



ANNUAL REPORT

2012-2013



COLRUYT
GROUP



Halle, 20 June 2013

Limited liability company Etn. Fr. Colruyt

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ANNUAL REPORT

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and AUDITOR'S REPORT

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Risks relating to forecasts

Statements by the Colruyt Group included in this publication, along with references to this publication in other written or verbal statements of the 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 cause any variation between expectations and reality are: changes in the microeconomic or macroeconomic context, changing market situations, changing competitive climate, unfavourable decisions with regard to the building and/or expansion of new or existing stores, procurement problems with suppliers, as well as other factors that can have an impact on the group's result. Colruyt Group does not enter into any obligation 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 publication or in other group communications, whether written or oral.



COLRUYT
GROUP

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

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Section 00 is compiled based on the Colruyt Group management report 2012-2013 that was prepared by the Board of Directors of the company. The contents of section 04 form an integral part of the annual report of the Board of Directors on the individual financial statements of the company over the financial year 2012-2013.

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Introduction

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1. Word from the Chairman

Colruyt Group performed very well again this year. Revenues rose by nearly 5,9 % and net profit increased by 3,1 %. This is no sinecure in a market in which everyone is adopting a wait and see attitude. Consumers are unwilling to spend, the government is looking for a solution to the crisis and companies are postponing investments. The drive and enthusiasm of each of the more than 25.000 employees day in day out has contributed to our good results. I would like to sincerely thank our employees for their dedication.

In these difficult circumstances, Colruyt Group has made the difference by continuing to invest: we opened and renovated many stores, we built a new distribution centre for Spar Retail in Mechelen and we have submitted an application for a building permit for a new distribution centre in Ollignies. In addition, we have taken the first steps to establish the bakery Roecol and we have opened an office in Hong Kong together with Colimpo for our purchasing activities in the Far East.

We notice that customers are changing their purchasing patterns in this difficult market. It is evident from Colruyt's growing market share that Colruyt is still the optimal formula for customers who seek the lowest price. In addition, OKay and Spar are the ideal solutions for customers who wish, above all, to shop near to home. Moreover, more and more customers are finding their way to Bio-Planet as they are looking for added value and they wish to consciously enjoy food.

The fact that each of these store formulas are growing goes to show that the formulas supplement each other perfectly. And this is not a coincidence. In recent years, Colruyt Group has expanded from a family-owned company to a family of companies. This family has nine core values as a common base and foundation for everything that it does. Colruyt Group's new logo is the visual confirmation of this corporate culture that connects all of its activities. In everything we do, we aim to make the difference by offering 'Simplicity in Retail'.

The new store brand Boni Selection with affordable quality products will also offer our customers simplicity in retail. It will eventually group together over 50 existing

Colruyt Group store brands with a new recognisable packaging and a carefully selected product range. In the past year, many employees from the whole group have prepared the introduction. In this sense, Boni Selection really is a Colruyt Group brand.

Simplicity is also helping the customer to make a sustainable choice. This is the reason why, for example, the products of our own brands only contain free-range eggs and why Colruyt opened a sustainable store in Wépion and had its range of fish products examined and why DreamLand helped organise SOS Toys.

The many examples in this annual report show that we are working hard in many different areas to make the lives of our customers easier. Moreover, they clearly appreciate our efforts. We are, of course, pleased that reputation surveys confirm this.

At the same time, we also realise that 'Simplicity in retail' is a task that will never be finished. Day after day, we will continue to work on this together. All of the Colruyt Group employees, each with his or her own talents, will continue to work hard during the coming year to offer simplicity to our customers based on our own unique approach. This is the only way that we will be able to continue to grow.

We expect from the government that they will create a framework so that our growth can continue. Around 50 % of the added value that the 25.775 employees of Colruyt Group in Belgium create, flows back to the community via our government. It is therefore important to continue to work on establishing an efficient and effective government who will not continue to increase the tax burden on the added value. In order to support our economy, the government should take the necessary stimulation measures from a long-term vision.

Where possible, we would like to cooperate with this constructively. After all, all of us will benefit from this.

