial year.

Information regarding severance pay

The members of the Directorate do not have any individual contractual agreements with Colruyt Group insofar as this concerns their severance pay.

Johan Geeroms, member of the Directorate, left the company during the financial year 2011-2012. At the proposal of the Chairman of the Directorate and with the approval of the Remuneration Committee and the plenary Board of Directors, Johan Geeroms received a severance payment of 18 months of base and variable salary as appreciation for the many years that he has served the company, his strategic contribution and added value for the group.

2.3. Risk management and internal control

2.3.1. General

In accordance with its mission, Colruyt Group aims to carry out a policy of "sustainable entrepreneurship". This policy is translated concretely into the strategic and operational objectives of the group and of each division within the group. The group is exposed to a large number of risks within the context of its normal business operations that can result in the aforementioned objectives being affected or not achieved. Controlling these risks is a core task of each member of the Directorate and this within his/her area of responsibility. In order to support the members of the Directorate in bearing their responsibility, the group has set up risk management and internal control systems with the aim to provide reasonable certainty in the following fields:

- realisation of the strategic and operational objectives;
- effectiveness and efficiency of the business processes;
- reliability of the financial reporting;
- conformity with applicable laws and regulations.

The most important features of these systems as well as the most relevant risks for the group are discussed in this section of the annual report.

The principles of the COSO reference framework have served as a source of inspiration to the group in setting up its risk management and internal control systems.

2.3.2. Components of the risk management and internal control systems

2.3.2.1. Control environment

The group's control environment forms the basis for all other components of the risk management and internal control systems and is mainly represented by the company culture. The uniqueness of this is based on a number of pillars such as our group mission, values, employees and organisational structure, which are geared to each other (the group's organisation model) and which contribute that within the context of "craftsmanship" risks and risk management are dealt with consciously when weighing possibilities and taking decisions. In this context, we also refer to section 2 of this annual report where the mission and values of the group are set out in detail.

Concretely, the control environment of the group comprises, amongst others, the following elements:

- propagating and monitoring the group values, codes of conduct and policy lines,
- the management style and exemplary role of the management,
- documenting delegation and responsibility ('decision matrix'),

- ensuring the expertise of our employees (job descriptions, selection process, competencies management through development interviews and education and training plans).

Most of these pillars of the control environment are currently being further elaborated and strengthened in the context of a programme of 12 group projects that was launched in 2009 (the programme 'Colruyt Group 2012').

2.3.2.2. Risk management process

2.3.2.2.1. Background and objective

Colruyt Group has developed a number of group-wide processes for structured and systematic risk management which are based on the principles of Enterprise Risk Management (ERM). This initiative is being carried out under the programme name "Coris" (Colruyt Group Risk management). The objective of this programme is to increase the awareness of all employees and to draw up an inventory of the risks that we are exposed to in order to control these risks. We wish to encourage our employees to take controlled risks as entrepreneurship is based on taking risks. To this end all, supervisors and the employees concerned follow the Coris training sessions. All activities of the group are to have gone through the Coris process - as described below - by the end of 2012.

2.3.2.2.2. Process and methodology

The whole group is divided into 25 domains. Each domain must go through the following process steps in a structured manner: risk identification, risk analysis, risk evaluation, risk response (implement additional control measures if necessary), monitoring and corrective measures. This process is coordinated and facilitated by the Risk Management team, which reports on this to the Board of Directors and the Audit Committee

The most important risks in connection with the activities of Colruyt Group are specified in a risk universe that is divided into five categories:

- **Strategic risks:** such as market dynamics, governance, planning and the allocation of resources, important initiatives, acquisitions and communication.
- **Operational risks:** these include marketing and sales, purchasing, stocks and production, human resources and organisation, information technology, fixed assets and theft.
- **Financial risks:** these concern the risks connected to the financial markets (interest rates, currencies, commodities), liquidity and loans, capital structure, accounting and financial reporting.
- **Legal risks:** codes of conduct (ethics, fraud), legal risks, laws and regulations.

• **Force Majeure risks:** natural disasters, fire, terrorist acts, power failures.

In order to allocate a risk score to the identified risks in a consistent manner, scales have been elaborated for “probability”, on the one hand, and “impact”, on the other hand. The scale for impact is based on the risk appetite that is determined by the Board of Directors of the group. A risk matrix is drawn up for each group domain based on the risk scores, whereby risks are classified as high, average or low. A risk response is provided for the high risks: this is an action plan to bring the risk score below the tolerance limits. The high and average risks are also monitored.

All risks are recorded in the risk register of the domain in question with a specification of the risk tolerance and the relevant KRIs (Key Risk Indicators). In addition, each risk is allocated to a risk owner who is responsible for setting up and implementing action plans (if necessary) and for the monitoring and follow-up of his/her risks. A risk coordinator is appointed for each domain who is responsible for the administration of the risk register and provides for the follow-up and who ensures that risk management receives the necessary attention within the domain.

The Coris programme has led to the members of the Directorate adding risk management to their periodic activity report as a separate section.

2.3.2.2.3. Most important risks of Colruyt Group

The most important risks of the group and the internal control and management measures in connection with these risks are discussed below in paragraph 2.3.2.3.2.

2.3.2.3. Measures in connection with risk management and internal control

2.3.2.3.1. General: process and system methodology

Risk management and internal controls have been incorporated into processes and systems in order to provide a risk response to risks. For new processes and systems, this takes place at the time of design and development; with regard to existing processes and systems, new emerging risks are controlled by means of implementing additional measures and internal controls (process and system optimisation). The Business Processes & Systems department supports the setting up and optimisation of processes and systems and thus also the integration of risk management and internal controls in these processes and systems, while those responsible for the process are the risk owners and therefore they bear the ultimate responsibility for the process being “under control”.

2.3.2.3.2. Most important risks and control measures Colruyt Group

2.3.2.3.2.1. Strategic risks

• **Risks in connection with market dynamics**

An important strategic risk of the group mainly concerns the development of consumer spending and cost-induced inflation. As Colruyt strives to guarantee the lowest prices on the market to the consumer, the actions of competitors can influence the profitability of the group. Therefore, the group constantly seeks to monitor and analyse its cost structure and to implement measures to improve efficiency where possible.

• **Risks in connection with growth**

The group is committed to a growth strategy that also includes growth through acquisitions in addition to organic growth. The success of this growth depends therefore also on the degree in which the group succeeds in making acquisition that it is able to integrate successfully with its existing activities. In the event of cross-border acquisitions, the group is also exposed to the economic, social and political risks connected to the activities in these countries. The group strives to mitigate the above-mentioned risks in as far as possible through a formalised acquisition process, including thorough due diligence activities.

2.3.2.3.2.2. Operational risks

• **Supply chain risks**

The constant supplying of the distribution centres and stores of the group is of vital importance to be able to realise our results objectives. In order to limit the supply chain risks, the group strives to establish a transparent relationship with all of its suppliers. Furthermore, no single supplier has a dominant position that could jeopardise the supply process. Finally, scarcity problems or supply problems can be absorbed within the network of the purchasing group Coopernic. In order to limit the supply chain risk as much as possible, the group strives for long-term contracts with its suppliers. The non-availability or inaccessibility of distribution centres can also have an important impact on the continuity of our activities. With regard to this risk, the group has provided for the necessary continuity programmes and contingency measures.

- **HR related risks**

The group has trade union representatives in most of its activities in Belgium and France. A positive and constructive social climate contributes to the growth and development of the company. Social actions within or outside of our organisation can have a negative effect on the continuity of the activities of the group, in the sense that supply, sales, production or supporting corporate services can be disrupted temporarily. Colruyt Group strives to minimise this risk by maintaining a strategy of open and transparent communication with all employees as well as entering into a constructive dialogue with and listening to all social partners.

- **Information technology risk**

The group is dependent to an important extent on its IT systems, i.e. infrastructure, networks, operating systems, applications and data banks. Although these systems are maintained by a team of experienced specialists, the failure thereof, even for one day, can result in an immediate loss of revenue for the group. The group strives to safeguard the continuity of the data processing through various mirror and back-up systems, continuity plans and contingency back-up scenarios.

2.3.2.3.2.3. Financial risks

- **Financial reporting**

The risk management and internal control systems with regard to the process of financial reporting are described in detail below in paragraph 2.3.3.

- **Currency, interest rate, credit and liquidity risks**

In view of the nature and structure of its activities, the group is only exposed to these financial risks to a limited extent, with the exception of the credit risk. These financial risks are described in more detail in the notes to the consolidated financial statements in the chapter 'Risks in connection with financial instruments'.

2.3.2.3.2.4. Legal risks

- **Risks in connection with product liability**

The production, packaging and selling of food products and other trading goods can entail risks of product liability, obligations to take back and/or replace goods. Products can be soiled, infected or defective or could contain foreign objects and nevertheless be distributed by the group unintentionally. As a result, the group can be exposed to claims in connection with product liability. Even if the claims with regard to product liability are not successful, the group could suffer from the negative impact on its reputation in connection with such a claim. The group has concluded insurance policies to insure itself against the risks of product liability and recalls. The group is also active in the area of food safety and carries out extensive quality audits on products that are intended for sale and sets up programmes

together with its suppliers to monitor the quality consistently. As far as non-food products are concerned, the group requires that its suppliers adhere to the agreed return and/or replacement obligations agreed in advance.

- **Risks in connection with environmental liability**

In general, the group can always be held responsible for repairing accidental damage to the environment, regardless whether this damage to the environment was caused by the group or by a previous owner or tenant. The group has concluded insurance policies for these types of risks. As far as its petrol station activities are concerned, the group adheres to the statutory inspection obligations and it also carries out additional inspections to detect pollution timely. A decontamination plan is immediately drawn up for pollution that has been detected.

- **Regulatory risks**

The group is subject to the applicable laws and regulations of each country in which it is active as well as to the laws and regulations imposed by the European Union. As a result of its listing on Euronext Brussels, the group is subject to Belgian and European corporate governance laws that apply to stock-listed companies. The group strives to respect its statutory obligations. Due to changing laws and regulations, the group may have to invest further in its administrative or other processes, each time that the legal framework changes.

Changes in the laws and regulations in a country or region where the group operates can have an effect on the results of Colruyt Group. To the extent possible, the group strives to accommodate changes in a proactive manner, in other words, by adopting an innovative and progressive approach. The best examples of this approach are the environmental laws, where possible more stringent emission standards are already accommodated by the group by means of proactive investments in solar energy, wind energy and hybrid trucks. Furthermore, changes in tax laws can influence the realised profit of the group both positively and negatively.

In order to control the regulatory risks, the group has set up the necessary competence centres and compliance activities.

- **Risks in connection with health and safety**

The risks in connection with work-related accidents and obligations in connection with personnel are covered by insurance policies with external insurers. In addition, the group strives to avoid health and safety incidents in as far as possible by implementing extensive safety and prevention programmes.

2.3.2.3.2.5. Force majeure risks

• **Fire, natural disasters, terrorist attacks, malicious deeds**

The group manages these insurable risks through a combination of external insurance and own cover. The group bases its decision on its safety and prevention programmes and on the cost price of external cover. External insurance is used when available at a reasonable cost on the insurance market or when insurance policies are mandatory.

The group also makes use of its reinsurance company Locré, which is a wholly-owned subsidiary. The objective of this reinsurance programme is to provide permanent flexibility in its risk programme and to optimise the costs thereof in the function of the risks.

The group seeks to avoid damage to buildings and the interruption of operations due to fire, explosions or other dangers as much as possible by implementing fire safety and prevention programmes.

• **Black-outs and power disruptions**

The negative consequences of these risks are covered by insurance policies. In addition, the group has a number of continuity programmes and contingency back-up plans and means (such as mobile electricity and cooling units) in the event that an incident occurs.

2.3.2.4. Information and communication

In order to enable employees within the various hierarchical levels to perform their jobs properly and to assume their responsibilities, the group has extensive and advanced information and communication flows. This ranges from transaction data, which serves to support the settlement of individual transactions, to operational and financial information with regard to the performance of processes and activities and this from service level to group level. The general principal that applies in this case is that employees receive the information that they require to perform their tasks while supervisors receive information regarding the elements on which they have an impact.

The main flows regarding steering information concern:

- financial management reporting: turnover, gross profit, payroll costs, other direct and indirect costs and depreciation, EBIT and EBITDA,
- operational reporting: detailed reporting regarding turnover, gross profit, salary costs, store contribution, store productivity,
- cockpit reporting: realisation versus forecast of the most important financial and operation KPIs
- project reporting in connection with the monitoring of projects.

2.3.2.5. Monitoring

Monitoring concerns the monitoring of the effective functioning of the risk management and internal control measures which is based on three lines of defence.

The first line concerns the monitoring by the management itself based on supervision, analysis and monitoring the information mentioned in the previous paragraph, monitoring of exception reports and the monitoring in connection with the Coris programme (KRIs). If necessary corrective measures are initiated. It is usually the person who is responsible for the process who carries out these monitoring activities.

The business unit controllers form the second line of defence. Based on the reporting of financial and operational results and KPIs, as well as the analysis thereof, the business unit controllers acquire the necessary insights into the performance of activities and processes and fulfil a signalling and advice function with regard to the persons responsible for operations.

Finally, there is the third line of defence: the Board of Directors supervises the proper functioning of the risk management and internal control systems through the Audit Committee (see also section 5 paragraph B.1. of this annual report). To this end, the Audit Committee also makes use of the information provided by the external auditors. Furthermore, the Audit Committee is in contact with the Risk Management team (internal audit) on a quarterly basis, whereby the activities carried out by this team and their results are reported and corrective measures can be taken by the Audit Committee if necessary. Both external audit and risk management assess the organisation and functioning of the internal controls contained in the processes and systems, and this from their respective perspectives: for external audit this concerns the certification of the group financial statements, the emphasis for risk management lies more on controlling the process risks and the possible negative consequences of these risks.

2.3.3. Risk management and internal control with regard to the process of financial reporting

The non-timely or incorrect reporting of financial figures can have a large impact on the reputation of Colruyt Group. In order to ensure the quality and timeliness of the produced and reported financial figures, the group has implemented the following risk management and internal control measures:

2.3.3.1. Closing process

While the accounting is closed monthly, mainly for the management reporting, the financial figures of the group are consolidated quarterly based on a formalised closing process. This process specifies the various process steps and the time line for each step, the to be delivered financial figures and other information, as well as the roles and responsibilities of and interaction between the different parties in the process. The process is monitored by a closing coordinator, who is not himself involved in the process. At the end of each closing, the process is evaluated and if necessary corrective measures are taken. During the semi-annual and annual closing, the process also provides for coordination with external auditors at regular intervals. To support the closing process, a reporting manual has been prepared and implemented and a IFRS competency team has been set up.

2.3.3.2. Monitoring the quality of financial figures

The closing process goes through different departments such as accounting, business analysis, consolidation and corporate controlling, the last department in connection with the information provided to the Board of Directors. Each department carries out quality controls in segregation of duties, both with regard to the financial figures obtained from the previous process step and with regard to the financial figures that they produce themselves. These quality controls mainly concern reconciliation (for example of the various general ledgers), reconciliation (for example of accounts), alignment of financial reporting with management and operational reporting, variation analyses and validation rules (for example of consolidation flows and balances). At the end of the closing process, the consolidated financial figures are analysed in relation to previous periods and the fluctuations must be substantiated. Furthermore, the realised financial results are checked against the expectations. For the to be published financial figures, the printer's proofs are compared to the financial figures provided by the system. Finally, a final check takes place for validation by the CFO.

2.3.3.3. Communication financial reporting

In order to communicate and provide information as transparently as possible, Colruyt Group publishes financial press releases on dates agreed in advance. In addition, the communication efforts of the management take the form of road shows and regular telephone contacts as well as actual visits of and with investors and analysts. Finally, more than 20 analysts publish reports at regular intervals with financial information about Colruyt Group.

3. Share Ownership – Colruyt Shares

Calendar for the shareholders

12/09/2012	Registration date for deposition of shares for participation in the annual General Assembly of Shareholders.
26/09/2012 (4 pm)	General Assembly of Shareholders for the 2011/2012 financial year.
	Dividend (coupon 2)
28/09/2012	ex- date (detaching of the coupons)
02/10/2012	record date (centralisation of the coupons)
03/10/2012	Payment
16/10/2012	Certificates for exemption from or reduction of withholding tax on movables for dividends in our possession.
11/10/2012	Extraordinary General Assembly Capital increase Etn. Fr. Colruyt NV reserved for personnel of Colruyt Group (Section 609 of the Belgian Company Code)
30/11/2012 (5:45 pm)	Publication of the semi-annual information on the 2012/2013 financial year.
03/12/2012	Informative meeting with financial analysts
28/01/2013 (5:45 pm)	Publication of sales after the end of the third quarter 2012/2013
25/06/2013 (5:45 pm)	Publication of the result of the 2012/2013 financial year.
26/06/2013	Informative meeting with financial analysts
31/07/2013 (5:45 pm)	Publication of sales after the end of the first quarter 2013/2014
31/07/2013	Publication annual report 2012/2013 financial year on our website
25/09/2013 (4:00 pm)	Annual General Assembly of Shareholders for the 2012/2013 financial year.

3.1. Dividends of the Financial Year 2011/2012 (1)

The Board of Directors proposes to pay a gross dividend of EUR 0,95 to shares of Etn. Fr. Colruyt NV participating in the profits of the 2011/2012 financial year.

Of the gross dividend of EUR 0,95, shareholders will receive a net amount of EUR 0,7125 after deduction of the 25% withholding tax on movables.

VVPR stripholders will benefit from a reduced withholding tax on the dividends. For those shares, the net dividend per share will amount to EUR 0,7505, after deduction of 21% withholding tax on movables⁽²⁾.

The capital increases reserved for members of the personnel of Colruyt Group have always involved the issue of such VVPR strips since 1995.

For foreign shareholders, the amount of the net dividend may differ depending on the taxation treaties between Belgium and the various countries. The necessary certificates must be in our possession no later than on 16 October 2012.

The dividend of the financial year 2011/2012 will be made available for payment as from 3 October 2012 against the exchange of coupon number 2 at the counters of the financial institutions.

The coupons for dividend collection may be presented to the counters of every financial institution in Belgium.

BNP Paribas Fortis Bank will act as the principal paying agent of the dividends.

With the split of the share by five as from 15 October 2010, only the shares and strips with the respective ISIN codes BE0974256852 and BE0005637112 are listed on Euronext Brussels. The old shares and VVPR-strips are no longer listed and only remain valid for the purpose of exchanging these shares and strips and the payment of non-collected dividends of past financial years. For the collection of dividends or for participation in General Assemblies, old physical securities with coupon 13 and following attached must first be exchanged for new de-materialised securities.

Information on the Colruyt share Stock exchange listing

COLR
LISTED
NYSE
EURONEXT

Euronext Brussels (since 1976)
Member of Bel20-index

Share ticker:	COLR
ISIN code:	BE0974256852
VVPR strip ticker:	COLRS
ISIN code:	BE0005637112

Development of the stock price over the last five financial years



Development of the stock price over the last five financial years compared to the Bel20



Source: www.euronext.com

Colruyt •
Bel 20 •

(1) Subject to approval by the General Assembly of 26 September 2012.
(2) The Act of 28 December 2011 containing various provisions and in the meantime amended by the Pluri-annual Estimates Act of 29 March 2012 has increased the regular withholding tax rate on VVPR-strips from 15% to 21%. In addition, this Act has introduced a new additional tax of 4% on interest income and dividends (which are subject to 21% withholding tax), which are allocated or payable as from 1 January 2012 to tax payers who are subject to income tax and whose annual income exceeds EUR 20.020.

3.2. Overview shares of Etn. Fr. Colruyt N.V.

	2011/2012 (1)	2010/2011
Number of shares		
Ordinary shares	159.465.925	159.465.925
VVPR	9.054.199	8.829.005
Total	168.520.124	168.294.930
Profit-sharing shares	168.520.124	168.294.930
Treasury shares	12.447.336	9.761.336
Shares owned by subsidiaries	0	0
Balance	156.072.788	158.533.594
Data per share (in EUR)		
Gross dividend	0,95	0,92
Net dividend/ordinary share	0,7125	0,69
Net dividend/VVPR share	0,7505	0,782
Profit (Share of the Group)	2,18	2,14
Basis for calculation (weighted average on 31/03) (2)	157.391.224 shares	158.032.176 shares
Share price in Brussels (in EUR)		
Share price on 31/03	30,14	37,16
Highest price of the year (closing price)	39,97	41,24
Lowest price of the year (closing price)	27,215	33,32
Stock exchange value on 31/03 (in EUR million)	5.079,20	6.253,84

(1) Situation on 01/06/2012

(2) Calculated based on the number of profit-sharing shares, after deduction of profit-sharing shares owned by the company and by subsidiaries.

3.3. Purchase of treasury shares

For several years, the Extraordinary General Assembly of Shareholders has granted the authorisation to the Board of Directors of Etn. Fr. Colruyt N.V. to purchase treasury shares. The purchase of treasury shares takes place in accordance with Section 620 of the Belgian Company Code, which was amended on 1 January 2009, as well as in accordance with the Sections 205 up to 207 of the Royal Decree of 30 January 2001, as amended by Royal Decree of 26 April 2009. The main amendments concern the extension of the term of validity of the authorisation to purchase treasury shares by the General Assembly to five years, the raising of the purchase limit to a

maximum of 20% of the total number of issued shares as well as the manner of publication of such transactions.

The Extraordinary General Assembly of Shareholders of 16 October 2009 has decided to renew the aforementioned authorisation of the Board of Directors for a period of five years.

The Board of Directors has already made use of the authorisation that was granted to it several times by purchasing treasury shares on the stock exchange via financial institutions. The Board of Directors authorises the Chairman and the CFO of the company

within which execution terms and conditions the treasury shares can be purchased.

In the past financial year, the Board of Directors made use of the authorisation granted to it. 2.695.173 treasury shares were purchased, amounting to a total investment of EUR 82,56 million. On 31 March 2012, Etn. Fr. Colruyt N.V. owned 12.355.249 of its own shares. This represents 7,33% of the total number of shares issued (168.520.124).

Of those shares, 97.196 shares will be given to employees who wish to receive their participation in the 2011/2012 profit in the form of shares, under the resolutive condition of approval by the General Assembly.

For an overview of the treasury shares on 1 June 2012 reference is made to the table under item 3.2. Overview shares of Etn. Fr. Colruyt N.V.

In accordance with Section 622, paragraph 1 of the Belgian Company Code, the Board of Directors decided that the dividends of the shares or certificates that are held by Etn. Fr. Colruyt will not be paid out for the period that these are held. The voting rights connected to these shares have also been suspended.