Jef Colruyt, chairman



2. Management Report

Overview financial year 2012/2013 - Financial information

(in million EUR)	2012/13	2011/12	Variance
Revenue	8.311,6	7.847,6	5,9 %
Operating cash flow (EBITDA)	699,8	681,4	2,7 %
% revenue	8,4 %	8,7 %	
Operating result (EBIT)	515,1	485,2	6,2 %
% revenue	6,2 %	6,2 %	
Net financial result	(13,1)	2,9	
Profit before taxes	502,5	488,8	2,8 %
% revenue	6,0 %	6,2 %	
Tax on profits	148,9	145,9	2,0 %
Profit of the financial year (share of the group)	353,7	342,9	3,1 %
% revenue	4,3 %	4,4 %	
Cash flow	538,4	539,1	(0,1 %)
Weighted average number of issued shares	156.217.581	157.391.224	
Profit before taxes per share in EUR	3,22	3,11	3,6 %
Earnings per share (share of the group) in EUR	2,26	2,18	3,9 %
Dividend per share in EUR	1,00	0,95	5,3 %

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

- Revenue growth of 5,9 % in a very competitive environment (revenue growth of 6,2 % on a comparative basis compared to the previous year). With our lowest price strategy and additional discounts, we provide compensation for the lower purchasing power of consumers. This is reflected in a further increase of our market share in retail;
- The uncertain economic climate and the continuing weak consumer confidence in the Eurozone has made customers even more price conscious. Colruyt Group aims to capitalize on this changing purchasing pattern by offering a wide range of good quality store brands in addition to its wide range of national brands;
- Stabilisation of the gross margin after a less positive first half of the year;
- In spite of further cost inflation, the general development of our costs remained under control;
- Foodretail France: in a stagnating market with fierce price competition, we continue to invest in our lowest price position and in expanding stores. This has resulted in a gradual increase in revenue; however, at present, this has still not resulted in a positive profit contribution;
- The net financial result has been impacted by an impairment charge of EUR 15,3 million in connection with Colruyt Group's participation in IKI (retail supermarket in the Baltic states);
- An increase of the net cash and cash equivalents to EUR 503,9 million, mainly due to the purchase of a lower amount of treasury shares and further optimisation of the working capital;
- At the end of the reporting period, the group employed 24.287 employees in terms of full-time equivalents (25.775 persons). This is a 3,1 % increase compared to the same period last year.

2.1 Review of income statement

During the financial year 2012/2013, Colruyt Group's consolidated revenue rose by 5,9 % from EUR 7.847,6 million to EUR 8.311,6 million. The increase in revenue amounted to 6,2 % on a comparative basis. The difference can be explained mainly by the divestment of intrion on 1 April 2012.

Given the difficult economic climate, a constant focus on the positioning of each activity of the group has resulted in a further increase in our market share. The opening of new stores and promotional support resulted in sustainable sales results in the different activities.

The group's gross profit rose by 4,9 % to EUR 2.106,3 million from EUR 2.008,6 million, which corresponds with a gross profit margin of 25,3 % versus 25,6 % in the previous financial year. Retail succeeded in maintaining its gross profit margin stable in spite of the highly competitive and uncertain economic climate. However, the fact that the group could only partially incorporate the higher purchasing prices in its sales prices and the changed consumption pattern with a preference for cheaper products did have a negative impact on the group. In addition, foodservice and the activities of DATS 24 experienced margin pressure in the past financial year, mainly due to more intense competition. These developments have resulted in a decrease in the gross profit margin by 25 basis points.

Compared to the previous financial year, the operating cash flow (EBITDA) increased by 2,7 % to EUR 699,8 million. This is a consequence of the further growth of our turnover whereby we succeeded in keeping the growth of our costs under control.

During this reporting period, the depreciation charges and impairments decreased to 2,2 % of revenue. In the first place, this decrease is due to the one-off impairment charge on W-Cycle (EUR 18,3 million) which was booked in the previous financial year 2011/12. The recurring depreciation charges increased by 3,78 % due to a further growth in investments.

The group's operating result (EBIT) rose by 6,2 % to EUR 515,1 million whereby the EBIT margin (6,2 %) remained in line with that of the previous financial year. Although the group also felt the impact of the cost inflation this financial year, the salary costs and costs of services and

various goods expressed as a percentage of the revenue remain in line with the previous financial year.

The net financial result as of 31 March 2013 contained an impairment charge of EUR 15,3 million in connection with Colruyt Group's participation in IKI (retail supermarket in the Baltic states). As a result, the group's net financial result became negative amounting to EUR 13,1 million.

Taxation on the results was in line with the previous financial year (effective tax rate of 29,7 %); however, taxation did increase nominally by EUR 3 million.