Overview of the purchase of treasury shares

Overview of the purchase of treasury shares	2011/2012
Treasury shares 31/03/2011	+ 9.761.336
Granted to employees for the 2010/2011 participation in profits	- 101.260
Purchased in 2011/2012	+ 2.695.173
Total treasury shares on 31/03/2012	12.355.249

3.4. Structure of the shareownership of Etn. Fr. Colruyt N.V. according to the last transparency notification dated 7 May 2012

Pursuant to the act of 2 May 2007 and the Royal Decree of 14 February 2008 (publication of significant participations in companies quoted on the stock exchange), we received an updated notification of participation from the Colruyt family, Sofina and Colruyt Group on 7 May 2012.

The company has no knowledge of other agreements between shareholders.

The statutory thresholds per bracket of 5% apply.

Transparency Notification of 7 May 2012

I. Colruyt Family and Relatives

	Number	%
1. Stichting Administratiekantoor Cozin	0	0,00
2. Family Colruyt	10.017.528	5,94
3. N.V. Korys	1.000	0,00
4. N.V. H.I.M.	41.266.207	24,49
5. N.V. D.I.M.	24.542.500	14,56
6. N.V. H.I.M. TWEE	0	0,00
7. N.V. H.I.M. DRIE	413.150	0,25
8. N.V. D.H.A.M.	1.750.000	1,04
9. N.V. ANIMA	116.975	0,07
10. N.V. HERBECO	65.500	0,04
11. N.V. FARIK	35.000	0,02
12. Stiftung Pro Creatura	150.705	0,09
TOTAL COLRUYT FAMILY ACTING BY MUTUAL AGREEMENT	78.358.565	46,50

II. Colruyt Group

Etn. Fr. Colruyt N.V. (treasury shares purchased)	12.443.336	7,38
TOTAL COLRUYT GROUP	12.443.336	7,38

III. Sofina Group

N.V. SOFINA	8.750.000	5,19
TOTAL GROEP SOFINA	8.750.000	5,19

TOTAL COLRUYT FAMILY, COLRUYT GROUP AND SOFINA GROUP ACTING BY MUTUAL AGREEMENT	99.551.901	59,07
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Denominator: 168.520.124 (situation on 07/05/2012)

Chain of controlled companies:

- Etn. Fr. Colruyt N.V. is controlled by DIM N.V. and HIM N.V. (and HIM Twee, HIM Drie N.V. and DHAM N.V.), which are directly and/or indirectly controlled by Korys N.V., which in turn is controlled by Stichting Administratiekantoor Cozin.
- DIM N.V. is controlled by Korys N.V., which in turn is controlled by Stichting Administratiekantoor Cozin.
- HIM N.V. is controlled by Korys N.V., which in turn is controlled by Stichting Administratiekantoor Cozin.
- HIM Twee N.V. is controlled by Korys N.V., which in turn is controlled by Stichting Administratiekantoor Cozin.
- HIM Drie N.V. is controlled by DIM N.V., which is controlled by Korys N.V., which in turn is controlled by Stichting Administratiekantoor Cozin.
- DHAM N.V. is controlled by DIM N.V., which is controlled by Korys N.V., which in turn is controlled by Stichting Administratiekantoor Cozin.
- Korys N.V. is controlled by Stichting Administratiekantoor Cozin.
- Stiftung Por Creatura, a foundation in accordance with Swiss law, is controlled by natural persons (who directly or indirectly own less than 3% of the shares of the Company with voting rights).

3.5. Communication of Agreement by Mutual Consent (Section 74 of the Act of 1 April 2007)

The same parties also have an agreement of mutual consent in the sense of Section 74 of the Act of 1 April 2007 on the public takeover bids announced to the company and to the Financial Services and Markets Authority (FSMA).

HIM NV sent an update of the participations to the company and to the FSMA on 26 August 2011 on behalf of all parties acting by mutual agreement. On 25 August, the number of shares involved in the mutual agreement amounted to 58,025 % of the total number of outstanding Colruyt shares on that date.

The complete letter can be found on our website www.colruytgroup.com/financial.

According to the law, an update of the participations concerned must be communicated once a year at the end of August.

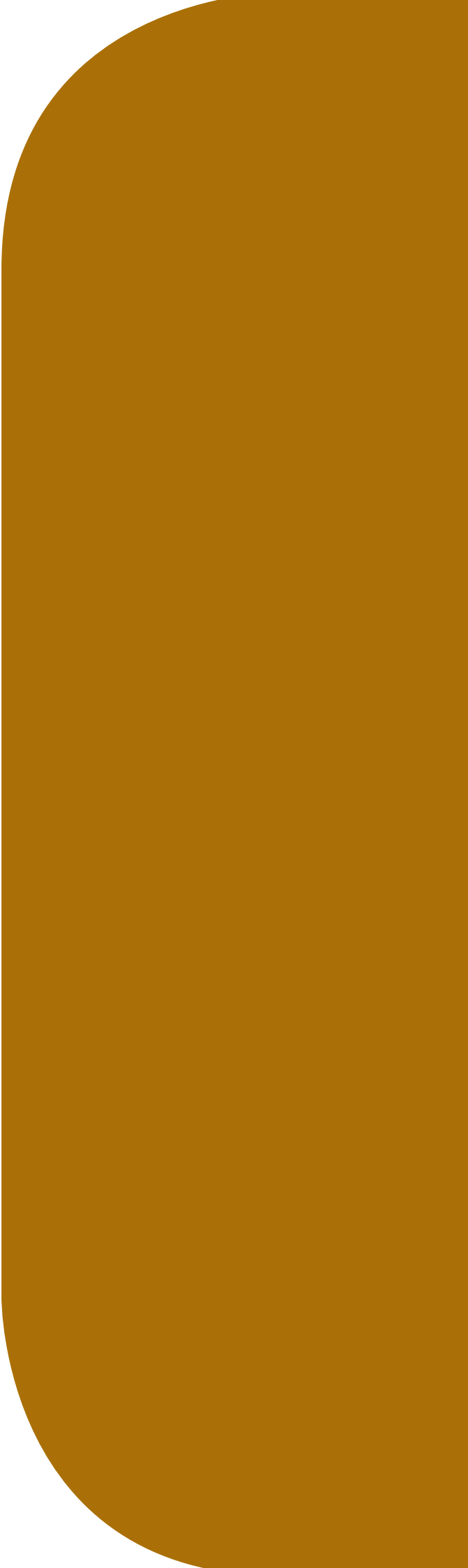
3.6. Ethibel



Colruyt has been included in the investment register of the European collective “ETHIBEL” label and in the “Ethibel Sustainability Indices” (ESI - Pioneer and Excellence) since 17 January 2003. Forum ETHIBEL is an independent European organisation that evaluates various companies with regard to corporate responsibility and sustainable business practices.

The ETHIBEL investment register is used by banks, investment funds and institutional investors for socially responsible investing (SRI). The “Ethibel Sustainability Indices” provide an overview of the financial services of leading companies in the area of sustainable business practices.

More information can be found on the website of Forum ETHIBEL: www.ethibel.org.



05

Financial Report

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1. Consolidated income statement

	Note	2011/12	2010/11 ⁽¹⁾
(in EUR million)			
Revenue	8.3	7.847,6	7.280,1
Cost of goods sold	8.3	(5.839,0)	(5.412,5)
Gross profit	8.3	2.008,6	1.867,5
Other operating income	8.4	62,4	55,8
Services and miscellaneous goods	8.5	(357,5)	(342,5)
Employee benefits expenses	8.6	(1.001,9)	(935,7)
Amortisation, depreciation and impairment of non-current assets		(196,2)	(149,0)
Provisions and write-offs of current assets		(5,3)	0,4
Other operating expenses	8.4	(24,9)	(24,3)
Operating profit before financing costs (EBIT)		485,2	472,2
Finance income	8.7	8,8	7,4
Finance costs	8.7	(5,8)	(7,2)
Net financial result	8.7	2,9	0,2
Share of results of associates	8.12	0,7	5,2
Profit before tax		488,8	477,7
Income tax expense	8.8	(145,9)	(139,7)
Profit for the financial year		342,9	337,9
Attributable to:			
Non-controlling interests		0,0	(0,1)
Owners of the parent		342,9	338,0
Earnings per share – basic and diluted (in EUR)	8.21	2,18	2,14

(1) The comparative information for the reporting period 2010/11 is adjusted as indicated in Note 8.1 Principles for the presentation and preparation of the consolidated financial statements.

2. Consolidated statement of comprehensive income

	Note	2011/12	2010/11
(in EUR million)			
Profit for the financial year		342,9	337,9
Actuarial profit/(loss) on non-current employee benefits	8.16, 8.23	(0,6)	5,4
Profit/(loss) from currency translation of foreign entities	8.7	(0,3)	(0,1)
Share of other comprehensive income of associates	8.12	(11,6)	0,8
Other comprehensive income for the financial year		(12,5)	6,1
Total comprehensive income for the financial year		330,4	344,0
Attributable to:			
Non-controlling interests		0,0	(0,1)
Owners of the parent		330,4	344,1

All components of the above statement of comprehensive income are presented net of tax.

3. Consolidated statement of financial position

	Note	31.03.12	31.03.11
(in EUR million)			
Goodwill	8.9	95,0	95,2
Intangible assets	8.10	88,4	81,6
Property, plant and equipment	8.11	1.501,8	1.395,6
Investments in associates	8.12	29,0	26,5
Financial assets	8.13	45,6	43,0
Deferred tax assets	8.16	9,5	21,9
Other receivables	8.18	19,8	21,0
Total non-current assets		1.789,0	1.684,8
Inventories	8.17	565,6	538,2
Trade receivables	8.18	443,3	442,5
Current income tax receivable		1,9	8,6
Other receivables	8.18	26,5	30,2
Financial assets	8.13	25,4	25,1
Cash and cash equivalents	8.19	308,3	287,9
Assets held for sale	8.15	7,1	--
Total current assets		1.378,0	1.332,5
TOTAL ASSETS		3.167,0	3.017,3
Share capital		239,1	233,0
Reserves and retained earnings		1.345,6	1.242,2
Total equity attributable to owners of the Parent		1.584,8	1.475,2
Non-controlling interests		32,5	13,6
Total equity	8.20	1.617,3	1.488,8
Provisions	8.22	12,4	13,4
Employee benefits	8.23	34,3	31,7
Deferred tax liabilities	8.16	81,7	90,3
Interest-bearing loans and borrowings and other liabilities	8.24-8.25	29,2	16,7
Total non-current liabilities		157,7	152,1
Bank overdrafts	8.19	0,7	3,6
Interest-bearing loans and borrowings	8.24	4,3	2,8
Trade payables	8.25	889,2	918,0
Current income tax payable		59,2	56,9
Employee benefits and other liabilities	8.25	432,1	395,2
Liabilities held for sale	8.15	6,6	-
Total current liabilities		1.392,1	1.376,4
Total liabilities		1.549,7	1.528,6
TOTAL EQUITY AND LIABILITIES		3.167,0	3.017,3

4. Consolidated statement of changes in equity

The changes in equity can be detailed as follows:

		Attributable to the owners of the Parent						
	Note	Share capital	Treasury shares	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
(in EUR million)								
At 1 April 2010		209,1	(306,4)	10,3	1.338,8	1.251,7	0,6	1.252,3
Profit for the financial year		-	-	-	338,0	338,0	(0,1)	337,9
Profit for the financial year		-	-	-	338,0	338,0	(0,1)	337,9
Other comprehensive income		-	-	6,1	-	6,1	-	6,1
Actuarial profit/ (loss) after tax on non-current employee benefits		-	-	5,4	-	5,4	-	5,4
Profit/ (loss) from currency translation of foreign entities		-	-	(0,1)	-	(0,1)	-	(0,1)
Share of other comprehensive income of associates		-	-	0,8	-	0,8	-	0,8
Transactions with owners of the Parent		23,9	1,3	(0,5)	(145,3)	(120,7)	13,0	(107,6)
Capital increase	8.20	23,9	-	4,0	-	27,9	-	27,9
Treasury shares purchased		-	(7,0)	1,5	-	(5,5)	-	(5,5)
Treasury shares distributed to employees as profit sharing	8.20	-	8,3	(6,1)	-	2,1	-	2,1
Dividend to shareholders	8.20	-	-	-	(145,2)	(145,2)	-	(145,2)
Purchase of non-controlling interests		-	-	-	(0,1)	(0,1)	0,1	0,0
Non-controlling interest resulting from obtaining of control		-	-	-	-	-	12,9	12,9
At 31 March 2011		233,0	(305,1)	15,8	1.531,5	1.475,2	13,6	1.488,8
At 1 April 2011		233,0	(305,1)	15,8	1.531,5	1.475,2	13,6	1.488,8
Profit for the financial year		-	-	-	342,9	342,9	0,0	342,9
Profit for the financial year		-	-	-	342,9	342,9	0,0	342,9
Other comprehensive income		-	-	(12,5)	-	(12,5)	-	(12,5)
Actuarial profit/ (loss) after tax on non-current employee benefits		-	-	(0,6)	-	(0,6)	-	(0,6)
Profit/ (loss) from currency translation of foreign entities		-	-	(0,3)	-	(0,3)	-	(0,3)
Share of other comprehensive income of associates		-	-	(11,6)	-	(11,6)	-	(11,6)
Transactions with owners of the Parent		6,2	(79,5)	0,8	(148,4)	(220,9)	19,0	(201,9)
Capital increase	8.20	6,2	-	1,0	-	7,2	-	7,2
Treasury shares purchased		-	(82,6)	0,6	-	(82,0)	-	(82,0)
Treasury shares distributed to employees as profit sharing	8.20	-	3,1	(0,8)	-	2,3	-	2,3
Dividend to shareholders	8.20	-	-	-	(148,4)	(148,4)	-	(148,4)
Purchase of non-controlling interests		-	-	-	0,0	0,0	(0,0)	0,0
Non-controlling interests due to capital increase		-	-	-	-	-	19,0	19,0
At 31 March 2012		239,1	(384,6)	4,1	1.726,0	1.584,7	32,5	1.617,3

'Other reserves' include amongst others currency translation reserves, transactions recognised directly in equity, employee benefits related to the subscription to the capital increase reserved for employees, gains and losses on shares

distributed in the context of profit sharing, transaction costs linked to own-equity transactions, movement of the accrual for profit sharing settled in shares and the share of Colruyt Group in the other comprehensive income of associates.

5. Consolidated cash flow statement

	Note	2011/12	2010/11
(in EUR million)			
Operating activities:			
Profit for the financial year		342,9	337,9
Adjustments for:			
Amortisation, depreciation and impairment of non-current assets		196,2	149,0
Interest income, interest expense and income tax expense		143,0	139,2
Other ⁽¹⁾		6,8	5,8
Operating profit before changes in working capital and provisions		688,9	631,8
Decrease/(increase) in trade and other receivables		(4,3)	(72,4)
Decrease/(increase) in inventories		(28,0)	(39,4)
(Decrease)/increase in trade and other payables		13,8	103,9
(Decrease)/increase in provisions and employee benefits		0,3	(1,0)
Interest paid		(1,5)	(2,2)
Interest received		5,1	4,7
Dividends received		0,1	-
Income tax paid		(133,5)	(135,8)
Cash flow from operating activities		541,0	489,6
Investing activities:			
Purchase of property, plant and equipment and intangible assets		(300,7)	(303,3)
Business combinations (net of cash and cash equivalents acquired) and business disposals (net of cash and cash equivalents disposed)	8.14	(2,2)	(32,4)
(Increase in investment in associates)/proceeds from reimbursement of capital of associates	8.12	(13,7)	(1,4)
Sales of investments in associates		-	2,9
Purchase of financial assets	8.13	(12,7)	(4,9)
Sales of financial assets	8.13	9,7	17,5
(Payment of)/proceeds from repayment of loans granted		0,9	0,4
Proceeds from the sale of property, plant and equipment and intangible assets		15,1	9,9
Cash flow from investing activities		(303,6)	(311,3)
Financing activities:			
Proceeds from the issue of share capital	8.20	6,2	23,9
Proceeds from capital increase by non-controlling interests		19,0	-
Purchase of treasury shares		(82,6)	(7,0)
Repayment of borrowings		(1,2)	(8,9)
Payments of finance lease liabilities	8.24	(7,6)	(1,8)
Dividends paid		(148,2)	(145,4)
Cash flow from financing activities		(214,4)	(139,2)
Net increase/(decrease) of cash and cash equivalents		22,9	39,2
Net cash and cash equivalents at 1 April		284,3	245,0
Effect of foreign currency translation		0,3	0,2
Net cash and cash equivalents at 31 March	8.19	307,6	284,3

(1) 'Other' includes amongst others gains and losses on the sale of property, plant and equipment and intangible assets, gains or losses on the sale of current assets, share in the results of associates, and employee benefits in the context of share-based payments and capital increases reserved for employees.

6. Certification of responsible persons

Jef Colruyt, Director-Chairman of Etn. Fr. Colruyt N.V. and Wim Biesemans, CFO of Colruyt Group, declare in title and for the entity, that to the best of their knowledge:

- the consolidated financial statements for the financial years 2010/11 and 2011/12, prepared in accordance with 'International Financial Reporting Standards' (IFRS), give a true and fair view of the net assets, the financial position and the results of Etn. Fr. Colruyt N.V. and the entities belonging to the consolidation scope.

- the management report related to the consolidated financial statements gives a true and fair view of the development and the results of Colruyt Group's activities, as well as of the position of the Company and the entities that are part of the consolidation scope, together with a description of the main risks and uncertainties that Colruyt Group faces.

Jef Colruyt
Director-Chairman
Etn. Fr. Colruyt N.V.

Wim Biesemans
CFO
Colruyt Group

7. Independent auditor's report



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FREE TRANSLATION OF UNQUALIFIED STATUTORY AUDITOR'S REPORT ORIGINALLY PREPARED IN DUTCH

Statutory auditor's report to the general meeting of shareholders of Etn. Fr. Colruyt NV/SA on the consolidated financial statements for the year ended 31 March 2012

In accordance with legal and statutory requirements, we report to you on the performance of our audit mandate. This report includes our opinion on the consolidated financial statements together with the required additional comment.

Unqualified audit opinion on the consolidated financial statements

We have audited the consolidated financial statements of Etn. Fr. Colruyt NV/SA ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated accounts comprise the consolidated statement of financial position as at 31 March 2012, the consolidated income statement and statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information. The total of the consolidated statement of financial position amounts to EUR (million) 3.167,0 and the consolidated statement of comprehensive income shows a profit for the year of EUR (million) 342,9.

The board of directors of the company is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing, legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Réviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the board of directors as well as the overall presentation of the consolidated financial statements. Finally, we

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CVBA/SCRL and a member firm of the KPMG network of independent
member firms affiliated with KPMG International Cooperative ("KPMG
International"), a Swiss entity.

Maatschappelijke zetel - Siège social:
Bourgetaan - Avenue du Bourget 40
1130 Brussel - Brussels
België - Belgique

KPMG Bedrijfsrevisoren -
Réviseurs d'Entreprises
CVBA/SCRL
Burgerlijke vennootschap met
handelsvorm - Société civile à
forme commerciale
Ondernemingsnummer - Numéro
d'entreprise 0419122548
RPR Brussel - RPM Bruxelles



*Statutory auditor's report to the general meeting of shareholders of
Etn. Fr. Colruyt NV/SA on the consolidated financial statements
for the year ended 31 March 2012*

have obtained from management and responsible officers of the company the explanations and information necessary for our audit.

We believe that the audit evidence we have obtained provides a reasonable basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the group's net worth and consolidated financial position as at 31 March 2012 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

Additional comment

The preparation of the management report on the consolidated financial statements and its content are the responsibility of the board of directors.

Our responsibility is to supplement our report with the following additional, which do not modify our audit opinion on the financial statements:

- The management report on the consolidated financial statements (more in particular Part 4 and Part 5 of the Annual Report) includes the information required by law and is consistent with the consolidated financial statements. We are, however, unable to comment on the description of the principal risks and uncertainties which the group is facing, and on its financial situation, its foreseeable evolution or the significant influence of certain facts on its future development. We can nevertheless confirm that the matters disclosed do not present any obvious inconsistencies with the information that we became aware of during the performance of our mandate. Management is putting in place procedures that provides them with an appropriate basis for the description of the main characteristics of the internal control and risk management systems in relation to the financial reporting process included in the management report.

Kontich, 12 July 2012

KPMG Réviseurs d'Entreprises
Statutory auditor
represented by

Ludo Ruysen
Réviseur d'Entreprises / Bedrijfsrevisor

8. Notes to the consolidated financial statements

The following notes to the consolidated financial statements are an integral part of the consolidated financial statements.

8.1. Principles for the presentation and preparation of the consolidated financial statements

Etn. Fr. Colruyt N.V. (hereinafter referred to as the 'Company') is domiciled in 1500 Halle, Belgium and is publicly traded on NYSE Euronext Brussels under the code COLR. The consolidated financial statements for the 2011/12 financial year which closed on 31 March 2012 cover the Company, its subsidiaries (hereinafter referred to collectively as 'Colruyt Group') and Colruyt Group's interests in associated companies and jointly controlled entities, but after elimination of intra-group transactions.

The consolidated financial statements for the 2011/12 financial year were authorised for issue by the Board of Directors on 22 June 2012, subject to approval of the statutory non-consolidated financial statements by the shareholders during the Annual Shareholders' Meeting on 26 September 2012 in accordance with Belgian law. The consolidated financial statements will be presented for information purposes to the shareholders of Colruyt Group during that same meeting. The consolidated financial statements will not be changed, unless decisions of the shareholders regarding the non-consolidated financial statements impact the consolidated financial statements.

8.1.1. Basis of presentation

The consolidated financial statements are expressed in millions of euro rounded to one decimal place, which means that totals and subtotals may differ slightly.

The consolidated financial statements describe the financial position as of 31 March. They are prepared using the historical cost method, with the exception of derivatives and financial assets held for sale, which are measured at their fair value.

The consolidated financial statements are prepared before any distribution of profits of the parent company as proposed to the Annual General Shareholders' Meeting.

Preparing the financial statements in accordance with International Financial Reporting Standards (IFRS) requires management to make judgements, estimates and assumptions that affect the application of policies and principles and that also affect the reported amounts of assets and liabilities and of income and expenses. Amongst others this is the case for provisions (see note 8.22. Provisions), for employee benefits (see note 8.23. Non-current employee benefits and 8.25. Trade payables, employee benefits and other liabilities), for deferred taxes (see note 8.16. Deferred tax assets and liabilities) and for goodwill (see note 8.9. Goodwill).

The estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that cannot readily be derived from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are assessed annually and adjusted. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future period(s) if the revision affects both current and future period(s).

The accounting policies listed below are applied consistently for all the periods presented in these consolidated financial statements.

8.1.2. Statement of compliance

Colruyt Group's consolidated financial statements are prepared in accordance with the applicable International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and accepted by the European Union up to 31 March 2012.

The following (amended) standards and interpretations are applicable for Colruyt Group since 31 March 2011:

- IAS 24 (Revised), Related party disclosures (effective date 1 January 2011). This revision of 2009 consists of two aspects:

- (a) a change in the definition of a related party and
- (b) the exemption for certain related parties disclosures for government-related entities.

As expected, this revision did not have an impact on the financial statements of Colruyt Group.

- IFRIC 19, Extinguishing financial liabilities with equity instruments (effective for annual periods that start on or after 1 July 2010). This interpretation determines the accounting for the issuance of equity instruments to settle (part) of financial liabilities. The interpretation had no impact on the financial statements of Colruyt Group.

- Improvements to IFRS issued in May 2010 contain a set of smaller improvements of existing standards: IFRS 1, First-time adoption of International Financial Reporting Standards, IFRS 3, Business combinations, IFRS 7, Financial instruments: disclosures, IAS 1, Presentation of financial statements and transitional provisions for the changes due to the amendment of IAS 27, Consolidated and separate financial statements, IAS 34, Interim financial reporting and IFRIC 13, Customer loyalty programmes. These improvements had no significant impact on the consolidated financial statements of Colruyt Group.

The following standards and interpretations were issued but are not yet effective. Colruyt Group is still in the process of analysing the possible impact of these new standards, interpretations or amendments on its financial statements, and did not yet early adopt them:

- IFRS 7 (Amendment), Financial instruments: disclosures (effective for annual periods starting on or after 1 January 2012), regarding transfers of financial assets, published in October 2010. The purpose of this amendment is to improve the quality of the information on financial assets

- (i) that were transferred, but are still (partly) recognised by the entity or
- (ii) that are derecognised, but for which there is continuing involvement by the entity.

- IFRS 7 (Amendment), Financial instruments: disclosures (effective date 1 January 2013) regarding the offsetting of

financial assets and financial liabilities (i.e. presenting on one line a net balance sheet amount), published in December 2011. This amendment is not yet endorsed by the EU. The amendment treats the additional disclosures regarding contractual arrangements that allow an entity to offset financial instruments and similar agreements, in order to evaluate the impact of these contractual arrangements on the financial position of the entity.

- IFRS 9, Financial instruments and related changes (effective for annual periods starting on or after 1 January 2015) will eventually replace IAS 39 Financial instruments: recognition and measurement. IFRS 9 treats the classification and measurement of financial assets and financial liabilities. This standard is the first step in the replacement of IAS 39 and will probably be effective for the Group for annual period 2015/16. This standard and its amendments are not yet endorsed by the EU.

- IFRS 10, Consolidated financial statements (effective for annual periods starting on or after 1 January 2013). IFRS 10 replaces requirements regarding consolidated financial statements in the current IAS 27, Consolidated and separate financial statements. SIC 12, Consolidation – Special purpose entities, was withdrawn with the publication of IFRS 10. In accordance with IFRS 10, control is the only determining factor for consolidation. The new definition of control consists of three elements:

- (a) power over the investee,
- (b) exposure, or rights, to variable returns from its involvement with the investee,
- (c) the ability to use its power over the investee to affect the amount of the investor's returns.

This amendment is not yet endorsed by the EU.

- IFRS 11, Joint arrangements (effective for annual periods starting on or after 1 January 2013). IFRS 11 replaces IAS 31, Joint ventures. The standard treats the classification of joint arrangements in which two or more parties have joint control. SIC 13, Jointly controlled entities – Non-monetary contributions by venturers, was withdrawn with the publication of IFRS 11. IFRS 11 classifies joint arrangements into

- joint operations; or
- joint ventures, while IAS 31 distinguished three types of

joint arrangements:

- jointly controlled entities,
 - jointly controlled assets and- jointly controlled operations
- All joint ventures must be accounted for using the equity method.

This amendment is not yet endorsed by the EU.

- IFRS 12, Disclosure of interests in other entities (effective for annual periods starting on or after 1 January 2013). The standard requires additional information including summarised financial information for each joint venture or subsidiary with non-controlling interest that has a significant contribution to Colruyt Group. This amendment is not yet endorsed by the EU.

- IFRS 13, Fair value measurement (effective for annual periods starting on or after 1 January 2013). IFRS 13 defines fair value, creates a framework for the measurement at fair value and requires disclosures regarding the measurement at fair value. This amendment is not yet endorsed by the EU.

- IAS 1 (Amendment), Presentation of financial statements - Presentation of items of other comprehensive income (effective for annual periods starting on or after 1 July 2012). The amendment requires the split of other comprehensive income into: (a) items that are potentially reclassifiable into profit or loss and (b) items that are not reclassifiable.

Tax associated with items of other comprehensive income will be split on the same basis. The items of other comprehensive income will be presented in accordance with this amendment as soon as the amendment is effective. The amendment has only an impact on the presentation in the financial statements of Colruyt Group.

- IAS 19 (Revised in 2011), Employee benefits (effective for annual periods starting on or after 1 January 2013). The revision amends the accounting for pension plans and termination benefits. The most important changes relate to pension liabilities and plan assets. The new requirements prohibit the corridor method and require the immediate recognition of all actuarial gains and losses. The interest cost related to the defined benefit obligation and the expected return on plan assets are replaced by the net interest on the net defined benefit liability (asset), calculated using a single discount rate

- IAS 27 (Amendment), Separate financial statements (effective for annual periods starting on or after 1 January 2013). The requirements regarding consolidated financial statements of this standard (with previous title 'Consolidated and separate financial statements') was eliminated as a result of the publication of IFRS 10 – Consolidated financial statements. This amendment is not relevant for Colruyt Group since it does not publish separate financial statements in accordance with IFRS. This amendment is not yet endorsed by the EU.

- IAS 28 (Amendment), Investments in associates and joint ventures (effective for annual periods starting on or after 1 January 2013). The amendment relates mainly to the accounting for joint ventures according to the equity method. Colruyt Group does not expect a significant impact on the financial statements. This amendment is not yet endorsed by the EU.

- IAS 32 (Amendment), Financial instruments: presentation - Offsetting financial assets and financial liabilities (effective for annual periods starting on or after 1 January 2014). The amendment clarifies the criteria for offsetting financial assets and financial liabilities. This amendment is not yet endorsed by the EU.

Colruyt Group is not expecting an impact from this amendment on its financial statements.

- IAS 12 (Amendment), Income taxes (effective for annual periods starting on or after 1 January 2012) relating to deferred tax: recovery of underlying assets. The amendment relates mainly to investment property measured at fair value in accordance with IAS 40, Investment property. Colruyt Group does not use the fair value model and considers therefore the impact of this amendment as irrelevant. This amendment is not yet endorsed by the EU.

- IFRIC 20, Stripping costs in the production phase of a surface mine (effective for annual periods starting on or after 1 January 2013). Since the interpretation treats the accounting for stripping cost for surface mines, this amendment is not applicable for Colruyt Group. This amendment is not yet endorsed by the EU.

As mentioned in the annual report of 2010/11 Colruyt Group has compared the estimated useful lives that were used until

last year with the actual useful lives. This review resulted in a harmonisation and an amendment of the estimated useful lives of certain non-current assets in Belgium. The re-estimation had an impact on property including stores, office buildings and buildings for production and storage. The useful lives of the assets involved were decreased from maximum 45 years to maximum 30 years. For the period 2011/12 the additional depreciation expense amounts to 7,5 million euro.

Colruyt Group has also reclassified some of the information for the comparative period 2010/11. An analysis of the costs of internal services increased the ability to qualify certain costs in a more representative way. Based on this improved information Colruyt Group has decided to review the presentation of, for example, costs in relation to logistics, advertising and marketing. The reclassification has an impact on only a few items of the income statement and has no impact on the earnings before interest and taxes (EBIT) as can be seen in the following table:

	2010/11 Restated	2010/11 Published
(in EUR million)		
Revenue	7.280,1	7.280,1
Cost of goods sold	(5.412,5)	(5.447,5)
Gross profit	1.867,5	1.832,6
Other operating income	55,8	55,8
Services and miscellaneous goods	(342,5)	(298,2)
Employee benefits expenses	(935,7)	(945,1)
Amortisation, depreciation and impairment of non-current assets	(149,0)	(149,0)
Provisions and write-offs of current assets	0,4	0,4
Other operating expenses	(24,3)	(24,3)
Operating profit before financing costs (EBIT)	472,2	472,2

8.1.3. Consolidation principles

The parent company Etn. Fr. Colruyt N.V. - hereinafter referred to as the 'Company' – together with its subsidiaries constitutes Colruyt Group – hereinafter referred to as the 'Colruyt Group'.

The consolidated financial statements of the Group include the accounts of the Company, the accounts of the subsidiaries and the investment of Colruyt Group in associated entities

and joint ventures. Intra-group transactions and balances are eliminated.

a. Subsidiaries

Subsidiaries are those entities over which Colruyt Group has control. Control exists when Colruyt Group has the power to govern an entity's financial and operational policy, directly or indirectly, in order to obtain benefits from that entity's activity. In assessing whether control exists, potential voting rights that are exercisable or convertible at that time are considered as well. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases.

b. Associates

Associates are those entities in which Colruyt Group has significant influence on financial and operational policies but which it does not control.

Associates are incorporated into the consolidated financial statements according to the equity method from the date on which the significant influence begins until the date on which the significant influence ceases. When Colruyt Group's share of the associates losses, exceeds the carrying amount of Colruyt Group's interests in the associate, the carrying amount is reduced to nil in Colruyt Group's statement of financial position and no further losses are taken into account, except to the extent that Colruyt Group has incurred obligations in respect of that associate.

c. Joint Ventures

Joint ventures are those entities in which Colruyt Group has joint control and where such control is established by an agreement.

Joint control implies that the venture's financial and operational policy is implemented with the unanimous consent of all parties which share the control. Colruyt Group's interests in joint ventures are accounted for using the equity method, from the date that joint control first exists until the date it ceases.

d. Transactions eliminated in consolidation

Intra-group balances and transactions, including unrealised profits on intra-group transactions, are eliminated when preparing the consolidated financial statements.

Unrealised gains from transactions with associates are eliminated in proportion to Colruyt Group's interest in the associate and/or joint venture. Unrealised losses are eliminated in the same way as unrealised gains, except that they are only eliminated to the extent that there is no evidence of impairment.

e. Financial statements of foreign companies in foreign currency

To consolidate Colruyt Group and each of its subsidiaries, the financial statements of the individual subsidiaries are translated into euro as follows:

- assets and liabilities at the closing exchange rate at the reporting date
- income, expenses and cash flows at the average exchange rate for the reporting period (which approximates the exchange rate at date of transaction)
- components of shareholders' equity at the historical exchange rate

Exchange rate differences arising from the translation of net investments in foreign subsidiaries, associates and joint ventures at the year-end exchange rate are recorded as part of shareholders' equity, under 'Profit/ (loss) from currency translation of foreign entities' in 'Other reserves'.

f. Foreign currency transactions

Transactions in foreign currencies are translated to euro at the exchange rate prevailing at the date of the transaction.

Subsequently all monetary assets and liabilities denominated in foreign currencies are translated at the closing rate at the reporting date.

Gains and losses resulting from the settlement of foreign currency transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in profit or loss.

Non-monetary assets and liabilities denominated in foreign currencies and valued on an historical cost basis are translated at the exchange rate at the transaction date. Non-monetary assets and liabilities in foreign currencies at fair value are translated into euro at the exchange rate applicable at the date on which the fair value was determined.

8.1.4. Other accounting policies

a. Goodwill

All business combinations are accounted for by applying the purchase method.

Goodwill resulting from business combinations is measured as the excess of the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree, and in a business combination achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If this excess is negative, the resulting gain is recognised immediately in profit or loss on the acquisition date.

In respect of acquisitions prior to 1 April 2004, goodwill represents the amount recognised under Colruyt Group's previous accounting framework (Belgian GAAP). From 1 April 2004, goodwill relating to business combinations with an acquisition date before 31 March 2004 is no longer amortised but tested annually for any impairment losses.

In the event of a subsequent acquisition of non-controlling interests (after control was acquired), the transaction will be recorded in equity and no new valuation of identifiable assets and liabilities on the date of purchase of the non-controlling interests is performed.

In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associated company.

In order to test for impairment, goodwill is allocated to cash generating units. At least once a year, all cash generating units are reviewed for indications of impairment.

Once recognised, impairment of goodwill cannot be reversed.

b. Intangible Assets

Research and development

Expenses from research activities are recognised in profit or loss when incurred.

Expenditure on development activities where the findings are used for a plan or design intended for the production of new or substantially improved products or processes, are capitalised if the product or process is technically and commercially feasible and Colruyt Group has sufficient resources available to complete development.

The capitalised expenditure includes the cost of materials, direct labour and an appropriate proportion of overheads.

Development costs that do not satisfy these conditions are recognised in profit or loss when incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

Other intangible assets

Other intangible assets are recognised at cost less accumulated amortisation and impairment losses.

Subsequent expenditure

Subsequent expenditure on intangible assets is capitalised only when the cost to be capitalised can be reliably determined and the expenditure results in a future economic benefit. All other expenditure is expensed as incurred.

Amortisation

Intangible assets with a finite useful life are subject to straight-line amortisation over their estimated useful lives. Amortisation of intangible assets begins when assets are ready for use. Intangible assets that are not yet ready for use and intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication the asset may be impaired.

As for other intangible assets, Colruyt Group makes a distinction between licences, patents, rights of use and other intangible assets. This distinction is expressed in a different economic life for each type of intangible asset as follows:

- licences, patents: the period of legal protection
- rights of use: contractually defined period.

If there is no explicit economic life laid down for these types on acquisition, they will be amortised over a period of 3 to 5 years, as any other intangible asset.

c. Property, plant and equipment

Owned assets

Property, plant and equipment are recorded at cost less accumulated depreciation and impairment losses. The cost of self-constructed assets includes direct labour costs in addition to the direct cost of material and a reasonable proportion of indirect manufacturing costs. The depreciation method, the residual value and the useful life are reviewed annually and amended if necessary.

Colruyt Group has opted to recognise capital grants as a deduction to the cost of property, plant and equipment. These grants are taken into income over the useful life of the asset by way of reduction of the depreciation charge.

Subsequent expenditure

Costs for the repair or replacement of a component of property, plant and equipment are capitalised provided that the cost to be capitalised can be reliably determined and that the expenditure will result in a future economic benefit created. Costs which do not meet these conditions are recognised in profit or loss when incurred.

Depreciation

Property, plant and equipment are subject to straight line depreciation in profit or loss based on the estimated useful life of each component. Assets with an indefinite useful life are not depreciated.

The estimated useful lives are defined as follows:

- Land: indefinite
- Buildings: 20 to 30 years
- Fixtures: 10 to 15 years
- Fittings, machinery equipment, furnishings and vehicles: 5 to 15 years
- Information processing equipment: 3 to 5 years

When property, plant and equipment consist of components with differing useful lives, these are recorded as separate items under property, plant and equipment.

d. Lease agreements

Finance lease agreements where the risks and benefits connected with the leased asset are almost fully transferred to Colruyt Group, are recorded in the statement of financial position as property, plant and equipment at the lower of the asset's fair value and the present value of the minimum lease payments.

When ownership is certainly transferred at the end of the contract, the leased assets are depreciated over the same period of time as an equivalent owned asset; otherwise they are depreciated over the duration of the lease agreement.

Leases are classified as operating leases if the arrangement does not transfer substantially all the risks and rewards incidental to ownership. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

e. Financial assets

Colruyt Group determines the classification of its financial assets at inception. Currently all financial instruments of Colruyt Group are non-derivatives.

Non-current investments

Non-current investments include shares held in entities which are not subsidiaries, nor associates or joint ventures.

These investments are initially recognised at cost, which is the fair value of the consideration paid together with the transaction costs related to the acquisition. These investments are classified as financial assets available for sale. After initial recognition the investments are measured at fair value if the fair value is reliably determinable. If the fair value cannot be reliably determined, the investment is measured at cost.

Changes in the carrying amount of these investments which are not the result of an impairment loss are recognised immediately in equity. For investments in equity instruments, Colruyt Group treats a significant or prolonged decrease of the fair value of the instrument below its cost as an indication of impairment. An impairment loss, along with the cumulative changes in fair value already recognised in other comprehensive income, is recognised in profit or loss.

Investments in securities are recognised at the transaction date.

Loans and receivables

Loans and receivables are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. These financial assets are measured at amortised cost using the effective interest method, after deductions for impairments. Impairment losses are recognised in profit or loss if the carrying amount exceeds the net realisable value.

Current investments

Investments in securities held for trading are classified as current assets and recognised at fair value, with any resulting gains or losses recognised in profit or loss when incurred.

Investments in securities are recognised on the date of the transaction.

Cash and cash equivalents

Cash comprises cash balances and demandable deposits.

Cash equivalents comprise term deposit accounts that can be called almost immediately and do not entail any material risk of impairment.

Bank overdrafts are classified as current liabilities and are presented net of cash and cash equivalents for the purpose of the statement of cash flows.

Trade and other receivables

Trade and other receivables are stated at their nominal value, less appropriate provisions for impairments.

f. Non-current assets held for sale and discontinued operations

When classified as 'held for sale', assets or disposal groups are valued at the lower of their carrying amount and their fair value less costs to sell. The same applies to an operation that meets the definition of a discontinued operation.

g. Impairment

The carrying amount of all assets, with the exception of inventories and deferred tax assets, is reviewed at least once a year and examined for any indications of impairment. If such indications exist, the asset's recoverable amount is estimated.

The recoverable amount is the higher of the fair value less costs to sell and the value in use. The value in use is the present value of expected future cash flows. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

If the recoverable amount of an asset or of the cash generating unit to which it belongs is lower than the carrying amount, an impairment loss for the amount of the difference will be recognised in the income statement.

A recognised impairment may be reversed if the estimates by which the recoverable amount was determined are changed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Goodwill impairment is not reversed.

Colruyt Group has defined a 'cash generating unit' as the business unit to which the asset can unequivocally be allocated. A business unit can include a branch of the business or a business entity.

Impairment losses relating to cash generating units are first deducted from the carrying amount of any goodwill attributed to the cash generating (or groups of) units and then deducted pro rata from the carrying amount of the other assets of the (groups of) units.

Impairment losses relating to assets classified as available for sale are recognised in profit or loss. The same goes for gains and losses related to subsequent revaluations.

h. Inventories

Inventories are valued at the lower of cost and net realisable value. The net realisable value is the estimated selling price in the normal course of business, less the estimated completion and selling costs.

The cost of inventories is based on the 'first in, first out' (FIFO) principle and includes the purchase cost, conversion costs and costs arising from transport and storage less discounts and compensations received from suppliers.

i. Contracts in progress

Contracts in progress are valued using the percentage-of-completion method. Besides all expenditure directly connected with specific projects, the cost also includes an apportionment of the fixed and variable indirect costs incurred in connection with Colruyt Group's contracting activities, based on a normal production capacity.

In the event of the invoiced instalments for construction contracts for third parties being higher than the valuation

of the stage of completion of the project, the balance is recognised under trade payables.

j. Equity

Capital, reserves and retained earnings

Dividends proposed by the Board of Directors are only recognised as liabilities after approval by the General Meeting of Shareholders. Until such formal approval, the proposed dividends are included in Colruyt Group's consolidated equity.

Treasury shares

As for own shares repurchased by the Company or entities belonging to Colruyt Group, the amount of consideration paid, including directly attributable costs, net of tax impact is recognised as a deduction from equity.

Non-controlling interests

Non-controlling interests include a proportion of the fair value of identifiable assets and liabilities recognised upon acquisition of a subsidiary, together with the appropriate proportion of subsequent profits and losses.

Capital increase reserved for the personnel

Employees of Colruyt Group have the opportunity since 1987 to subscribe yearly to the capital increase of the parent company Etn. Fr. Colruyt N.V. If certain conditions are met, the subscribers to these shares can benefit from reduced tax rates.

k. Provisions

Provisions are recognised in the statement of financial position when Colruyt Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date.

If the effect is material, provisions are determined by discounting the expected future cash flows at a discount rate that reflects current market assessments of the time value of money.

Restructuring provisions are recognised when Colruyt Group has approved a detailed, formalised restructuring plan and

has made a start on restructuring or made it publicly known.

Environmental provisions are booked in accordance with legal requirements on one hand and the environmental policy developed by Colruyt Group on the other.

Provisions for warranties are recognised in respect of that part of products sold that was still under warranty at the reporting date and based on historical figures relating to repair and replacement.

A provision for onerous contracts is recognised when the expected benefits to be derived by Colruyt Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

l. Personnel costs and other employee benefits

Post employment benefits

Colruyt Group's pension plans involve defined contribution plans. Defined contribution plans in Belgium are legally required to guarantee a minimum return. To the extent that the legal return guarantee is adequately covered by the insurance company, Colruyt Group has no further payment liability towards the insurance company beyond the pension contributions included in profit or loss for the year in which they are owed. As such, pension plans are treated as fixed contribution pension plans.

Termination benefits (Unemployment with company compensation)

These benefits must be paid if Colruyt Group decides to terminate an employee's employment before the normal retirement date or if the employee decides to accept voluntary redundancy in exchange for those benefits. These termination benefits are recognised at their estimated cost over the service period. The amounts recognised in profit or loss consist of the termination cost related to the current and previous service periods and the related interest costs. The pension liability in the statement of financial position is measured at the present value of the expected future cash outflows using the market yields on high quality corporate bonds with a term that is close to the estimated term of the pension obligation. The liability takes into account the population of employees for which using the unemployment with company compensation system can be reliably assumed. Actuarial gains and losses include the impact of effects of differences between the previous actuarial assumptions and what has actually occurred and the effects of changes in actuarial assumptions. All actuarial gains and

losses are recognised immediately in other comprehensive income.

Other non-current employee benefits

Other non-current employee benefits – including seniority payments – are recognised at the amount of their anticipated cost over the period of employment. The obligations are generally revaluated annually whereby any profits or losses are immediately recognised in the income statement.

Profit sharing

In accordance with the law of 22 May 2001 concerning employee shares in capital and profit of the entities, Colruyt Group gives its personnel, based in Belgium, the choice to receive profit-sharing either in shares or in cash. If certain conditions are fulfilled, the shares distributed in this context can benefit from reduced tax rates. These transactions are recognised at fair value.