The profit over the financial year (group share) rose by 3,1 % to EUR 353,7 million.

Earnings per share (EPS) increased by 3,9 % from EUR 2,18 to EUR 2,26.

2.2 Information per activity

2.2.1 Retail

The retail segment accounted for 75,9 % of the group's consolidated revenues and realised a 5,2 % increase in revenues to EUR 6.309,4 million.

At the end of the financial year, this segment of the stores operated by Colruyt Group in Belgium (including Luxembourg) consisted of 230 Colruyt stores, 88 OKay stores (including OKay Compact), 8 Bio-Planet stores as far as the food activities are concerned and 51 stores for the non-food activities DreamLand and DreamBaby (of which two in France). In France, the retail activities consist of 62 at present.

The Colruyt stores realised a revenue growth of 5,2 %. Total revenues of the Colruyt stores amounted to EUR 5.232,3 million during the financial year 2012/2013, versus EUR 4.973,2 million in the previous financial year. This growth can be attributed to an increase in the number of stores, an increase in the customer base with a higher frequency of visits to the stores and successful promotional campaigns.

As a result of the above-mentioned developments, the market share of the Colruyt stores over the period under review increased to 25,94%, which represents a 58 basis points increase compared to the previous period under review.

Whereas during the first half of the financial year the higher prices of our suppliers could only be incorporated in the sales prices partially, this trend improved in the second half of the year.

The OKay and Bio-Planet formulas continued to perform well due to the opening of new stores and strong inflow of new customers resulting in a revenue growth of 11,0 % to EUR 530,8 million.

Foodretail France realised a revenue growth of 16,6 % to EUR 226,3 million. In a stagnating retail market with fierce price competition, the French consumer appreciates our lowest prices concept. The group aims to successfully expand its integrated store activities in France by continuing to invest in price positioning and the expansion of stores. However, on a group level, these activities have not yet resulted in a positive profit contribution.

The revenues of our specialised non-food retailers DreamLand and DreamBaby in Belgium and France rose by 2,8 % to EUR 241,4 million. Bad weather conditions impacted the sale of outdoor toys and other related seasonal products. The revenue growth can be explained by the opening of three new DreamLand stores and two new DreamBaby stores.

2.2.2 Wholesale and foodservice

The wholesale and foodservice segment accounted for 16,6 % of the group's consolidated revenue and realised a 6,9 % increase in revenues to EUR 1.380,1 million.

The wholesale segment, that also comprises the deliveries to independent storekeepers in Belgium and France in addition to the Spar Retail activities, realised a revenue growth of 9,8 %. The comparable revenue growth amounted to 3,7 % as the Spar stores operated by Colruyt Group and the French Coccinelle stores have been allocated to this segment. The growth can mainly be attributed to Spar Retail and is the result of the close cooperation with and involvement of our independent storekeepers whose profitability is among the best in the market. By offering competitive prices, the store formula has been able to realise a steady growth of its revenue per m².

Our foodservice performed better than expected in a stagnating market and was able to present a positive

increase in sales of 4,2 %. The 'social restauration' was able to record good sales results once again whereas the traditional 'commercial restauration' was severely under pressure. A high service level in a complex out-of-home market, the further optimisation of the logistic activities and the new on-line ordering possibilities are the spear points with which we wish to further position ourselves successfully in the foodservice market.

2.2.3 Other activities

The segment of the other activities accounted for 9,0 % of the group's consolidated revenues and realised a 9,4 % increase compared to the previous financial year.

The other activities are impacted strongly by the filling stations DATS 24 in Belgium and in France where revenues rose by 14,6 % compared to the same period in the previous financial year. This increase can be attributed to the 8 % volume growth compared to the previous financial year. During the period under review, four new filling stations were opened in Belgium and five in France.

The engineering activities no longer contribute to the group results due to the divestment of intrion as of 1 April 2012.

2.3 Cash flow and balance sheet analysis

The net book value of the group's tangible and intangible non-current assets remained stable in the past financial year and amounted to EUR 1.586,7 million. The group continued to carry out its investment programme in the period under review and invested an amount of EUR 248,5 million (compared to EUR 298,2 million in the previous financial year).

The company purchased 92.762 of its own shares during the financial year 2012/13 for a total amount of EUR 2,7 million (compared to EUR 82,6 million in the previous financial year). On 21 December 2012, the Board of Directors also decided to cancel in total 4 million shares. The group held 8.350.868 of its shares or 5,07 % of the total number of issued shares on 31 March 2013.