Discounts on share capital increases

In accordance with art. 609 of the Law on Corporations, Colruyt Group gives a discount to its employees on its yearly share capital increase reserved for its employees. This discount is presented as an employee cost in the period of the share capital increase.

m. Financial liabilities

Colruyt Group has only non-derivative financial liabilities that are measured at amortised cost. These liabilities are presented in the statement of financial position as 'Interest bearing loans', 'Trade payables' and 'Other liabilities'.

n. Revenue recognition

Revenue from the sale of goods

The revenue from the sale of goods is recognised in profit or loss if the significant risks and rewards of ownership have been transferred, if Colruyt Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, if the amount of revenue can be measured reliably, if it is probable that the economic benefits associated with the transaction will flow to the entity and if the costs incurred or to be incurred in respect of the transaction can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable. Discount coupons issued by suppliers and remitted by clients are treated as a payment instrument and recognised as such in the statement of financial position.

Revenue from services rendered

Revenue from services rendered is recognised by reference to the stage of completion of the transaction when this can be measured reliably.

Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease.

Finance income

Finance income relates to dividends and interest on invested funds. Dividends are recognised in profit or loss when the shareholder's right to receive payment is established. Interest income is recognised as earned and over the period to which it relates.

Positive discounting effects of non-current provisions are recognised as finance income.

o. Expenses

Reimbursements by suppliers

Reimbursements by suppliers are recognised as a deduction from expenses. If such reimbursements are received specifically for well-defined publicity expenses incurred, they are deducted from those particular expenses. In other cases they are recognised as a deduction from cost of goods sold.

Rental payments

Operating lease payments are recognised in profit or loss on a straight-line basis over the term of the lease.

Finance costs

Finance costs comprise interest on borrowings and interest on repayments of finance leases. All finance costs are recognised at the time at which they arise.

The unwinding of the discount on non-current provisions is recognised as a finance cost.

p. Taxes

Income tax for the reporting period comprises current and deferred taxes and is presented in accordance with 'IAS 12, Income Taxes'. Taxes are presented in profit or loss, except for taxes that relate to transactions recognised in other comprehensive income or directly in equity.

Current tax is the expected tax payable on the taxable income of the year, using tax rates (and tax laws) enacted or substantially enacted at the end of the reporting period,

and any adjustment to tax payable (or receivable) in respect of previous years. These taxes are calculated in accordance with the respective tax laws applicable in all countries in which Colruyt Group operates.

Deferred tax is calculated using the balance sheet liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill, the initial recognition of assets or liabilities that are not resulting from a business combination and that do not affect accounting or taxable profit and the differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

Deferred taxes are calculated, using tax rates and tax laws enacted or substantially enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and credits can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

q. Transfer pricing

The prices for transactions between subsidiaries, associates, joint ventures and therefore also between operating segments are conducted at arm's length.

8.2. Segment information

Colruyt Group reports its operating segments based on the nature of its activities. Next to the information on the operating segments, Colruyt Group also gives geographical information on the regions in which it operates.

Colruyt Group distinguishes within the operating activities the following main segments: 'Retail', 'Wholesale and Foodservice' and 'Other activities'. Corporate activities supporting the different divisions and rendering services to the different brands of the Group include amongst others

marketing and communication, IT, human resources and financial and other corporate services. These activities are presented as a non-allocated component.

8.2.1. Operating segments

Colruyt Group distinguishes three operating segments within its activities. While determining the operating segments, Colruyt Group took the operational characteristics of each activity into account. This led to the identification of two important business segments: 'Retail' on the one hand and 'Wholesale and Foodservice' on the other hand. The difference between both operating segments can be found in differences in markets and business models. The other identifiable segments do not meet the quantitative thresholds determined by IFRS 8 and were aggregated under 'Other activities'.

Retail:

Stores under Colruyt Group's own management which directly sell to retail customers and bulk consumers.

Wholesale and Foodservice:

Supply to wholesalers, commercial customers and affiliated independent merchants.

Other activities:

Gas stations, printing and engineering activities and alternative energy.

The results, assets and liabilities of an operating segment contain elements which are directly attributable or which are readily attributable to the operating segments.

The revenues of each operating segment include revenues from sales to external clients and revenues from transactions with other operating segments. More information can be found in note 8.3.1 Revenue by cash generating unit.

The results of the operating segments are analysed based on operating results (EBIT) and operating cash flows (EBITDA).

Finance income and income taxes are managed at Colruyt Group level and are not allocated to the operating segments.

The assets of the operating segments include mainly goodwill, intangible assets, property, plant and equipment, inventories and trade receivables. As the investment in Belwind N.V. is an investment in offshore wind parks, it is part of the component 'Alternative energy' and reported

under the operating segment 'Other activities'.

Non-allocated assets include investments, cash and cash equivalents, interest-bearing loans, VAT receivables, tax assets and investments in associates which have no activities similar to the operating segments.

The liabilities of the operating segments include mainly provisions, employee benefits liabilities and trade payables. Non-allocated liabilities consist mainly of interest bearing liabilities and tax and VAT liabilities.

The number of employees in FTE includes only employees with fixed employee contracts. Directors, interim personnel, consultants and students working under specific student conditions are not included in full time equivalents.

Capital expenditure includes the acquisition of property, plant and equipment and of intangible assets with an expected useful life of more than one year.

Non-cash items in the income statement consist mainly of amortisation, depreciation, impairment of non-current assets, provisions and impairment of current assets. The line items amortisation, depreciation and impairment of assets are the most significant ones and are therefore included in the segment information.

The operating segment information and Colruyt Group's financial statements can be reconciled by adding the information in the different operating segments with the non-allocated elements (including corporate staff activities) and eliminating the transactions within Colruyt Group.

Colruyt Group does not have to present information about major customers, since the threshold for reliance on major customers is not exceeded.

	Retail 2010/11	Wholesale and Foodservice 2010/11	Other activities 2010/11	Operating segments 2010/11
(in EUR million)				
Revenue	5.605,9	1.263,6	542,9	7.412,4
Operating cash flow (EBITDA)	547,3	35,0	17,6	600,0
Operating profit (EBIT)	437,4	20,8	6,7	464,9
Share of results of associates	(0,7)	0,0	3,3	2,7
Segment assets	1.902,0	382,0	235,6	2.519,6
of which investments in associates	0,3	0,0	25,9	26,2
of which assets held for sale	-	-	-	-
Segment liabilities	1.043,7	204,8	76,3	1.324,8
of which liabilities held for sale	-	-	-	-
Capital expenditure	234,3	32,2	12,8	279,3
Amortisation, depreciation and impairment of non-current assets	110,0	14,2	10,9	135,1
Number of staff employed (FTE) on reporting date	17.524	2.611	454	20.589

	Operating segments 2010/11	Transactions between operating segments 2010/11	Un- allocated 2010/11	Consolidated 2010/11
(in EUR million)				
Revenue	7.412,4	(132,3)	0,0	7.280,1
Operating cash flow (EBITDA)	600,0	0,0	21,1	621,1
Operating profit (EBIT)	464,9	0,0	7,3	472,2
Share of results of associates	2,7	2,7	(0,1)	5,2
Net financial result	-	-	0,2	0,2
Income tax expense	-	-	(139,7)	(139,7)
Profit for the financial year	-	-	-	337,9
Attributable to:				
Non-controlling interests	-	-	-	(0,1)
Owners of the parent	-	-	-	338,0
Total assets	2.519,6	(74,2)	571,9	3.017,3
Total liabilities	1.324,8	(74,1)	278,0	1.528,6
Capital expenditure	279,3	(7,9)	30,3	301,8
Amortisation, depreciation and impairment of non-current assets	135,1	0,0	13,9	149,0
Number of staff employed (FTE) on the reporting date	20.589	-	1.999	22.588

	Retail 2011/12	Wholesale and Foodservice 2011/12	Other activities 2011/12	Operating segments 2011/12
(in EUR million)				
Revenue	5.996,7	1.290,6	686,3	7.973,7
Operating cash flow (EBITDA)	597,8	37,1	17,4	652,3
Operating profit (EBIT)	470,1	22,0	(18,0)	474,1
Share of results of associates	0,0	0,0	0,8	0,8
Segment assets	1.965,2	450,8	242,7	2.658,8
of which investments in associates	8,3	0,0	20,8	29,1
of which assets held for sale	1,3	0,2	5,5	7,1
Segment liabilities	1.014,8	225,1	84,9	1.324,8
of which liabilities held for sale	-	-	6,6	6,6
Capital expenditure	198,3	28,8	38,6	265,7
Amortisation, depreciation and impairment of non-current assets	127,7	15,2	35,4	178,3
Number of staff employed (FTE) on the reporting date	18.419	2.668	443	21.530

	Operating segments 2011/12	Transactions between operating segments 2011/12	Un- allocated 2011/12	Consolidated 2011/12
(in EUR million)				
Revenue	7.973,7	(126,1)	0,0	7.847,6
Operating cash flow (EBITDA)	652,3	0,0	29,1	681,4
Operating profit (EBIT)	474,1	0,0	11,1	485,2
Share of results of associates	0,8	0,0	(0,0)	0,7
Net financial result	-	-	2,9	2,9
Income tax expense	-	-	(145,9)	(145,9)
Profit for the financial year	-	-	-	342,9
Attributable to:				
Non-controlling interests	-	-	-	0,0
Owners of the parent	-	-	-	342,9
Total assets	2.658,8	(82,1)	590,4	3.167,0
Total liabilities	1.324,8	(82,1)	307,0	1.549,7
Capital expenditure	265,7	(4,3)	36,8	298,2
Amortisation, depreciation and impairment of non-current assets	178,3	0,0	18,0	196,2
Number of staff employed (FTE) on the reporting date	21.530	-	2.025	23.555

8.2.2. Geographical information

As clients are mostly serviced in their own geographical areas, the geographical information is based on the location of the Company and the subsidiaries.

The geographical information contains the contribution in Colruyt Group of the countries in which the entities are domiciled. The geographical information contains all entities: entities with business activities as well as entities with corporate staff activities.

Geographical assets consist of goodwill, property, plant and equipment and intangible assets.

Belgium:

Domicile of the Company and of a lot of its subsidiaries. These entities perform business as well as corporate activities.

France:

Domicile of the French holding company and its subsidiaries. Similar to the Belgian entities, these entities perform business as well as corporate activities.

Other:

Entities in the Netherlands, United Kingdom, Grand Duchy of Luxembourg, Germany and India. The packaging specialist Mundipak B.V. (the Netherlands), the engineering activities of Dimaco UK Ltd (United Kingdom), the reinsurance company Locré S.A. (Grand Duchy of Luxembourg) and the internal IT supplier Colruyt IT Consultancy India Priv. Ltd (India) are the most important activities within 'Other'.

Geographical information

	Belgium		France		Other		Total	
	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11
(in EUR million)								
Revenue	6.990,8	6.479,5	839,9	784,7	16,9	16,0	7.847,6	7.280,1
Geographical assets	1.489,6	1.404,8	185,2	158,1	10,3	9,4	1.685,1	1.572,3
Capital expenditure	251,5	255,1	42,5	42,6	4,2	4,0	298,2	301,8
Number of staff employed (FTE) on the reporting date	20.758	19.890	2.528	2.430	270	269	23.555	22.588

8.3. Revenue and gross profit

	2011/12	2010/11 ⁽¹⁾
(in EUR million)		
Revenue	7.847,6	7.280,1
Cost of goods sold	(5.839,0)	(5.412,5)
Gross profit	2.008,6	1.867,5
As % of revenue	25,6%	25,7%

(1) The comparative information for the reporting period 2010/11 is adjusted as indicated in Note 8.1 Principles for the presentation and preparation of the consolidated financial statements.

8.3.1. Revenue by cash generating unit

	2011/12	2010/11
(in EUR million)		
Colruyt Stores Belgium	4.973,2	4.690,3
OKay and Bio-Planet Belgium	478,4	417,9
DreamLand Belgium and France and DreamBaby	234,9	214,8
Food retail stores France	194,2	163,8
Other supermarkets Belgium	40,1	35,0
Transactions with other operating segments	75,8	84,1
Retail	5.996,7	5.605,9
Wholesale	684,1	651,8
Foodservice	599,4	600,7
Transactions with other operating segments	7,1	11,2
Wholesale and Foodservice⁽¹⁾	1.290,6	1.263,6
DATS24 Belgium and France	602,5	465,9
Printing and document management solutions	14,8	15,5
Engineering activities	21,9	21,9
Alternative energy	4,0	1,7
Transactions with other operating segments	43,2	37,8
Other activities	686,3	542,9
Total operating segments	7.973,7	7.412,4
Transactions with operating segments	(126,1)	(132,3)
Consolidated	7.847,6	7.280,1

(1) Colruyt Group decided for the operating segment 'Wholesale and Foodservice' to replace geographical segmentation by segmentation based on the nature of the activities. Therefore, the operating segment 'Wholesale and Foodservice' is no longer divided into 'Belgium' and 'France', but into 'Wholesale' and 'Foodservice'. The comparative information is restated accordingly.

8.4. Other operating income and expenses

	2011/12	2010/11
(in EUR million)		
Rental and rental-related income	7,3	6,2
Gains from the disposal of non-current assets	6,4	2,6
Remuneration for services rendered	33,4	36,9
Other	15,3	10,2
Total other operating income	62,4	55,8

	2011/12	2010/11
(in EUR million)		
Operating taxes	12,2	11,0
Property with holding tax	6,6	6,2
Losses on disposal of non-current assets	4,7	3,6
Other	1,4	3,5
Total other operating expenses	24,9	24,3

8.5. Services and miscellaneous goods

	2011/12	2010/11 ⁽¹⁾
(in EUR million)		
Rental and rental-related charges (immovables)	24,7	23,9
Rental and rental-related charges (movables)	19,0	17,0
Maintenance and major repairs	55,2	60,4
Utilities	31,0	30,0
Transport costs	108,3	95,4
Fees	17,9	14,7
Telecommunication, postal, administrative and ICT costs	50,6	43,0
Insurance costs	5,5	5,5
Formation and training expenses	8,5	2,7
Other	36,8	49,9
Total services and miscellaneous goods	357,5	342,5

(1) The comparative information for the reporting period 2010/11 is adjusted as indicated in Note 8.1 Principles for the presentation and preparation of the consolidated financial statements.

8.6. Employee benefits expenses

	2011/12	2010/11 ⁽¹⁾
(in EUR million)		
Wages and salaries	757,7	714,4
Social security contributions	192,0	171,0
Contributions to defined contribution plans	8,6	9,1
Early retirement and other pension related costs	2,6	2,7
Profit-sharing schemes for employees	29,7	29,8
Subscription discount on capital increase for personnel	1,0	4,0
Consultants and interim personnel	26,6	27,9
Other personnel costs	43,4	36,7
Compensatory amounts	(59,8)	(60,0)
Total employee benefits expenses	1.001,9	935,7
Number of employees in FTE on the reporting date	23.555	22.588

(1) The comparative information for the reporting period 2010/11 is adjusted as indicated in Note 8.1 Principles for the presentation and preparation of the consolidated financial statements.

Termination benefits (early retirement)

The possibility to retire early, as it exists within Colruyt Group for employees of Belgian entities, is based on the Belgian regulation relating to early retirement pensions. The early retirement plan and the conditions regarding the required age and performed service period are described in a collective labour agreement (Collectieve Arbeidsovereenkomst/Convention Collective du Travail or CAO/CCT), more specific in collective labour agreement nr. 17, as established by the National Labour Council (Nationale Arbeidsraad/Conseil National du Travail) and in the Royal Decree of 3 May 2007 which regulates the system of unemployment with company compensation (Belgian Official Journal 8 June 2007). Other collective labour agreements negotiated by the National Labour Council or within Colruyt Group for specific entities or industries may be applicable, but have similar benefits as collective labour agreement nr. 17.

As a result of these Collective Employment Agreements, a provision was recognised for early retirement benefits in accordance with IAS 19, 'Employee Benefits'. The provision is based on the expected cost over the service period. Actuarial gains and losses are recognised in other comprehensive income.

Profit-sharing by employees

In accordance with the law of 22 May 2001 regarding participation in the share capital and in the profit of entities (Belgian Official Journal 9 June 2001) and the collective labour agreement nr. 90 of 20 December 2007 relating to non-recurrent result-related benefits, a system of profit sharing has been established with the social partners.

Capital increase restricted to employees

Colruyt Group offers its employees the opportunity to subscribe to the annual capital increase of the parent company Etn. Fr. Colruyt N.V. A discount on this capital increase is granted in accordance with art.609 of the Law on the Entities. For the last capital

increase, 2.171 employees subscribed to 225.194 shares, which represents a capital contribution of EUR 6,2 million. The discount granted was EUR 1,0 million. Colruyt Group decided to recognise this discount as an employee benefit.

	2011/12	2010/11
Number of shares subscribed	225.194	715.585
Discount per share (in EUR)	4,6	5,7
Total discount (in EUR million)	1.0	4.0

Compensatory amounts

Employee benefits expenses are shown free of compensatory amounts. Compensatory amounts relate mainly to employee costs capitalised in the context of fixed assets produced by Colruyt Group.

Number of employees

The number of employees in full time equivalents includes only employees which have a fixed employee contract. Members of the Board of Directors, interim personnel, consultants and students working under specific student conditions are not included in full time equivalents.

8.7. Net financial result

8.7.1. Finance income and finance costs recognised in profit or loss

(in EUR million)	2011/12	2010/11
Interest income on impaired customer loans	0,4	0,4
Interest income on unimpaired customer loans and receivables	2,4	1,3
Dividends received	0,1	-
Interest income on current bank deposits	2,1	1,1
Interest income on fixed-income securities held for trading	0,8	0,8
Change in fair value of financial assets held for trading	1,1	2,0
Net gain on disposal of financial assets held for trading	0,7	1,2
Exchange gains	0,4	0,2
Other	0,8	0,3
Total finance income	8,8	7,4
Interest expense on non-current and current loans	0,4	1,0
Interest expense on leasing liabilities	0,4	0,3
Change in fair value of financial assets held for trading	1,4	1,4
Loss on disposal of financial assets held for trading	0,4	2,1
Unwinding of the discount on non-current provisions	2,0	1,9
Exchange losses	1,1	0,5
Other	0,1	0,0
Total finance costs	5,8	7,2
Net financial result	2,9	0,2

8.7.2. Finance income and finance costs recognised in other comprehensive income (equity)

	2011/12	2010/11
(in EUR million)		
Share in the other comprehensive income of associates	-	0,8
Total finance income	-	0,8
Share in the other comprehensive income of associates	(11,6)	-
Profit/ (loss) from currency translation of foreign entities	(0,3)	(0,1)
Total finance costs	(11,9)	(0,1)
Net financial result recognised in other comprehensive income	(11,9)	0,7

The share in the other comprehensive income of associates for the current accounting period includes changes to the fair value of derivative financial instruments. In the previous

period this line item included changes in the fair value of financial assets available for sale.

8.8. Income tax expense

	2011/12	2010/11
(in EUR million)		
A) Effective tax rate		
Profit before tax (before share of results of associates)	488,1	472,4
Income tax	145,9	139,7
Effective tax rate	29,90%	29,58%
B) Reconciliation between the effective tax rate and the applicable tax rate⁽¹⁾	33,99%	33,98%
Profit before tax (before share of results of associates)	488,1	472,4
Income tax expense (based on applicable tax rate)	165,9	160,5
(Non-taxable income)/non tax-deductible expenses	1,4	2,1
Permanent differences	3,4	4,7
Impact of specific tax regulations ⁽²⁾	(0,3)	(0,3)
Impact of tax deductions ⁽³⁾	(28,5)	(28,0)
Taxes on dividend income	4,3	1,0
Impact of deferred taxes	0,0	(0,1)
Changes in tax rate	(0,1)	0,0
Other	(0,2)	(0,1)
Income tax expense	145,9	139,7
Effective tax rate	29,90%	29,58%
C) Income tax expense recognised in profit or loss		
Current year taxes	142,9	143,0
Deferred taxes	3,3	(3,3)
Adjustments relating to prior years	(0,3)	0,0
Total income tax	145,9	139,7

(1) The applicable tax rate is the weighted average tax rate for the Company and all its consolidated subsidiaries in different jurisdictions (Belgium: 33,99%, France: 33,33%, Grand Duchy of Luxembourg: 28,80%, The Netherlands: 25,50%, UK: 20,00%, India: 33,99% and Germany: 33,30%).

(2) The impact of the deduction for risk capital, of the increased deduction for investments and of the deduction for definitively taxed income is reclassified to the impact of tax deductions in accordance with the fiscal qualification of these deductions.

(3) Includes the impact of amongst others the deduction of definitively taxed income, deduction for risk capital, deduction of compensated losses and the increased deduction for investments.

Some of the tax impacts are not recognised in profit or loss but in other comprehensive income of the period. The net amount of taxes included in other comprehensive income is EUR -2,3 million of which EUR -0,1 million relates to actuarial gains and losses in relation to pension liabilities (EUR 2,6 million for annual period 2010/11). More information can be found in note 8.16. Deferred tax assets and liabilities. EUR -2,2 million relates to the Group's share in the other comprehensive income of associates (EUR 0,0 million in annual period 2010/11).

8.9. Goodwill

The recognised goodwill relates both to goodwill arising from the acquisition of complete business entities and to goodwill paid for the acquisition of individual points of sale.

The takeover of a complete business entity usually leads to the recognition of goodwill. Goodwill resulting from business combinations is measured as the excess of the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and in a business combination achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If this excess is negative, the resulting gain is recognised immediately in profit or loss on the acquisition date. The measurement of the identifiable assets, liabilities and contingent liabilities is based on best estimates of Colruyt Group's management.

Goodwill is not amortised after initial recognition, but tested for impairment annually during the fourth quarter and whenever there is an indication of impairment. Goodwill is tested at the level of the cash generating unit to which it was allocated. This cash generating unit represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Colruyt Group considers the business segments as defined in note 8.3 Revenue and gross profit as cash generating units.

Goodwill as a result of business combinations as well as goodwill as a result of the acquisition of sales points is tested for impairment based on the value in use of the cash generating unit to which it belongs.

Colruyt Group uses estimated growth rates and expected future margins based on actual figures of the latest accounting period and forecasts for the next 5 years. The growth rates take into account expected inflation but do not include non-organic growth. The growth rates used do not exceed the long term average growth rate applicable in the different industries in which Colruyt Group operates. Taking into account the importance of these operational parameters for the calculation of the value in use, the Group carefully reviews these assumptions on a global level through review and validation processes, and uses external information to determine these parameters.

To determine the discount rate Colruyt Group uses the Capital Asset Pricing Model for which only the cost of equity is included since Colruyt Group does not have a significant amount of liabilities. For the current period the following components were used in the model: Risk Free Interest 4,3%, Market Risk Premium 7,5% and 'unlevered' Beta between 0,5 and 1,6. This resulted in a weighted average cost of capital for the two main operating segments of Colruyt Group between 8% and 9%.

To determine the residual value using discounted cash flows, the Gordon growth model was used. For the current period the Group determined that the share of the discounted residual value in the value in use is lower than 75%. The impact of the final growth percentage on the value in use is not significant. Therefore the conclusions regarding the impairment test on all cash generating units remained unchanged.

Colruyt Group adapts its assumptions to the characteristics of the different cash generating units. For the main cash generating units that belong to the following three operating segments, the Group uses the following expected average growth percentages for the revenues:

- operating segment 'Retail': between 4% and 7%;
- operating segment 'Wholesale and Foodservice': between 4 and 8,5%;
- operating segment 'Other activities': maximal growth of 3%.

Goodwill by cash generating unit:

	2011/12	2010/11
(in EUR million)		
Colruyt Stores Belgium	44,8	44,8
DreamLand Belgium and France and DreamBaby	0,0	0,0
Food retail stores France	4,4	2,1
Other supermarkets Belgium	1,2	1,2
Retail	50,5	48,1
Wholesale	7,0	7,0
Foodservice	35,9	35,9
Wholesale and Foodservice⁽¹⁾	42,9	42,9
Engineering activities	-	1,7
Printing and document management solutions	1,6	1,6
Alternative energy	-	0,8
Other activities	1,6	4,1
Consolidated	95,0	95,2

(1) Colruyt Group decided to replace the geographical segmentation of the operating segment 'Wholesale and Foodservice' with a segmentation by nature of the activities. The operating segment 'Wholesale and Foodservice' is no longer divided into 'Belgium' and 'France', but into 'Wholesale' and 'Foodservice'. The comparative information was restated accordingly.

The changes in goodwill can be explained as follows:

	Gross book value 2011/12	Depreciation and impairment losses 2011/12	Net book value 2011/12	Gross book value 2010/11	Depreciation and impairment losses 2010/11	Net book value 2010/11
(in EUR million)						
At 1 April	116,9	(21,7)	95,2	106,4	(22,5)	83,8
Sales/liquidation of sales points	(0,3)	-	(0,3)	(0,8)	0,8	-
Acquisition of sales points	2,6	-	2,6	1,6	-	1,6
Restatement of goodwill relating to a business combination in a preceding period	-	-	-	(0,1)	-	(0,1)
Change due to new business combinations	-	-	-	9,9	-	9,9
Derecognition due to sale of subsidiaries	(0,2)	-	(0,2)	-	-	-
Impairment losses	-	(2,0)	(2,0)	-	-	-
Classification as held for sale	(1,5)	1,2	(0,3)	-	-	-
At 31 March	117,5	(22,5)	95,0	116,9	(21,7)	95,2

The acquisition of sales points during the current reporting period relates mainly to new Colruyt stores in the following French locations: Saint Calais, Puttelange, Xertigny and Valenton. Goodwill in relation to these transactions amounts to EUR 2,6 million. Colruyt France believes that it reinforces its market position in the Retail industry through these transactions.

An impairment loss for an amount of EUR 0,8 million was recognised for the cash-generating unit 'Alternative Energy' (which is part of the operating segment 'Other activities'), since the discounted value of the expected future cash flows did not cover the amount of the goodwill.

Some of the assets and liabilities of the Engineering activity, which is part of the operating segment 'Other activities', were reclassified as held for sale. The measurement in accordance with IFRS 5 'Non-current assets held for sale

and discontinued operations' resulted in an impairment loss of EUR 1,2 million. The engineering activity of the industrial automation entity 'Intrion' was transferred to its management at the beginning of April 2012.

The goodwill of Fema S.A.S. (EUR 0,2 million) was decreased to zero since the entity was sold to an external party.

Goodwill in relation to the acquisition of Foodinvest was EUR 9,1 million in the preceding period. In France and in the same operating segment 'Wholesale and Foodservice' the acquisition of Transpro France S.A.R.L. was finalised and resulted in a goodwill of EUR 0,6 million. The circumstances that contributed to the recognition of goodwill are the commercial and logistic synergies that Colruyt Group expects to realise by optimising its almost complete national coverage of the French foodservice for fresh products.

8.10. Intangible assets

	Developed intangible assets	Concessions, software, licences and similar rights	Intangible assets under development and other intangible assets	Total
(in EUR million)				
Acquisition value:				
At 1 April 2010	5,1	35,9	4,7	45,8
Acquired through business combinations	-	50,9	-	50,9
Acquisitions	-	8,0	6,5	14,5
Sales and disposals	-	(0,1)	(0,5)	(0,6)
Other	-	2,2	(2,2)	-
At 31 March 2011	5,1	96,9	8,6	110,6
Amortisations:				
At 1 April 2010	(4,5)	(18,6)	(0,2)	(23,3)
Amortisations	(0,2)	(5,6)	(0,0)	(5,9)
Sales and disposals	0,0	0,2	-	0,2
Other	(0,0)	0,0	(0,0)	(0,0)
At 31 March 2011	(4,7)	(24,1)	(0,2)	(29,0)
Impairment:				
At 1 April 2010	-	-	-	-
At 31 March 2011	-	-	-	-
Net carrying amount at 31 March 2011	0,4	72,8	8,4	81,6

	Developed intangible assets	Concessions, software, licences and similar rights	Intangible assets under development and other intangible assets	Total
(in EUR million)				
Acquisition value:				
At 1 April 2011	5,1	96,9	8,6	110,6
Acquisitions	-	9,6	8,2	17,7
Sales and disposals	(0,2)	(4,1)	(0,1)	(4,4)
Classification as held for sale	(0,5)	(0,5)	-	(1,0)
Other	0,1	6,8	(6,6)	0,3
At 31 March 2012	4,5	108,6	10,1	123,2
Amortisations:				
At 1 April 2011	(4,7)	(24,1)	(0,2)	(29,0)
Amortisations	(0,2)	(7,5)	(0,0)	(7,7)
Sales and disposals	0,2	0,8	0,0	1,0
Classification as held for sale	0,5	0,4	-	0,9
Other	(0,1)	0,1	(0,0)	(0,1)
At 31 March 2012	(4,4)	(30,2)	(0,2)	(34,9)
Impairment:				
At 1 April 2011	-	-	-	-
Impairment	-	(1,8)	-	(1,8)
Sales and disposals	-	1,8	-	1,8
At 31 March 2012	-	(0,0)	-	(0,0)
Net carrying amount at 31 March 2012	0,1	78,4	9,9	88,4

The intangible assets consist of software licences for an amount of EUR 27,5 million (EUR 21,9 million last period). The software was mainly generated internally by the IT-department of Colruyt Group. The internally generated software which is still in development at the end of the reporting period amounts to EUR 9,8 million (EUR 8,2 million last period).

The intangible assets include since last period a licence for 20 years for the exploitation of wind turbines in the sea. The acquisition cost of this licence was EUR 50,9 million. The licence was acquired by an increase of the share in the entity Northwind N.V. during the preceding reporting period. The offshore wind turbines are not yet ready for use

which means that Colruyt Group did not start to amortise the licence.

An impairment loss was recognised in relation to software for an amount of EUR 1,8 million. This loss was recognised in profit or loss in the line item 'Amortisation, depreciation and impairment of non-current assets' within the operating segment Retail. The impairment loss is the result of the decision to discontinue a project within a larger logistics program. The amount of internally developed software, recognised as intangible assets for this project, was therefore recycled in profit or loss during the current reporting period.

8.11. Property, plant and equipment

	Land and buildings	Plant machinery and equipment	Furniture and vehicles	Leased assets	Other property, plant & equipment	Assets under construction	Total
(in EUR million)							
Acquisition value:							
At 1 April 2010	1.331,6	389,2	371,8	27,4	63,2	31,2	2.214,4
Acquisitions through business combinations	9,0	0,3	0,7	0,1	(0,0)	6,0	16,1
Acquisitions	184,2	27,5	40,7	1,4	5,8	29,0	288,6
Sales and disposals	(18,2)	(13,1)	(12,8)	(2,9)	(2,6)	(0,6)	(50,1)
Transfers to other asset categories	5,9	3,8	0,2	(1,6)	0,3	(8,6)	0,1
Other	0,0	(0,0)	(0,0)	(0,0)	0,0	(0,3)	(0,3)
At 31 March 2011	1.512,6	407,7	400,6	24,4	66,8	56,8	2.468,8
Depreciation:							
At 1 April 2010	(421,6)	(238,7)	(264,2)	(15,2)	(29,5)	0,0	(969,2)
Depreciation	(64,1)	(35,4)	(38,3)	(1,4)	(4,7)	0,0	(143,9)
Sales and disposals	12,9	11,7	10,9	2,9	1,8	0,0	40,1
Transfers to other asset categories	2,2	(2,4)	(0,0)	0,7	(0,6)	0,0	(0,1)
Other	0,0	0,0	0,0	(0,0)	(0,0)	0,0	0,0
At 31 March 2011	(470,5)	(264,7)	(291,7)	(12,9)	(33,1)	0,0	(1.073,0)
Impairment:							
At 1 April 2010	(1,3)	0,0	0,0	0,0	0,0	0,0	(1,3)
Impairment	(0,1)	0,0	0,0	0,0	(0,0)	0,0	(0,2)
Reversal of impairment	1,2	0,0	0,0	0,0	0,0	0,0	1,2
At 31 March 2011	(0,2)	0,0	0,0	0,0	(0,0)	0,0	(0,3)
Net carrying amount at 31 March 2011	1.041,9	143,0	108,9	11,5	33,6	56,8	1.395,6

	Land and buildings	Plant machinery and equipment	Furniture and vehicles	Leased assets	Other property, plant & equipment	Assets under construction	Total
(in EUR million)							
Acquisition value:							
At 1 April 2011	1.512,6	407,7	400,6	24,4	66,8	56,8	2.468,8
Acquisitions through business combinations	1,7	0,0	(0,0)	0,0	0,0	0,0	1,7
Acquisitions	124,4	36,8	50,5	22,8	9,4	59,4	303,2
Sales and disposals	(12,0)	(19,1)	(26,6)	0,0	(3,1)	(0,7)	(61,6)
Classification as held for sale	(1,4)	(1,7)	(3,1)	0,0	0,0	0,0	(6,2)
Transfers to other asset categories	19,3	18,8	8,3	(3,3)	22,2	(65,4)	(0,1)
Other	(0,2)	(0,1)	(0,0)	0,0	0,0	(0,2)	(0,5)
At 31 March 2012	1.644,4	442,3	429,7	43,9	95,2	49,8	2.705,3
Depreciations:							
At 1 April 2011	(470,5)	(264,7)	(291,7)	(12,9)	(33,1)	0,0	(1.073,0)
Depreciations	(77,6)	(36,3)	(42,5)	(1,8)	(8,4)	0,0	(166,7)
Sales and disposals	7,9	17,1	24,0	0,0	1,4	0,0	50,4
Classification as held for sale	0,1	1,3	2,2	0,0	0,0	0,0	3,6
Transfers to other asset categories	5,6	(5,2)	(1,4)	2,1	(1,1)	0,0	(0,1)
Other	0,0	0,0	0,0	(0,0)	0,0	0,0	0,0
At 31 March 2012	(534,5)	(287,7)	(309,5)	(12,6)	(41,3)	0,0	(1.185,7)
Impairment:							
At 1 April 2011	(0,2)	0,0	0,0	0,0	(0,0)	0,0	(0,3)
Impairment	(4,6)	0,0	(0,1)	0,0	(13,1)	0,0	(17,7)
Reversal of impairment	0,2	0,0	0,0	0,0	0,0	0,0	0,2
At 31 March 2012	(4,6)	0,0	(0,1)	0,0	(13,1)	0,0	(17,8)
Net carrying amount at 31 March 2012	1.105,3	154,6	120,1	31,2	40,8	49,8	1.501,8

The carrying amount of property, plant and equipment pledged as collateral for liabilities amounts to EUR 21,4 million (EUR 15,1 million last year), as disclosed in note 8.24. Interest-bearing loans and borrowings. Next to that, Colruyt Group provided collateral for a net carrying amount of EUR 97,5 million for which there is no longer a related liability.

An impairment was recognised in profit or loss in the line item 'Amortisation, depreciation and impairment of non-current assets' for an amount of EUR 17,7 million. For an amount of EUR 17,6 million the impairment relates to installations and machines as well as to buildings of N.V. W-cycle. The impairment is due to the limited exploitation possibilities of this site. The N.V. W-cycle is part of the cash-generating unit 'Alternative energy' within the operating segment 'Other activities'. The impairment loss is recognised as a result of

the annual tests for impairment and is driven by the decision to no longer expand existing biomass operations, seen the existing uncertainties.

The line item 'Leased assets' consists mainly of land and buildings. The net carrying amount for the current period amounts to EUR 31,2 million (EUR 11,5 million last period). The increase of EUR 19,8 million is mainly due to new lease arrangements with lease periods of more than 5 years for the use of a logistics site in Mechelen, to reinforce the Spar activities in the operating segment Wholesale and Foodservice.

Capital grants received are deducted from the cost of property, plant and equipment. The net amount of capital grants received can be detailed as follows:

	Land and buildings	Plant machinery and equipment	Furniture and vehicles	Leased assets	Other property, plant & equipment	Assets under construction	Total
(in EUR million)							
At 31 March 2011	6,5	2,0	0,7	0,2	0,0	0,0	9,3
At 31 March 2012	5,9	1,8	0,7	0,2	0,0	0,0	8,6

Profit or loss in relation to grants amounted to EUR 0,6 million (EUR 0,3 million in the preceding reporting period).

8.12. Investments in associates

	2011/12	2010/11
(in EUR million)		
Net carrying amount at 1 April	26,5	33,9
Acquisitions/capital increases	5,8	1,4
Decrease related to obtaining control in associate	-	(0,3)
Share in the profit or loss of the period	0,7	2,8
Share in the other comprehensive income for the period	(11,6)	0,8
Goodwill recognised on new business combinations	7,9	-
Impairment	(0,4)	-
Disposals	-	(3,1)
Transfer to non-current investments	-	(7,9)
Share of dividends paid	-	(0,1)
Elimination of results with associates	-	(0,3)
Other decrease	-	(0,7)
Net carrying amount at 31 March	29,0	26,5

The investments in associates for the reporting period 2010/11 and for the reporting period 2011/12 relate to the entities Coopernic S.C.R.L. (20%), Belwind N.V. (37,27%) and Xenarjo C.V.B.A. (24,99%). The shares of these entities are not listed on a public market.

For 2010/11, the key figures for these associates are:

	Assets	Liabilities	Equity	Revenue	Net result
(in EUR million)					
Coopernic S.C.R.L.	107,3	106,4	0,9	2,9	0,1
Belwind N.V.	695,6	599,2	96,4	32,1	12,5
Xenarjo C.V.B.A.	0,5	0,1	0,4	0,0	(0,6)

For 2011/12, the key figures for these associates are:

	Assets	Liabilities	Equity	Revenue	Net result
(in EUR million)					
Coopernic S.C.R.L.	93,1	92,1	1,0	2,2	0,1
Belwind N.V.	669,8	617,8	52,0	90,5	(0,6)
Xenarjo C.V.B.A.	2,1	1,8	0,3	0,0	(0,2)

The figures stated represent 100% of each company.

8.13. Investments

8.13.1. Non-current financial assets

	31.03.12	31.03.11
(in EUR million)		
Equity securities available for sale	45,6	43,0
Total	45,6	43,0

The investments presented as non-current assets have changed as follows:

	2011/12	2010/11
(in EUR million)		
At 1 April	43,0	40,9
Acquisitions	3,7	0,3
Disposals	(1,0)	-
Impairment	(0,1)	(0,2)
Transfer from investments in associates	-	7,9
Transfer to consolidated participations	-	(5,8)
At 31 March	45,6	43,0

This line item consists mainly of the investment in the Baltic Retail Group IKI and investments in the holdings Sofindev II S.A., Sofindev III S.A. and Vendis Capital N.V.

During the reporting period the Group invested for an amount of EUR 3,7 million and sold investments for an amount of EUR 1,0 million. An impairment loss of EUR 0,1 million was recognised.

8.13.2. Current investments financial assets

	31.03.12	31.03.11
(in EUR million)		
Financial assets held for trading	8,3	10,7
Fixed-income securities	17,1	14,4
Total	25,4	25,1

The investments presented as current assets have changed as follows:

	2011/12	2010/11
(in EUR million)		
At 1 April	25,1	38,4
Acquisitions	9,0	4,6
Disposals (held to maturity investments)	(8,4)	(18,4)
Fair value adjustments recognised in profit or loss	(0,3)	0,6
At 31 March	25,4	25,1

Current investments are primarily investments held by Locré S.A., the Luxembourg reinsurance company and amount to EUR 24,7 million for the current financial year. The investments that are presented as current assets are valued at their closing price on 31 March 2012. Changes in the fair value are recognised in profit or loss.

The return on fixed interest rate instruments ranges between 2,8% and 6,3% with an average return of 4,0%. The acquired instruments have terms between 4 and 30 years with an average of 9 years.

More information regarding risk management for investments can be found in note 8.26. Risk management. The net gain on the disposal of investments amounts to EUR 0,3 million for the current reporting period (a net loss of EUR 0,9 million for the period 2010/11).

8.14. Business combinations

The effect of acquisitions on Colruyt Group's assets and liabilities calculated at the date of acquisition:

	Included in consolidation 2011/12	Adjustments 2011/12	At acquisition date 2011/12	Included in consolidation 2010/11	Adjustments 2010/11	At acquisition date 2010/11
(in EUR million)						
Goodwill	-	-	-	-	(0,8)	0,8
Intangible assets	-	-	-	50,9	50,9	0,1
Property, plant and equipment	1,7	1,4	0,3	16,1	0,1	16,0
Investments	-	-	-	0,0	0,0	0,0
Deferred tax assets	-	-	-	0,4	0,4	(0,0)
Total non-current assets	1,7	1,4	0,3	67,4	50,5	16,9
Inventories	-	-	-	3,4	0,0	3,4
Trade receivables	-	-	-	7,9	0,0	7,9
Other receivables	0,0	-	0,0	1,4	(6,6)	8,0
Cash and cash equivalents	0,1	-	0,1	1,1	0,0	1,1
Total current assets	0,2	-	0,2	13,8	(6,6)	20,4
TOTAL ASSETS	1,9	1,4	0,5	81,2	43,9	37,4
Provisions	-	-	-	(0,2)	(0,1)	(0,1)
Deferred tax liabilities	(0,6)	(0,3)	(0,3)	(17,4)	(17,2)	(0,2)
Interest-bearing liabilities	(0,1)	-	(0,1)	(5,9)	6,2	(12,1)
Total non-current liabilities	(0,6)	(0,3)	(0,3)	(23,5)	(11,1)	(12,4)
Bank overdrafts	-	-	-	(2,3)	0,0	(2,3)
Other interest-bearing liabilities	(0,0)	-	(0,0)	(4,2)	0,3	(4,6)
Trade payables and other liabilities	(0,0)	-	(0,0)	(12,5)	(0,0)	(12,5)
Total current liabilities	(0,1)	-	(0,1)	(19,1)	0,3	(19,4)
TOTAL LIABILITIES	(0,7)	(0,3)	(0,4)	(42,5)	(10,8)	(31,8)
Net identifiable assets and liabilities	1,2	1,1	0,1	38,7	33,1	5,6
Share of Colruyt Group in net identifiable assets and liabilities	1,2			25,8		
Total cost of business combinations of the financial year	(1,2)			(35,7)		
Goodwill resulting from business combinations and additional investments in associates	(0,0)			(9,9)		
Consideration (paid)/received for business combinations of the current financial year	(1,2)			(35,7)		
Consideration (paid)/received for business combinations of previous financial years	(1,1)			(1,8)		
Advances paid in previous financial years related to business combinations of the current financial year	-			6,2		
Cash acquired/(disposed of)	0,1			(1,2)		
Net cash outflow	(2,2)			(32,4)		

The 2011/12 business combination relates to the acquisition of Gillard et Toussaint S.P.R.L. on 29 July 2011 for which the name was changed into Immo Ciney S.P.R.L. As a result of this business combination Colruyt Group acquired the store that it previously leased. The entity was classified within the operating segment 'Retail'. The business combination is relatively small and has no significant impact on the income statement, both for the transaction costs related to the business combination as for the contribution of the acquired entity to the consolidated result.

The 2010/11 business combinations relate mainly to the acquisition of Foodinvest in Belgium and the entities Nels & Co S.A.S. and Transpro France S.A.R.L. in France. The revision of the shareholders' structure of N.V. Northwind (currently 66,67%) required the full consolidation of this entity as of 2010/11 (integral method).

8.15. Disposal groups classified as held for sale and disposal of subsidiaries

8.15.1. Disposal groups classified held for sale

Some of the assets and liabilities of the Engineering activity within the operating segment 'Other activities', have been classified as held for sale. The transfer of the assets and liabilities occurred on 2 April 2012. Measurement in accordance with IFRS 5 'Non-current assets held for sale and discontinued operations' resulted in an impairment loss of EUR 1,2 million. This impairment loss was presented in the line item 'Amortisation, depreciation and impairment of non-current assets' in the income statement and in the line item 'Goodwill' (see note 8.9. Goodwill) in the statement of financial position. The net identifiable assets and liabilities within the transaction, including the impairment loss, amount to EUR -1,0 million.

The Group also decided to dispose of certain current assets (which are part of the operating segment 'Wholesale and Foodservice'). The sale was finalised on 7 May 2012. The measurement in accordance with IFRS 5 did not result in recognition of an impairment loss. The total carrying amount of the assets held for sale was EUR 0,2 million.

Finally, a non-current asset (with a carrying amount of 1,3 million) which is part of the operating segment 'Retail' was presented as held for sale. The asset is available for immediate sale in its current condition. The Group expects

that the sales transaction can be finalised in March 2013 at the latest. The measurement in accordance with IFRS 5 did not result in the recognition of an impairment loss.

The following assets and liabilities were reclassified as held for sale as a result of transactions during the period and expected transactions:

	2011/12	2010/11
(in EUR million)		
Total non-current assets	3,1	-
Total current assets	4,0	-
TOTAL ASSETS	7,1	-
Total non-current liabilities	0,3	-
Total current liabilities	6,3	-
TOTAL LIABILITIES	6,6	-

8.15.2. Disposal of subsidiaries

Colruyt Group reached an agreement on 30 March 2012 with Frédéric Guillem for the sale of 100% of the shares of Fema S.A.S. (which is part of the operating segment 'Other activities'). The disposed net assets amounted to EUR 0,3 million. The transaction resulted in a loss which is presented as 'Losses on the disposal of non-current assets' in the line item 'Other operating expenses' of the income statement for an amount of EUR 0,5 million, of which EUR 0,2 million relates to Goodwill (see note 8.9. Goodwill).

There were no disposals of subsidiaries in the preceding reporting period.

8.16. Deferred tax assets and liabilities

Deferred tax assets and liabilities can be detailed as follows:

8.16.1. Net carrying amount

	Assets		Liabilities		Balance	
	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11
(in EUR million)						
Intangible assets	1,0	1,5	(19,2)	(18,6)	(18,2)	(17,2)
Property, plant and equipment	1,4	0,7	(74,4)	(86,3)	(73,0)	(85,6)
Inventories	1,0	2,5	0,0	0,0	1,0	2,5
Receivables	0,0	0,0	0,0	0,0	0,0	0,0
Other current assets	2,5	5,5	(1,5)	(3,1)	1,0	2,4
Provisions associated with employee benefits	9,7	8,5	0,0	0,0	9,7	8,5
Other provisions	0,8	0,2	(13,9)	(8,1)	(13,1)	(7,9)
Other payables	1,7	2,5	(1,0)	(0,5)	0,7	2,0
Tax losses carry-forward, deductible items and reclaimable tax paid	42,8	42,2	(0,3)	(0,4)	42,5	41,9
Tax assets/(liabilities)	61,0	63,6	(110,3)	(117,1)	(49,3)	(53,5)
Unrecognised tax assets/liabilities	(28,6)	(17,4)	5,7	2,4	(22,9)	(14,9)
Offsetting tax assets/liabilities	(22,9)	(24,3)	22,9	24,3	0,0	0,0
Net deferred tax assets/(liabilities)	9,5	21,9	(81,7)	(90,3)	(72,2)	(68,4)

8.16.2. Change in net carrying amount

	Assets		Liabilities		Balance	
	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11
(in EUR million)						
Net carrying amount at 1 April	21,9	17,3	(90,3)	(69,4)	(68,4)	(52,1)
Offsetting tax assets/liabilities	-	2,3	-	(2,3)	-	0,0
Increase/(decrease) recognised in profit or loss	(12,5)	4,5	9,2	(1,2)	(3,3)	3,3
Changes recognised in other comprehensive income	0,1	(2,6)	0,0	0,0	0,1	(2,6)
Acquired through business combinations ⁽¹⁾	0,0	0,4	(0,6)	(17,4)	(0,6)	(17,0)
Net carrying amount at 31 March	9,5	21,9	(81,7)	(90,3)	(72,2)	(68,4)

(1) Amounts are presented by nature, while note 8.14. Business combinations and disposals of subsidiaries present the net position for all business combinations.

On 31 March 2012 Colruyt Group did not recognise deferred tax assets for an amount of EUR 22,9 million (on 31 March 2011 EUR 14,9 million). This amount relates to temporary differences as well as tax losses and unused tax credits carried forward. These amount to EUR 69,9 million (compared to EUR 48,7 million last year) of which EUR 58,3 million can be carried forward indefinitely to future reporting periods.

Colruyt Group only recognises deferred tax assets to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Colruyt Group sets a time horizon of five years for these estimations.

Colruyt Group recognised deferred tax liabilities for an amount of EUR 4,3 million (compared to EUR 0,0 million last year) in relation to future dividends to be received from subsidiaries. If the deferred tax liabilities would include all reserves from subsidiaries that are available for distribution the deferred tax liabilities would increase by EUR 14,6 million (compared to EUR 19,1 million last year) for the period 2011/12.

8.17. Inventories

	31.03.12	31.03.11
(in EUR million)		
Raw and ancillary materials, goods in process and finished goods	25,4	24,2
Merchandise	526,0	500,3
Prepayments	14,2	13,6
Total inventories	565,6	538,2

Inventories are presented net of accumulated impairment losses. The accumulated impairment for merchandise inventories amounted to EUR 4,4 million for the current financial year (compared to EUR 4,6 million last year).

The amount of inventories recognised as an expense in the income statement of 2011/12 amounts to EUR 5.839,0 million and was presented as 'Cost of goods sold'. Last year this expense was EUR 5.412,5 million.

Loans granted to customers mainly comprise loans to franchisees of Spar Retail N.V. The loans granted to customers are presented net of impairment losses. At 31 March 2012 these impairment losses amount to EUR 1,1 million (compared to EUR 1,2 million last year). These loans are usually granted for a period of 10 years and bear a variable interest rate.

Colruyt Group granted a loan to an associate Belwind N.V. for an amount of EUR 13,4 million. It is a subordinated interest-bearing loan which is partly guaranteed by collaterals. The contractual arrangement provides the possibility for the associate to increase the amount of the loan by maximum EUR 5,6 million towards Colruyt Group.

'Other interest-bearing receivables' consist of 'a loan granted to UAB Palink (IKI) for EUR 2,6 million and several other loans granted to non-related parties for EUR 1,0 million.

The aging of the other non-current receivables can be detailed as follows:

	31.03.12	31.03.11
(in EUR million)		
Due between 1 - 5 years	9,7	10,0
Due > 5 years	10,1	11,0
Total	19,8	21,0

8.18. Trade and other receivables

8.18.1. Other non-current receivables

	31.03.12	31.03.11
(in EUR million)		
Loans granted to customers	2,9	3,1
Loans granted to associates	13,4	12,2
Other interest-bearing receivables	3,6	5,7
Total other non-current receivables	19,8	21,0

8.18.2. Current trade and other receivables

	31.03.12	31.03.11
(in EUR million)		
Trade receivables	442,9	440,5
Receivables relating to work in progress	-	1,6
Cash guarantees	0,4	0,4
Total trade receivables	443,3	442,5
Refundable VAT	2,8	2,4
Prepaid expenses	10,3	11,1
Loans granted to customers that expire within 1 year	0,7	0,8
Cash guarantees	2,0	4,7
Interest receivable	2,2	0,7
Other receivables	8,5	10,5
Total other current receivables	26,5	30,2

Trade receivables

Trade receivables are presented net of impairment allowance. The impairment allowance amounts to EUR 12,9 million on 31 March 2012 (compared to EUR 9,6 million last year).

Other receivables

Other receivables are presented net of impairment allowance. The impairment allowance amounts to EUR 1,2 million on 31 March 2012 (compared to EUR 2,4 million last year).

The aging of trade receivables is as follows:

	31.03.12		31.03.11	
	Gross	Impairment	Gross	Impairment
(in EUR million)				
Not past due	239,0	(0,0)	355,3	(0,1)
Past due between 1 and 6 months	201,2	(1,9)	78,0	(0,9)
Past due for more than 6 months	15,5	(10,9)	16,8	(8,7)
Total	455,8	(12,9)	450,1	(9,6)

The movement in impairment allowance on trade and other receivables is as follows:

	Impairment trade receivables		Impairment other receivables	
	2011/12	2010/11	2011/12	2010/11
(in EUR million)				
At 1 April	(9,6)	(10,4)	(2,4)	(2,3)
Addition	(7,3)	(5,0)	(0,3)	(0,1)
Reversal/use	4,1	5,8	1,5	0,1
At 31 March	(12,9)	(9,6)	(1,2)	(2,4)

Colruyt Group monitors trade receivables based on the characteristics of its business segments and the nature of its client portfolio.

In this context Colruyt Group uses credit ratings provided by external parties.

8.18.3. Construction contracts

The statement of financial position of Colruyt Group does not include the line item 'construction contracts' since these

assets were reclassified to the line item 'Assets held for sale'.

	31.03.12	31.03.11
(in EUR million)		
Advances billed in relation to construction contracts	-	41,4
Costs incurred in relation to construction contracts and recognised profits, net of recognised losses	-	(41,5)

8.19. Cash and cash equivalents

for employees of Colruyt Group; the related capital increase amounted to EUR 6.192.835.

	31.03.12	31.03.11
(in EUR million)		
Current bank deposits	103,4	196,1
Cash and cash equivalents	204,9	91,8
Total assets	308,3	287,9
Bank overdrafts	0,7	3,6
Total liabilities	0,7	3,6
Net cash and cash equivalents	307,6	284,3

At 31 March 2012 the Company's share capital amounted to EUR 239.096.265 divided into 159.465.925 fully paid up ordinary shares without par value and 9.054.199 shares with VVPR tax benefits and without par value. All shares except treasury shares participate in the profits.

8.20.3. Treasury shares

Treasury shares are included at the cost of the treasury shares purchased. At 31 March 2012 the Group held 12.355.249 treasury shares; this represents 7,33% of the shares issued at the reporting date. For many years the Extraordinary General Meeting of Shareholders has authorised the Board of Directors to acquire treasury shares up to 20% of the number of shares issued. The Board of Directors regularly discusses its buy-in policy. The time of purchase is dependent, amongst other things, on the share price evolution. Between 1 April 2012 and 1 June 2012, 92.087 treasury shares were acquired. In accordance with Article 622, paragraph 1 of the Companies Code, voting rights of shares held by the company or its subsidiaries are suspended.

8.20.4. Dividends

On 22 June 2012, a gross dividend of EUR 148,4 million or EUR 0,95 per share was proposed by the Board of Directors. Last year the gross dividend amounted to EUR 145,9 million or EUR 0,92 per share. This amount takes into account the number of treasury shares on 1 June 2012 and the number of shares reserved for distribution in September 2012 as part of the profit sharing plan. The dividend was not incorporated in the consolidated financial statements for the financial year 2011/12.

8.20. Equity

8.20.1. Equity management

Colruyt Group's aim in managing its equity is to maintain a healthy financial structure with a minimal dependency on external financing as well as to create shareholders' value. The Board of Directors strives to at least increase the annual dividend per share in proportion with the increase in group profits. The pay-out ratio over the past years was always higher than one third of the group's profit and amounts this year to 43,6%. Pursuant to statutory provisions, at least 90% of distributable profits are reserved for shareholders and a maximum of 10% can be reserved for Directors. Furthermore, in addition to its organic growth, Colruyt Group seeks to increase shareholders' value by purchasing treasury shares. The Board of Directors grants power to acquire treasury shares up to a maximum of 20% of the issued shares. By organising a capital increase reserved for staff each year since 1987, Colruyt Group also tries to increase employee commitment to the Group's growth.

8.20.2. Capital

As a result of the resolution of the Extraordinary General Shareholders' Meeting on 13 October 2011, the capital was increased by 225.194 shares with VVPR tax benefits reserved

8.20.5. Shares distributed to employees as part of the profit sharing scheme

In accordance with the law of 22 May 2001 regarding participation in the share capital and in the profit of

companies (Belgian Official Gazette 9 June 2001) and CAO 90 of 20 December 2007 regarding non-recurrent profit related benefits, Colruyt Group agreed a plan for profit sharing with the social partners. Employees have the opportunity to receive their profit sharing in shares of Etn. Fr. Colruyt N.V. and benefit from the tax advantages provided by law. The attribution of shares is based on market conditions: this year the share price is fixed at EUR 29,89. The shares are deposited for a period of two years on an individual blocked account in the name of each employee who has opted for the system.

An amount of EUR 24,8 million (including withholding tax and social security charges) was reserved on 31 March

2011 for profit sharing. From this amount EUR 3,7 million (excluding withholding tax) was distributed in shares, corresponding to 101.339 shares (taking into account the share split into five).

On 31 March 2012 an amount of EUR 24,6 million (including withholding tax and social security charges) was made available, subject to approval by the Shareholders' Meeting. This year 7.080 employees accepted shares as part of their profit sharing scheme. The value of this plan amounts to EUR 2,9 million (excluding withholding tax) and 97.196 shares.

The number of outstanding shares has changed as follows:

	Ordinary shares	VVPR shares	Shares issued (a)	Treasury shares (b)	Shares outstanding (a) – (b)
At 1 April 2010	159.465.925	8.113.420	167.579.345	9.840.020	157.739.325
Capital increase subscribed by employees	-	715.585	715.585	-	715.585
Purchase of treasury shares	-	-	-	191.201	(191.201)
Distributed to employees as part of the profit-sharing (financial year 2009/10)	-	-	-	(269.885)	269.885
At 31 March 2011	159.465.925	8.829.005	168.294.930	9.761.336	158.533.594

	Ordinary shares	VVPR shares	Shares issued (a)	Treasury shares (b)	Shares outstanding (a) – (b)
At 1 April 2011	159.465.925	8.829.005	168.294.930	9.761.336	158.533.594
Capital increase subscribed by employees	-	225.194	225.194	-	225.194
Purchase of treasury shares	-	-	-	2.695.173	(2.695.173)
Distributed to employees as part of the profit-sharing (financial year 2010/11)	-	-	-	(101.260)	101.260
At 31 March 2012	159.465.925	9.054.199	168.520.124	12.355.249	156.164.875

8.20.6. Shareholder structure

In accordance with the most recently available information of 7 May 2012, the composition of the shareholders of Etn. Fr. Colruyt N.V. is as follows:

	Shares
Colruyt Family and related parties	78.358.565
Etn. Fr. Colruyt N.V. (treasury shares)	12.443.336
Sofina Group	8.750.000
Total of parties that act in deliberation	99.551.901

On 31 March 2012, 68.968.223 shares out of 168.520.124 issued shares, or 40,93%, are publicly held. For more details refer to Section 04: Corporate governance.

8.20.7. Other reserves

The other reserves can be detailed as follows:

	01.04.2010	Increase/ (decrease)	31.03.2011
(in EUR million)			
Actuarial gains/(losses) on non-current employee benefits net of tax	4,1	5,4	9,5
Profit/ (loss) from currency translation of foreign entities	(0,4)	(0,1)	(0,5)
Share of other comprehensive income of associates	1,0	0,8	1,8
Discount on capital increase	3,9	4,0	7,9
Gains on shares distributed as profit-sharing	1,1	1,5	2,6
Variance of provision for profit distribution in shares	0,6	(6,1)	(5,5)
Total other reserves	10,3	5,5	15,8

	01.04.2011	Increase/ (decrease)	31.03.2012
(in EUR million)			
Actuarial gains/(losses) on non-current employee benefits net of tax	9,5	(0,6)	8,9
Profit/ (loss) from currency translation of foreign entities)	(0,5)	(0,3)	(0,8)
Share of other comprehensive income of associates	1,8	(11,6)	(9,8)
Discount on capital increase	7,9	1,0	8,9
Gains on shares distributed as profit-sharing	2,6	0,6	3,2
Variance of provision for profit distribution in shares	(5,5)	(0,8)	(6,3)
Total other reserves	15,8	(11,7)	4,1

8.21. Earnings per share

	2011/12	2010/11
Total operating activity		
Profit of the financial year (share of Colruyt Group) (in EUR million)	342,9	338,0
Weighted average number of outstanding ordinary shares	157.391.224	158.032.176
Basic earnings per ordinary share (in EUR)	2,18	2,14
Diluted earnings per ordinary share (in EUR)	2,18	2,14

There are no discontinued activities in neither of the reporting periods; as such above table is also valid for information on continued activities.

Weighted average number of outstanding ordinary shares

	2011/12	2010/11
Number of outstanding shares at 1 April	158.533.594	157.739.325
Effect of capital increase	60.677	192.810
Effect of shares distributed to employees (profit-sharing scheme)	50.630	134.943
Effect of shares disposed of	-	-
Effect of shares purchased	(1.253.677)	(34.902)
Weighted average number of outstanding shares at 31 March	157.391.224	158.032.176

8.22. Provisions

	Environmental risks	Other risks	Total
(in EUR million)			
At 1 April 2010	6,7	8,4	15,1
Additions	0,3	3,6	3,9
Use	(1,3)	(3,6)	(4,9)
Reversal	(0,3)	(0,5)	(0,7)
At 31 March 2011	5,5	7,9	13,4

	Environmental risks	Other risks	Total
(in EUR million)			
At 1 April 2011	5,5	7,9	13,4
Additions	0,4	3,9	4,3
Use	(1,3)	(2,1)	(3,4)
Reversal	(1,2)	(0,7)	(1,9)
Classification as held for sale	0,0	(0,1)	(0,1)
At 31 March 2012	3,4	9,0	12,4

The provision for environmental risks relates to clean-up costs for the DATS24 gasoline stations as well as for other newly acquired sites.

The other provisions consist mainly of provisions for claims and re-insurance.

8.23. Non-current employee benefits

	Early retirement benefits	Other termination benefits	Total
(in EUR million)			
At 1 April 2010	33,2	4,0	37,2
Acquired through business combinations	0,1	0,0	0,1
Additions (1)	2,3	0,4	2,7
Reversal/use (1)	(1,9)	(0,1)	(2,0)
Unwinding of the discount (2)	1,5	0,1	1,6
Actuarial gains and losses (3)	(7,9)	(0,0)	(7,9)
At 31 March 2011	27,3	4,4	31,7

	Early retirement benefits	Other termination benefits	Total
(in EUR million)			
At 1 April 2011	27,3	4,4	31,7
Acquired through business combinations	0,0	0,0	0,0
Additions ⁽¹⁾	1,8	0,8	2,6
Reversal/use ⁽¹⁾	(1,9)	(0,1)	(2,0)
Classification as held for sale	(0,2)	(0,0)	(0,2)
Unwinding of the discount ⁽²⁾	1,4	0,1	1,5
Actuarial gains and losses ⁽³⁾	0,5	0,2	0,7
At 31 March 2012	29,0	5,4	34,3

(1) included in the line item 'Employee benefits expenses' of the consolidated income statement

(2) included in the line item 'Net financial result' of the consolidated income statement

(3) included in the consolidated statement of comprehensive income

Defined contribution pension schemes

For its defined contribution pension schemes Colruyt Group pays fixed contributions to well-defined insurance entities. These pension contributions are recognised in the income statement in the year in which they are due. During the 2010/11 financial year, this cost amounted to EUR 8,6 million (compared to EUR 9,1 million last year). In Belgium, defined contribution schemes have to guarantee a minimum return. As the legally required guaranteed return is adequately covered by the insurance company, Colruyt Group has no further obligation to pay the insurance company apart from the said contributions. As a consequence all pension plans

are treated as defined contribution pension plans.

Employee benefits related to early retirement (unemployment with company compensation)

The possibility to retire early, as it exists within Colruyt Group for employees of Belgian entities, is based on the Belgian regulation relating to early retirement pensions. Since 1 January 2012, the regime of early retirement has been legally replaced by the system of unemployment with company compensation. This early retirement plan and the conditions regarding the required age and performed service period are described in a collective labour agreement

(Collectieve Arbeidsovereenkomst/Convention Collective du Travail or CAO/CCT), more specific in collective labour agreement nr. 17, as established by the National Labour Council (Nationale Arbeidsraad/Conseil National du Travail) and in the Royal Decree of 3 May 2007 which regulates the system of unemployment with company compensation (Belgian Official Journal 8 June 2007). Other collective labour agreements negotiated by the National Labour Council or within Colruyt Group for specific entities or industries may be applicable, but have similar benefits as collective labour agreement nr 17.

These benefits have to be paid if Colruyt Group decides to terminate an employee's employment before the normal retirement date or if the employee decides to accept voluntary redundancy in exchange for those benefits. These termination benefits are recognised at their estimated cost over the service period. The amounts recognised in profit or loss consist of the termination cost related to the current and previous service periods and the interest costs (unwinding of the discount). The pension liability in the statement of financial position is measured at the present value of the expected future cash outflows using market yields on high quality corporate bonds with a term that is close to the estimated term of the pension obligation. The liability takes into account the population of employees for which it can be reliably assumed that they will use the early retirement possibility (based on historical data of Colruyt Group). Actuarial gains and losses include effects of differences between the previous actuarial assumptions and what has actually occurred and effects of changes in actuarial assumptions. All actuarial gains and losses are recognised immediately in other comprehensive income.

Colruyt Group uses the following parameters for its estimations:

- discount rate: 4% as compared to 5% last year
- inflation, increased compensation: 2,5% (same as last year).

The following assumptions were changed during the reporting period:

- a change in legislation (Royal Decree of 28 December 2011 which changes Royal Decree of 3 May 2007 to regulate the conventional system for unemployment with company compensation as part of the generation agreement, in order to increase employment of elder employees, Belgian Official

Journal 28 December 2011) resulted in more severe age and career criteria for the system of unemployment with company compensation as of 2015 : with the exemption of physically heavy jobs, the new minimum age is increased to 60 for men and women and the minimum service period is increased to 40 years for men and to 31 years for women. The minimum career period for women will be increased by one year per year, reaching also 40 years in 2024.

- another change in legislation (articles 122 to 142 of the 'Programmawet(I)' of 29 March 2012, Belgian Official Journal 6 April 2012) increases the employer's contributions for unemployment with company compensation as of 1 April 2012 (increase with 10% and more).

Colruyt Group considered the changes of assumptions as a result of the changes in regulation as changes in actuarial assumptions. The impact on the liabilities in relation to employee benefits was therefore recognised as other comprehensive income. Basis for this decision is the fact that there was no change in the collective labour agreement regarding early retirement.

Other benefits on retirement

Other benefits on retirement consist of long-service benefits (Belgian entities) and legal compensations (French entities). The provision is measured using the present value of the payments linked to past services, taking into account the expected number of employees that will be employed at the date of (early) retirement.

For the measurement of 'Other termination benefits', Colruyt Group uses the parameters discussed earlier in 'Employee benefits related to early retirement (system of unemployment with company compensation)'.

The impact of the changes in legislation on other benefits on retirement was treated in the same way as the method discussed in 'Employee benefits related to early retirement'.

8.24. Interest-bearing loans and borrowings

8.24.1. Non-current interest-bearing loans and borrowings

	Lease obligations	Bank borrowings	Other	Total
(in EUR million)				
At 1 April 2010	6,8	2,5	8,4	17,6
Acquired through business combinations	0,1	5,5	0,3	5,9
Additions	0,9	-	-	0,9
Repayments	-	-	(0,3)	(0,3)
Reclassification to current	(1,9)	(5,5)	(0,4)	(7,8)
Unwinding of the discount	0,0	0,0	0,1	0,1
At 31 March 2011	5,9	2,4	8,1	16,4

	Lease obligations	Bank borrowings	Other	Total
(in EUR million)				
At 1 April 2011	5,9	2,4	8,1	16,4
Acquired through business combinations	-	0,1	-	0,1
Additions	17,7	-	0,1	17,7
Repayments	(0,5)	-	-	(0,5)
Reclassification to current	(3,4)	(1,3)	(0,4)	(5,1)
Unwinding of the discount	-	-	0,5	0,5
At 31 March 2012	19,7	1,2	8,2	29,1

Colruyt Group has no currency risks on its borrowings as all borrowings are in local currency.

8.24.2. Non-current interest-bearing loans and borrowings falling due within one year

	Lease obligations	Bank borrowings	Other	Total
(in EUR million)				
At 1 April 2010	1,0	0,6	2,0	3,6
Acquired through business combinations	0,0	3,7	0,5	4,2
Additions	0,4	0,0	-	0,5
Repayments	(1,8)	(9,0)	(2,5)	(13,3)
Reclassification from non-current	1,9	5,5	0,4	7,8
At 31 March 2011	1,6	0,8	0,5	2,8

	Lease obligations	Bank borrowings	Other	Total
(in EUR million)				
At 1 April 2011	1,6	0,8	0,5	2,8
Acquired through business combinations	-	0,0	0,0	0,0
Additions	5,1	-	-	5,1
Repayments	(7,1)	(1,2)	(0,4)	(8,7)
Reclassification from non-current	3,4	1,3	0,4	5,1
At 31 March 2012	2,9	0,9	0,5	4,3

The interest bearing liabilities consist mainly of lease liabilities and other liabilities. The increase of non-current and current lease liabilities is mainly due to new lease arrangements with lease periods of more than 5 years. These new lease arrangements relate to the logistic site in Mechelen to reinforce the Spar activities within the operating segment 'Wholesale and Foodservice'. The other lease arrangements usually have lease periods of maximum 5 years.

The other liabilities relate mainly to liabilities linked with business combinations for which the duration is usually more than 5 years.

A part of the non-current interest bearing loans, for an amount of EUR 1,0 million, is covered by collaterals given by Colruyt Group. The net carrying amount of the collateralised assets amounts to EUR 21,4 million; see note 8.11. Property, plant and equipment.

8.24.3. Terms and repayment schedule

	< 1 year	1-5 years	> 5 years	Total
(in EUR million)				
Lease obligations and similar liabilities	1,6	2,2	3,7	7,5
Non-current bank borrowings	0,8	2,2	0,2	3,2
Other	0,5	1,5	6,6	8,6
At 31 March 2011	2,8	6,0	10,4	19,2

	< 1 year	1-5 years	> 5 years	Total
(in EUR million)				
Lease obligations and similar liabilities	2,9	5,9	13,8	22,6
Non-current bank borrowings	0,9	1,2	0,0	2,1
Other	0,5	1,0	7,2	8,7
At 31 March 2012	4,3	8,1	21,0	33,4

8.24.4. Lease obligations

	Lease payment 2011/12	Interest 2011/12	Principal 2011/12	Lease payment 2010/11	Interest 2010/11	Principal 2010/11
(in EUR million)						
< 1 year	3,6	0,6	2,9	1,9	0,3	1,6
1-5 year	7,6	1,7	5,9	2,3	0,1	2,2
5 year	14,9	1,2	13,8	3,7	0,0	3,7
Total	26,1	3,5	22,6	7,9	0,4	7,5

8.24.5. Bank borrowings and others

	Instalments 2011/12	Interest 2011/12	Capital 2011/12	Instalments 2010/11	Interest 2010/11	Capital 2010/11
(in EUR million)						
< 1 year	1,5	0,1	1,4	1,4	0,1	1,3
1-5 years	2,3	0,1	2,2	3,8	0,1	3,7
5 years	7,2	0,0	7,2	6,8	0,0	6,8
Total	11,0	0,2	10,8	12,0	0,2	11,8

8.25. Trade payables, employee benefits and other liabilities

	31.03.12	31.03.11
(in EUR million)		
Other non-current liabilities	0,1	0,3
Total other non-current liabilities	0,1	0,3
Trade payables	868,2	896,2
Guarantees received and advances on work in progress	21,0	21,8
Total current trade payables	889,2	918,0
Current employee benefits	346,0	324,5
VAT and duties payable	62,7	45,3
Dividends payable	2,4	2,2
Deferred income	17,1	13,4
Other items payable	3,9	9,8
Total current employee benefits and other current liabilities	432,1	395,2

Terms and repayment schedule

	< 1 year	1-5 years	> 5 years
(in EUR million)			
Other non-current liabilities	-	0,3	-
Current trade payables	918,0	-	-
Current employee benefits and other liabilities	395,2	-	-
Total at 31 March 2011	1.313,2	0,3	-

	< 1 year	1-5 years	> 5 years
(in EUR million)			
Other non-current liabilities	-	0,1	-
Current trade payables	889,2	-	-
Current employee benefits and other liabilities	432,1	-	-
Total at 31 March 2012	1.321,3	0,1	-

8.26. Risk management

8.26.1. Risks related to financial instruments

a. Currency risk

Even if Colruyt Group has limited operations in India and the United Kingdom, its main entities are located in the Euro zone. The exchange rate risk incurred when consolidating foreign entities is not hedged. In addition, Colruyt Group incurs a currency risk on purchases in foreign currency. Colruyt Group does not hedge purchase transactions in foreign currency.

Gains and losses incurred when settling purchase transactions in foreign currency are recognised immediately in profit or loss.

Colruyt Group's exposure to exchange rate fluctuations is based on the following positions in foreign currencies:

	Trade payables	
	31.03.12	31.03.11
(in EUR million)		
USD	1,3	0,8
AUD	0,2	0,5
ZAR	0,1	0,1
INR	0,1	-
GBP	0,1	-
Total	1,8	1,4

The impact of exchange rate changes compared to the Euro is relatively limited.

at fixed interest rate.

Colruyt Group has no other financial assets or financial liabilities in foreign currency.

Colruyt Group's lease obligations amounted to EUR 22,6 million on 31 March 2012 (compared to EUR 7,5 million last year) and are mainly contracted at a variable interest rate.

b. Interest rate risks

Given the limited size of borrowings and finance lease liabilities on the statement of financial position, Colruyt Group does not hedge its interest rate risk. At 31 March 2012 the total amount of non-current and current interest-bearing liabilities was EUR 10,7 million or 0,3% of total assets (compared to EUR 11,7 million last year) and 3,4% of the cash and cash equivalents. Most of these liabilities are

Colruyt Group generally invests its excess cash in term deposits. In view of the limited financial obligations, a change in interest rate mainly affects finance income.

Interest rate changes can have the following impact on Colruyt Group's results:

	2011/12 -1%	2011/12 +1%	2010/11 -1%	2010/11 +1%
(in EUR million)				
Interest expense on lease liabilities and borrowings	0,2	(0,2)	0,1	(0,1)
Income from loans to customers and other interest-bearing receivables	(0,3)	0,3	(0,4)	0,4
Income from term deposits	(1,6)	1,6	(1,1)	1,1
Income from securities held for trading	(0,2)	0,2	(0,1)	0,1
Net impact of interest rate fluctuations on financial result	(1,9)	1,9	(1,5)	1,5

c. Credit risk

The credit risk in relation to trade receivables is limited since most of the retail customers pay cash. The main part of the receivables of Colruyt Group is linked with the Wholesale activity for which Colruyt Group applies payment terms that are common for the industry. Risks are mainly managed by the regular follow up of the returns of the wholesale clients and the affiliated independent merchants to which goods or services are delivered. Colruyt Group requires bank guarantees for affiliated merchants or restricted cash

for important DATS24-customers. The engineering and graphical entities within Colruyt Group use payment terms that are common for the industry and review regularly the credit rating of customers, exceeding their payment terms. The credit risk is spread amongst a large number of clients for the wholesale as well as for the other activities.

The carrying amount of the financial assets represents the maximum amount subject to credit risk. The carrying amount includes the recognised impairment losses:

	Gross amount	Impairment	Net carrying amount	Received bank guarantee off balance	Gross amount	Impairment	Net carrying amount	Received bank guarantee off balance
	2011/12	2011/12	2011/12	2011/12	2010/11	2010/11	2010/11	2010/11
(in EUR million)								
Other interest bearing receivables	17,4	(1,2)	16,3	-	19,4	(2,4)	17,0	-
Cash guarantees given	2,4	-	2,4	-	5,1	-	5,1	-
Loans granted to customers	4,7	(1,1)	3,6	-	5,0	(1,1)	3,9	-
Financial assets available for sale	46,0	(0,4)	45,6	-	43,3	(0,3)	43,0	-
Financial assets held for trading	26,1	(0,7)	25,4	-	25,1	-	25,1	-
Trade receivables	455,7	(12,9)	442,9	19,8	450,1	(9,6)	440,5	17,3
Other receivables	24,5	0,0	24,5	-	25,6	-	25,6	-
Construction contracts	-	-	-	-	1,6	-	1,6	-
Cash and cash equivalents	308,3	-	308,3	-	287,9	-	287,9	-
Total	885,2	(16,3)	868,9	19,8	863,1	(13,4)	849,7	17,3

Some clients provide bank guarantees to secure the recovery of Colruyt Group receivables. These guarantees are not recognised in the statement of financial position. In the current period bank guarantees were received from several clients that have outstanding debt for an amount of EUR 30,2 million. This amount was secured for recovery by bank guarantees for an amount of EUR 19,8 million (EUR 17,3 million last year).

preceding periods. Liabilities and lease arrangements are mainly the result of business combinations. The policy of Colruyt Group is to settle these liabilities as much as possible after the business combination, provided that the settling price is reasonable. The share of the short-term investment portfolio to cash and cash equivalents amounts to 8,1% (8,8% in the preceding period).

d. Liquidity risk

Finco N.V. is the financial coordinator of Colruyt Group. The entity makes sure that all entities of Colruyt Group have at all times the financial resources they need. Finco applies cash pooling which means that an excess of cash and cash equivalents in one entity is used for shortages in other entities. Finco is also responsible for the investment of cash and cash equivalents of Colruyt Group, using term accounts for periods of less than one year. Finco uses cash projections to follow up the liquidity of Colruyt Group. Colruyt Group did not use external financing for longer periods during the

e. Other market risks

Not only Etn. Fr. Colruyt N.V. but also Locré S.A., the reinsurance entity of Colruyt Group, manages a portfolio of financial instruments (fixed interest-bearing instruments and equity instruments). Locré S.A. uses these investments to hedge the reinsurance risk of Colruyt Group. On 31 March 2012, the total value of the current investment portfolio of Colruyt Group amounts to EUR 25,4 million of which EUR 24,7 million belongs to Locré S.A. Fluctuations of market values of these instruments can therefore have an impact on the financial result of Colruyt Group. There was not much fluctuation in the total value of the investment portfolio of

Colruyt Group during the current accounting period. Colruyt Group recognised an impairment for the current accounting period of EUR 0,3 million. In the previous accounting period a revaluation of EUR 0,6 million was recognised, mainly as a result of the recovery of the total economy after the financial crisis.

f. Financial assets per category and class:

In accordance with IFRS 7, 'Financial instruments: Disclosures' financial instruments measured at fair value are classified using a fair value hierarchy.

		At fair value		
	Historical or amortised cost	Quoted prices	Observable market inputs	Un- observable market inputs
	2010/11	Level 1 2010/11	Level 2 2010/11	Level 3 2010/11
(in EUR million)				
Financial assets:				
Investments available for sale				
accounted for through other comprehensive income	35,1	-	-	7,9
Loans and receivables	493,7	-	-	-
Investments held for trading, accounted for through profit or loss	-	25,1	-	-
Cash and cash equivalents	287,9	-	-	-
Total at 31 March 2011	815,3	25,1	-	7,9

Financial liabilities:

Interest bearing liabilities	11,7	-	-	-
Lease liabilities	7,5	-	-	-
Trade payables	918,0	-	-	-
Bank overdrafts	3,6	-	-	-
Total at 31 March 2011	940,7	-	-	-

	Historical or amortised cost	At fair value		
		Quoted prices	Observable market inputs	Un- observable market inputs
		Level 1 2011/12	Level 2 2011/12	Level 3 2011/12
(in EUR million)	2011/12			
Financial assets:				
Investments available for sale, accounted for through other comprehensive income	35,0	-	-	10,6
Loans and receivables	489,6	-	-	-
Investments held for trading, accounted for through profit or loss	-	25,4	-	-
Cash and cash equivalents	308,3	-	-	-
Total at 31 March 2012	832,9	25,4	-	10,6
Financial liabilities:				
Interest bearing liabilities	10,7	-	-	-
Lease liabilities	22,6	-	-	-
Trade payables	889,2	-	-	-
Bank overdrafts	0,7	-	-	-
Total at 31 March 2012	923,3	-	-	-

The fair value hierarchy is based on the inputs used to measure financial assets and liabilities. The following levels are distinguished:

Level 1: financial instruments for which inputs used for measurement of fair value are officially quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: financial instruments for which fair value is determined using valuation techniques. These techniques use as much as possible inputs of observable market prices, if available, and avoid reliance on entity-specific estimations. Colruyt Group has no financial instruments that fall in this category.

Level 3: financial instruments for which fair value is determined with valuation techniques, of which certain parameters are not based on observable market data.

The financial assets available for sale consist of the participation in the Baltic Group IKI (10,5%). The investments classified in level 3 consist of investments in holdings such as Vendis Capital N.V., Sofindev II S.A. and Sofindev III S.A. The fair value consists of the acquisition price adjusted for

realised results and dividends distributed. This fair value can be different from a measurement based on market multiples or market values. The carrying amount of these investments in holding companies increased this reporting period by EUR 2,7 million, as a result of paid-in capital for an amount of EUR 3,7 million and disposals for an amount of EUR 1,0 million.

8.26.2. Other risks

Colruyt Group is exposed to various other risks that are not necessarily financial in nature, but which have the potential to impact the financial position of Colruyt Group. A description of these risks and of how Colruyt Group manages its exposure to these risks is provided in Section 04: Corporate governance. The Audit Committee regularly discusses the risk reports of the Risk Management (internal audit) department. One of the members of the Audit Committee is M. W. Delvaux who acts as independent Board member in accordance with article 526 of the Belgian Company Law. M. Delvaux gained many years of experience in general management and as an independent Board Member at other groups. For a detailed description of the operations of the Audit Committee please refer to Section 04: Corporate governance.

8.27. Off-balance sheet rights and commitments

Colruyt Group has a number of commitments which are not recognised in the statement of financial position.

On the one hand Colruyt Group has rental commitments,

only relating to real estate.

On the other hand, Colruyt Group also has contractual obligations in relation to the acquisition of property, plant and equipment and the purchase of goods and services. The maturity dates of the payments in relation to these commitments are as follows:

	31.03.11	<1 year	1-5 years	>5 years
(in EUR million)				
Lease arrangement as lessee	61,9	18,7	27,1	16,1
Commitments relating to the acquisition of property, plant and equipment	36,0	23,5	12,5	0,0
Commitments relating to purchases of goods	103,6	98,1	5,2	0,3
Other commitments	9,7	4,8	4,6	0,3

	31.03.12	<1 year	1-5 years	>5 years
(in EUR million)				
Lease arrangement as lessee	52,4	17,1	20,3	14,9
Commitments relating to the acquisition of property, plant and equipment	28,6	17,2	11,4	-
Commitments relating to purchases of goods	96,6	96,6	-	-
Other commitments	13,5	5,6	7,9	-

Liabilities relating to lease arrangements where Colruyt Group acts as a lessee, are the result of obligations due to non-cancellable lease arrangements for fixed assets. Rent and rent-related costs for fixed assets were recognised in profit or loss for an amount of EUR 24,7 million (EUR 23,9 million in the preceding period). The income statement includes along with rent expenses related to non-cancellable leases also other rent-related costs (for example property taxes) resulting from cancellable lease arrangements.

The commitments related to the acquisition of property, plant and equipment for an amount of EUR 28,6 million consist mainly of contractual obligations for the acquisition of land and buildings.

The commitments for the purchase of goods for an amount of EUR 96,6 million are the result of long term contracts with suppliers in order to assure the supply of certain merchandise.

Other commitments relate to a future contract relating to ICT-servicing for an amount of EUR 13,1 million (compared to EUR 9,7 million last year). Through this contract Colruyt Group acquires licences, subscriptions, updates and support for certain software applications. Colruyt Group also signed a framework agreement with a production company to invest in audio visual projects. This leads to a liability of EUR 0,4 million.

Next to these commitments Colruyt Group also has certain rights which are not recognised in the statement of financial position. Occasionally Colruyt Group leases out certain immovable assets under an operating lease arrangement. Colruyt Group also owns certain put options. These relate exclusively to sales of property, plant and equipment.

	31.03.11	<1 year	1-5 years	>5 years
(in EUR million)				
Lease arrangements as lessor	9,0	4,5	4,5	0,0
Rights relating to the sale of property, plant and equipment	1,9	0,6	1,3	0,0

	31.03.12	<1 year	1-5 years	>5 years
(in EUR million)				
Lease arrangements as lessor	13,5	6,4	7,1	0,0
Rights relating to the sale of property, plant and equipment	6,8	0,5	6,4	-

8.28. Contingent liabilities and contingent assets

Contingent assets and contingent liabilities are items in relation to third parties which are not recognised on the statement of financial position (in accordance with IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets').

The table below gives an overview of all contingent liabilities and contingent assets of Colruyt Group.

	31.03.12	31.03.11 Restated	31.03.11 Published
(in EUR million)			
Guarantees provided by Colruyt Group ⁽¹⁾	-	-	12,5
Claims	4,2	6,9	6,9
Other	2,6	3,4	3,4

⁽¹⁾ Related to a warranty that was linked with a liability already recognised in the statement of financial position.

Colruyt Group did not give or receive warranties that lead to rights or obligations for Colruyt Group.

On 31 March 2012 there were a limited number of legal actions outstanding against Colruyt Group which, although disputed, together constitute a contingent liability of EUR 4,2 million (compared to EUR 6,9 million last year). Based on legal advice, a provision of EUR 3,3 million (compared to EUR 4,8 million last year) was recognised.

Pending commercial law cases for an amount of EUR 1,7 million (compared to EUR 3,4 million last year) primarily concern alleged commercial damages or unlawful termination of lease and franchise contracts.

Pending labour cases for an amount of EUR 1,6 million (compared to EUR 2,4 million last year) relate mainly to the disputed termination of employment contracts.

Other pending cases, amounting to EUR 0,9 million (compared to EUR 1,1 million last year) concern both taxation as common law disputes.

In addition, Colruyt Group is under investigation by the Belgian Competition authorities concerning possible violations of the Belgian competition law on perfume, drugstore, skin care and cosmetic products as well as chocolate products.

In the case concerning perfume, drugstore, skin care and cosmetic products, Colruyt Group continues to fully cooperate with the investigations. At present there is still insufficient information available to perform a relevant risk assessment.

In the case concerning chocolate products, the Belgian Competition Council came to a verdict on 7 April 2011 in which it decided not to pursue the claim of the College of Competition Prosecutors because of a violation of the rights of the defence for the retail companies involved. Colruyt Group is not aware of a re-opening of the case.

'Other' contingent liabilities represent commitments originating from engagements towards financial institutions for the financing of some affiliated independent merchants. The total contingent liability amounts to EUR 2,6 million (compared to EUR 3,4 million last year).

Colruyt Group assumes that there will be no negative financial impact from these transactions.

8.29. Dividends paid and proposed

On 5 October 2011, a gross dividend of EUR 0,92 per share was paid to shareholders.

For the 2011/12 financial year, the Board of Directors will propose a gross dividend of EUR 0,95 per share, which will be made payable on 3 October 2012. Although the decision to distribute a dividend, is to be taken after reporting date, it should be considered as a non-adjusting event after the reporting date. This dividend, which must be approved at the General Meeting of Shareholders of 26 September 2012, is therefore not recognised as a liability in the statement of financial position.

The distribution proposed by the Board of Directors relates to 156.169.984 shares (after deduction of treasury shares and while taking into account the shares allocated to the profit-sharing scheme). As determined on 1 June 2012, the total dividend payable amounts to EUR 148,4 million.

8.30. Related parties

An overview of transactions with related parties is given below. In this note, only the transactions which were not eliminated in the consolidated financial statements are presented.

Colruyt Group identifies, in accordance with IAS 24, 'Related Party Disclosures', different categories of related parties:

- a) key managers of Colruyt Group (please refer to Section 04: Corporate governance) and close members of their family
- b) entities that control Colruyt Group (please refer to Section 04: Corporate governance)
- c) associates (as disclosed in note 8.12. Investments in associates)
- d) entities that are controlled by or in which members of the key management personnel have at least significant influence: Stonefund N.V., Stonefund II N.V., Stonefund III N.V., COFIN C.V.B.A., ERDA N.V., Topcom N.V., Korys Management N.V., Naiades Capital SARL en Invictus Blauwe Toren N.V.

The majority of the transactions and outstanding balances are related to associates and reference shareholders. Reference shareholders belong to categories a) or b). Transactions and outstanding balances with other categories of related parties are not significant and therefore do not require separate disclosures.

8.30.1. Transactions with related parties excluding remunerations of directors and senior management

	2011/12	2010/11
(in EUR million)		
Revenue	2,2	0,8
Costs	2,4	1,9
Receivables	15,4	12,8
Liabilities	0,3	0,1
Dividends paid	75,1	73,2

The amounts explained above relate to transactions made on terms equivalent to those that prevail in arm's length transactions.

As stated, most transactions are with associates and reference shareholders.

Transactions with related parties generated revenue for an amount of EUR 2,2 million (EUR 0,8 million in the preceding

reporting period). Services delivered to an associate generated EUR 0,2 million (EUR 0,6 million in the preceding period). The entity received interest for an amount of EUR 1,9 million from an associate.

Other transactions with related parties that are recognised in profit or loss consist of costs related to services delivered and purchases of goods for an amount of EUR 2,2 million (EUR 1,1 million in the preceding period) and the waiver of receivables for an amount of EUR 0,2 million (EUR 0,5 million in the preceding period).

The outstanding receivables with related parties mainly relate to receivables from associates. An amount of EUR 13,4 million (compared to EUR 12,2 million last year) is outstanding for an arm's length interest-bearing receivable from an associate. Colruyt Group also has a current receivable from associates of EUR 2,0 million (compared to EUR 0,5 million last year).

There were no significant outstanding liabilities at the end of the current financial year.

Dividends were paid to the reference shareholders of Colruyt Group for an amount of EUR 75,1 million. These dividends relate to the financial year 2010/11. Dividends paid are presented gross, which means that the distinction based on the nature of the shareholders is removed.

8.30.2. Remunerations of directors and senior management

The remunerations awarded to directors and senior management are summarised below. All amounts are gross amounts before taxes and exclude employer-paid social security contributions.

	Remunerations 2011/12	Number of persons/ shares 2011/12	Remunerations 2010/11	Number of persons/ shares 2010/11
(in EUR million)				
Board of Directors		9		8
Variable remuneration (bonuses)	3,4		3,7	
Fixed remuneration (director's fees)	1,0		0,9	
Senior management		9		10
Salaries	2,25		2,11	
Variable remuneration	2,26		1,59	
Defined contribution plans	0,41		0,30	
Share based payments	0,02	503	0,04	980

The director's variable remunerations related to the financial year 2011/12 are proposed by the Board of Directors and subjected to approval by the Annual Shareholders' Meeting.

More information regarding the different components of the remunerations for key management personnel can be found in the remuneration report (See Section 04: Corporate governance) as prepared by the Remuneration Committee.

8.31. Events after the reporting date

On 2 April 2012, Colruyt Group management and the current management of the industrial automation company Intrion signed a deed of transfer of the business ('management buy-out'). As Intrion's activities are unrelated to Colruyt Group's core business, this company can set its own course. During the current accounting period, the contribution of this activity to the consolidated revenue of Colruyt Group was EUR 20,3 million. On the reporting date it employed 106 persons based on a full-time equivalent basis.

No other events that could materially affect the consolidated financial statements occurred between 31 March and 22 June 2012, the date at which the consolidated financial statements have been authorised for issue.

8.32. Independent auditor's remuneration

The table below provides an overview of remuneration paid to the independent auditor and his associated parties for services rendered to Colruyt Group.

	2011/12	2010/11
(in EUR million)		
Audit assignments (statutory audit)	0,9	0,8
Other	0,4	0,2
Total	1,3	1,0

The consideration paid for audit services was EUR 0,9 million, of which EUR 0,2 million were recognised at the level of the Company and EUR 0,7 million were recognised at the level of its subsidiaries.

For the non-audit services, such as tax advice and other special or legal assignments, Colruyt Group recognised a cost of EUR 0,4 million.

8.33. List of consolidated entities

8.33.1. Company

Etn. Fr. Colruyt N.V.	Halle, Belgium	-
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8.33.2. Subsidiaries

Alvocol N.V.	Halle, Belgium	59,88%
Atout Trefle S.C.I. ⁽¹⁾	Rochefort sur Nenon, France	100%
Aubépine S.A.R.L. ⁽¹⁾	Chalette S/L, France	100%
Bio-Planet N.V.	Halle, Belgium	100%
Blin Etablissements S.A.S. ⁽¹⁾	Saint Gilles, France	100%
Bodegas B.V.B.A.	Halle, Belgium	100%
Buurtwinkels Okay N.V.	Halle, Belgium	100%
Caféteries Namuroises Brécaf S.A.	Ciney, Belgium	100%
Codi-France S.A.S. ⁽¹⁾	Rochefort sur Nenon, France	100%
Codifrais S.A.S. ⁽¹⁾	Longueil St M, France	100%
Colim C.V.B.A.	Halle, Belgium	100%
Collivery N.V.	Halle, Belgium	100%
Colruyt France S.A. ⁽¹⁾	Orly, France	100%
Colruyt Gestion S.A.	Luxemburg, Grand Duchy of Luxembourg	100%
Colruyt Group Services N.V.	Halle, Belgium	100%
Colruyt IT Consultancy India Priv. Ltd	Hyderabad, India	100%
Colruyt Luxembourg S.A.	Luxemburg, Grand Duchy of Luxembourg	100%
Colruyt Mobile N.V.	Halle, Belgium	100%
Colruyt Vastgoed Nederland B.V.	Hillegom, The Netherlands	100%
Copimex N.V.	Halle, Belgium	100%
DATS24 N.V.	Halle, Belgium	100%
Davytrans N.V.	Halle, Belgium	100%
Des Buttes S.C.I. ⁽¹⁾	Rochefort sur Nenon, France	100%
Dimaco UK Limited	Kempston, United Kingdom	100%
Distienen N.V.	Ternat, Belgium	100%
DreamBaby N.V.	Halle, Belgium	100%
Dreamland France S.A.S. ⁽¹⁾	Rochefort sur Nenon, France	100%
DreamLand N.V.	Halle, Belgium	100%
E-Logistics N.V.	Halle, Belgium	100%
Enco Retail N.V.	Halle, Belgium	100%
Filaalst N.V.	Ternat, Belgium	100%
Filantwe N.V.	Ternat, Belgium	100%
Fildiast N.V.	Ternat, Belgium	100%
Filhalle N.V.	Ternat, Belgium	100%
Filkwaad N.V.	Ternat, Belgium	100%
Fillange N.V.	Ternat, Belgium	100%
Filleuve N.V.	Ternat, Belgium	100%
Fillouva N.V.	Ternat, Belgium	100%
Filnoord N.V.	Ternat, Belgium	100%
Filooste N.V.	Ternat, Belgium	100%
Filquare N.V.	Ternat, Belgium	100%
Filroel N.V.	Ternat, Belgium	100%
Finco N.V.	Halle, Belgium	100%
Foodinvest N.V.	Halle, Belgium	100%
Foodlines B.V.B.A.	Halle, Belgium	100%

Immo Ciney S.P.R.L.	Halle, Belgium	100%
Immoco S.A.S. ⁽¹⁾	Rochefort sur Nenon, France	100%
Immo Dassenveld N.V.	Halle, Belgium	100%
Ineco S.A.S. ⁽¹⁾	Sainte Marie, La Réunion, France	100%
Infoco N.V.	Halle, Belgium	100%
Intrion NL B.V.	Hillegom, The Netherlands	100%
Intrion N.V.	Halle, Belgium	100%
Jacodi S.C.I. ⁽¹⁾	Rochefort sur Nenon, France	100%
Katz S.C.I. ⁽¹⁾	Longueil St M, France	100%
Les Clauzures S.C.I. ⁽¹⁾	Montauban, France	100%
Locré S.A.	Luxemburg, Grand Duchy of Luxembourg	100%
Northwind N.V. ⁽¹⁾	Zeebrugge, Belgium	66,67%
Parkwind N.V.	Leuven, Belgium	100%
Picta Frais S.A.S. ⁽¹⁾	Dissay, France	100%
Pro à Pro Distribution Export S.A.S. ⁽¹⁾	Orly, France	100%
Pro à Pro Distribution Nord S.A.S. ⁽¹⁾	Chalette S/L, France	100%
Pro à Pro Distribution Sud S.A.S. ⁽¹⁾	Montauban, France	100%
R.H.C. S.A.S. ⁽¹⁾	Boissy Saint Leger, France	99,12%
Sama S.C.I. ⁽¹⁾	Rochefort sur Nenon, France	100%
Sodeger S.A.S. ⁽¹⁾	Château Gontier, France	100%
Sodifrais S.A.S. ⁽¹⁾	Illkirch Graffenstaden, France	100%
Spar Retail N.V.	Ternat, Belgium	100%
Super 10 S.A.R.L. ⁽¹⁾	Chateaufort S/L, France	100%
Symeta N.V.	Halle, Belgium	100%
Transpro S.A.S. ⁽¹⁾	Sainte Marie, La Réunion, France	100%
Transpro France S.A.S. ⁽¹⁾	Aiton (Savoie), France	100%
U.C.G.A. Unifrais S.A. ⁽¹⁾	Estillac, France	99,12%
Unifrais Distribution S.A.S. ⁽¹⁾	Estillac, France	99,12%
Vlevico N.V.	Halle, Belgium	100%
Walcodis S.A.	Ath, Belgium	100%
Waldico S.A.	Ghislenghien, Belgium	100%
Walspar N.V.	Ternat, Belgium	100%
W-Cycle N.V.	Halle, Belgium	100%
WE Power N.V.	Halle, Belgium	100%

(1) These companies close their financial year on 31/12 and are included in the consolidated figures on that date.

8.33.3. Associates

Belwind N.V.	Zeebrugge, Belgium	37,27%
Coopernic S.C.R.L. ⁽¹⁾	Brussel, Belgium	20,00%
Xenarjo C.V.B.A. ⁽¹⁾	Mechelen, Belgium	24,99%

(1) These companies close their financial year on 31/12 and are included in the consolidated figures on that date.

8.33.4. Changes in consolidation scope

a. New investments

In Belgium, all the shares of Gillard et Toussaint S.P.R.L. were acquired in July 2011. The name of the entity was changed into Immo Ciney S.P.R.L. As a result of this business combination Colruyt Group acquired a store building that it previously leased.

b. Mergers

In Belgium, the mergers of the entities Supermarkt Pelgrims N.V., New Center N.V., Florma N.V., Caddyco N.V., Etn Battard N.V. on the one hand and Caf  teries Namuroises Br  caf S.A. on the other hand were finalised in January 2012.

In France, the entities Disval/Silor S.A.S., Wilson S.A.S. en Nels & Co S.A.S. merged retroactively with Codi-France S.A.S. as of 1 January 2011.

Other retroactive mergers as of 1 January 2011 were the mergers of Poirrette S.A.S. with Pro    Pro Distribution Nord S.A.S. and the merger of Garnaud E.U.R.L. with Picta Frais S.A.S.

The merger between La Voulxoise S.A.S. and Unifrais Distribution S.A.S. was finalised in March 2011.

These transactions had no impact on the consolidated financial statements of Colruyt Group.

c. New legal entities

Colruyt Mobile N.V. was established on 10 October 2011. All activities regarding the new mobile services are grouped in this new entity.

On 26 March 2012 Parkwind N.V. was established. All Belgian activities in relation to wind energy will be centralised in Parkwind N.V. As such this entity will operate as a holding entity that will deliver services and financing. Colruyt Group is searching for external partners for the further development of this non-core activity.

d. Other changes

The following liquidations of entities were finalised during the annual period: Mitto N.V., Unipol 2 N.V., Colruyt Deutschland G.m.b.H. en Filvide N.V.

In France Unibuy G.I.E. and Unifrais International S.A.S. were liquidated.

The entity also changed the names of a considerable number of entities: Fraxicor N.V. became W-Cycle N.V., Mundipak B.V. became Intrion NL B.V., Fildeurn N.V. became Fillange N.V. and Co Markt Hooglede N.V. became Enco Retail N.V.

Finally, on 30 March 2012, Fema S.A.S. was sold to an external party.

8.34. Abbreviated (non-consolidated) financial statements of Etn. Fr. Colruyt N.V., according to Belgian accounting standards

The non-consolidated financial statements of Etn. Fr. Colruyt N.V. are presented below in abbreviated form.

These documents can also be obtained on request at the Company's registered office:

The annual report, annual financial statements and independent auditor's report were filed with the National Bank of Belgium, in accordance with Articles 98 and 100 of the Companies Code. A copy of these documents can be obtained there on request.

Etn. Fr. Colruyt N.V. – Edingensesteenweg 196, 1500 Halle–
Tel. 02 360 10 40 – Fax 02 360 02 07.

Internet: www.colruyt.be - E-mail: colruyt@colruyt.be.

Abbreviated statement of financial position of Etn. Fr. Colruyt N.V.

	31.03.12	31.03.11
(in EUR million)		
Non-current assets	3.180,2	3.414,2
I. Formation expenses	-	-
II. Intangible assets	17,3	12,6
III. Plant, property and equipment	151,9	129,5
IV. Financial non-current assets	3.010,9	3.272,1
Current assets	1.251,6	1.078,3
V. Receivables > 1 year	3,2	5,3
VI. Inventories and work in progress	337,1	330,1
VII. Receivables < 1 year	393,7	384,6
VIII. Investments	373,1	307,2
IX. Cash and cash equivalents	141,9	48,1
X. Prepayments and accrued income	2,6	3,1
Total assets	4.431,8	4.492,5
Equity	844,1	877,3
I. Capital	239,1	232,9
II. Issue premiums	0,0	0,0
III. Revaluation reserve	6,1	6,1
IV. Reserves	398,2	637,6
V. Retained earnings	200,4	0,3
VI. Capital grants	0,4	0,4
Provisions and deferred taxes	6,8	5,5
Liabilities	3.580,9	3.609,6
VIII. Liabilities > 1 year	2.412,8	2.412,7
IX. Liabilities < 1 year	1.153,4	1.182,2
X. Accruals and deferred income	14,6	14,7
Total liabilities	4.431,8	4.492,5

Abbreviated income statement of Etn. Fr. Colruyt N.V.

	2011/12	2010/11
(in EUR million)		
I. Operating income	5.717,3	5.381,8
II. Operating expenses	(5.344,6)	(5.022,9)
III. Operating profit	372,8	358,9
IV. Financial income	2,3	61,5
V. Financial expenses	(113,5)	(37,2)
VI. Profit from ordinary operations, before tax	261,6	383,1
VII. Exceptional income	3,3	0,0
VIII. Exceptional expenses	(48,9)	(2,8)
IX. Profit of the financial year, before tax	216,1	380,4
IX BIS A. Derecognition of deferred taxes	-	0,1
IX BIS B. Recognition of deferred taxes	-	0,0
X. Income tax	(95,9)	(110,1)
XI. Profit of the financial year	120,2	270,3
XII. Drawings on the tax-free reserves	-	4,7
XII. Transfers to the tax-free reserves	(0,7)	(0,2)
XIII. Profit of the financial year available for appropriation	119,5	274,9

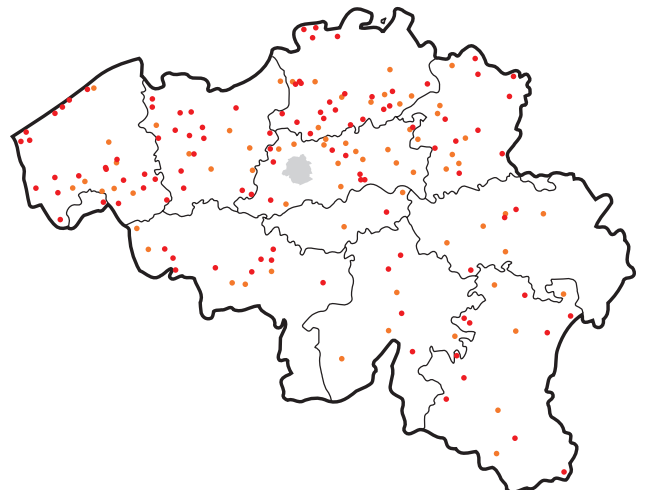
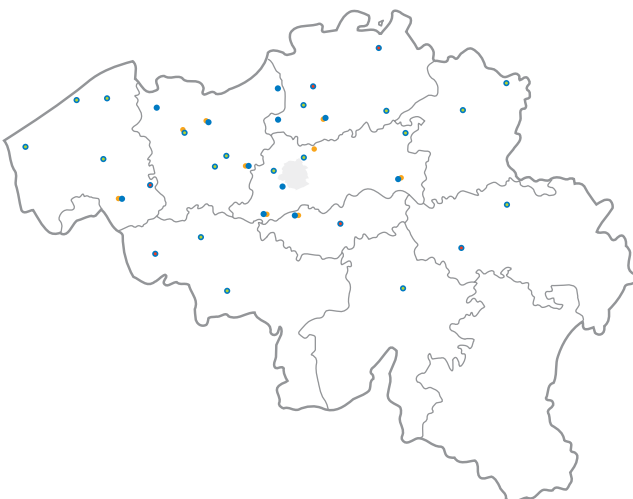
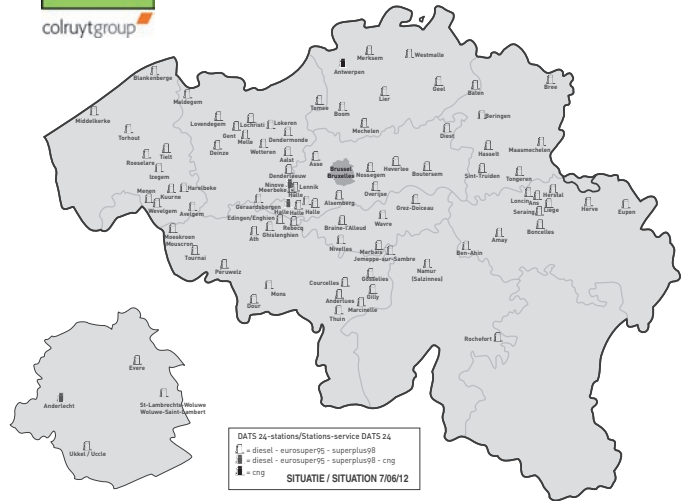
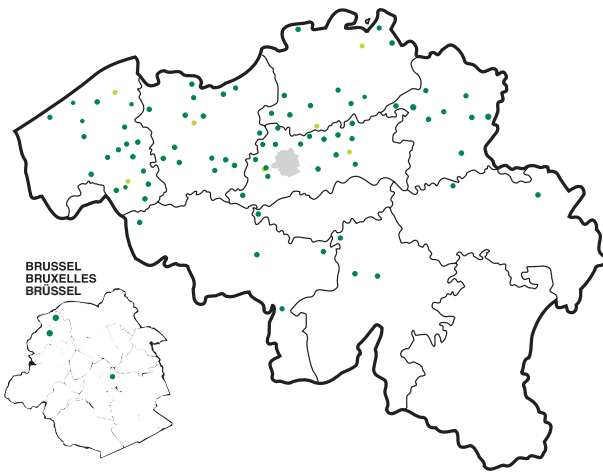
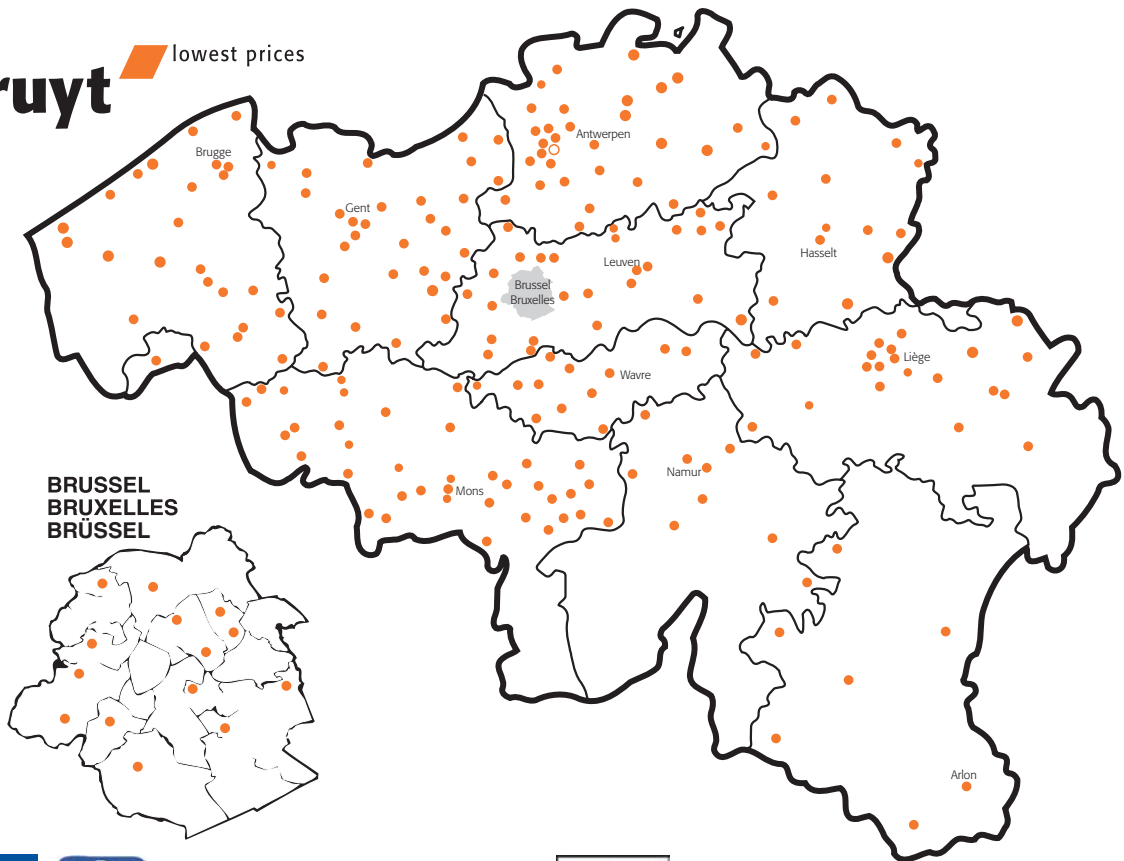
Profit appropriation Etn. Fr. Colruyt N.V.

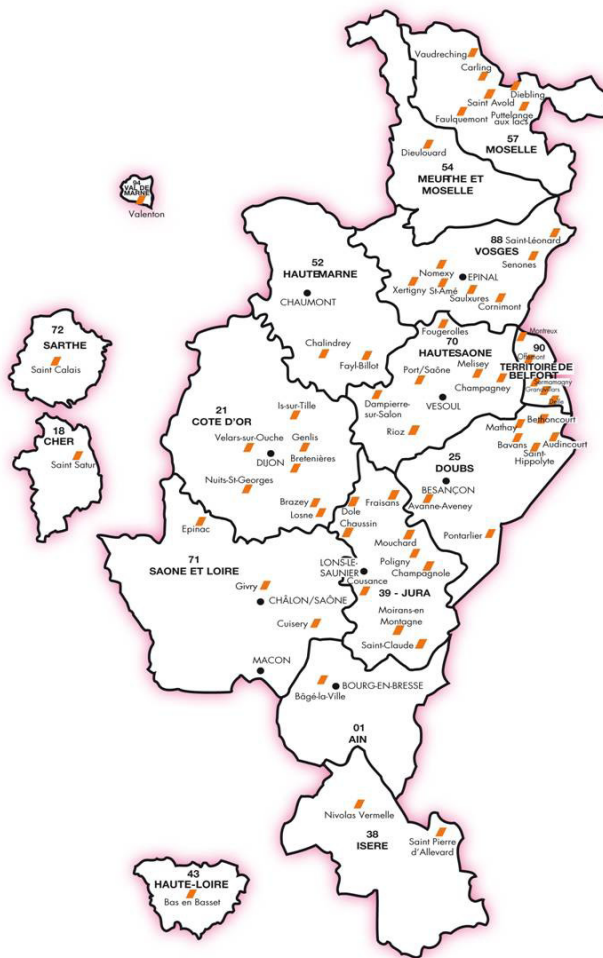
The Board of Directors will propose to the General Meeting of Shareholders on 26 September 2012 to distribute the profit for the 2011/12 financial year as follows:

	2011/12	2010/11
(in EUR million)		
Profit of the financial year available for appropriation	119,5	274,9
Profit carried forward from previous financial years	0,3	0,3
Profit available for appropriation	119,8	275,1
Withdrawal from equity	242,0	-
Transfer to the legal reserve	0,6	2,4
Addition to other reserves	0,0	112,9
Profit to be carried forward	200,4	0,3
Dividends	148,4	145,9
Bonuses	3,4	3,7
Other debts	9,0	9,9
Profit to be carried forward	0,0	0,0

Compensation of shareholders in cash

This line item is calculated using the number of treasury shares on 11 June 2012 and taking into account the shares reserved for distribution as part of the profit-sharing plan in September 2012.





[www.colruytgroup.com/
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The French and English versions are translations of the original Dutch version.