The above-mentioned elements in combination with a further optimisation of the working capital resulted at

the end of the period under review in net cash and cash equivalents amounting to EUR 503,9 million compared to EUR 307,6 million for the same reporting period last year.

2.4 Outlook

Due to the general economic crisis and a continuing weak consumer climate, the coming reporting period will also be challenging. Colruyt Group will keep its general cost growth under control and will continue to provide compensation for the decrease in consumer purchasing power via its consistent price strategies.

Colruyt Group will present its forecast for the financial year 2013/2014 at the General Assembly of 25 September 2013.

2.5 Dividend

At the Ordinary General Assembly of 25 September 2013, a gross dividend of EUR 1,00 per share will be proposed, versus EUR 0,95 for the previous financial year, which represents an increase of 5,3 %.

Segment information

(in million EUR)	Revenue	Operating cash flow (EBITDA)	Operating profit (EBIT)
I. RETAIL	6.309,4	613,3	478,2
- Colruyt (1)	5.232,3		
- OKay and Bio-Planet (2)	530,8		
- DreamLand and DreamBaby	241,4		
- Foodretail stores in France (3)	226,3		
- Other Supermarkets (3)	0,00		
- Transactions with other operating segments	78,6		
II. WHOLESALE AND FOODSERVICE (4)	1.380,1	35,9	18,6
- Wholesale (3)	751,1		
- Foodservice	624,5		
- Transactions with other operating segments	4,5		
III. OTHER ACTIVITIES	750,5	24,5	12,2
- DATS 24, Belgium and France	690,3		
- Printing & document management solutions	13,7		
- Engineering Activities (4)	0,2		
- Other	0,9		
- Transactions with other operating segments	45,4		
IV. TRANSACTIONS BETWEEN OPERATIONAL SEGMENTS	(128,4)	(0,1)	(0,1)
V. CORPORATE (not allocated)	0,0	26,2	6,2
Total group consolidated	8.311,6	699,8	515,1

(1) Including the turnover of the web shops (Collect&Go, Bio-Planet, ColliShop, DreamLand and DreamBaby) realised by the Colruyt stores.

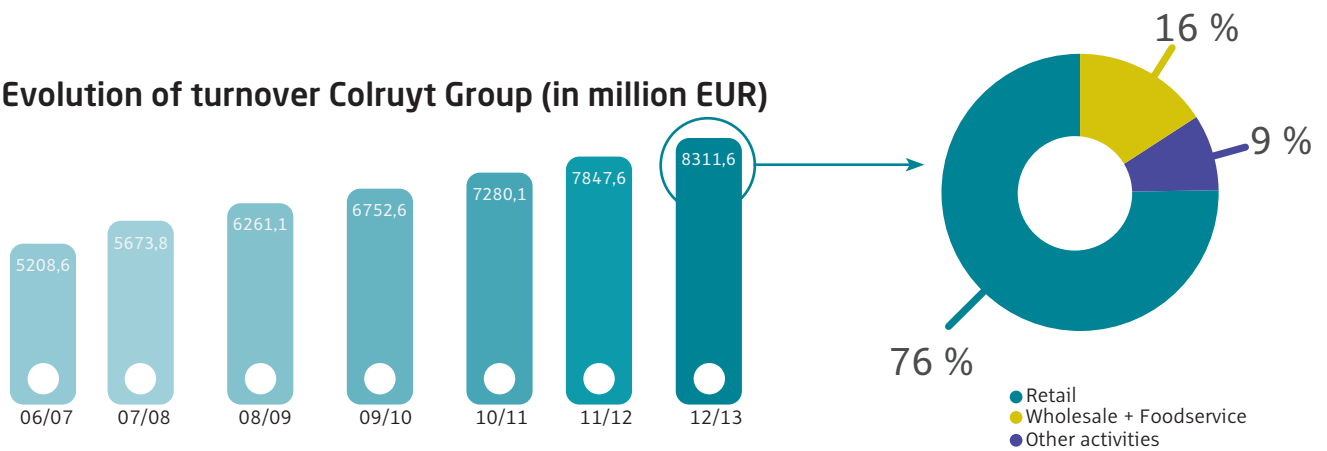
(2) Including the turnover of ColliShop and DreamBaby realised by the Okay and Bio-Planet stores.

(3) The Spar supermarkets (Belgium) and the Coccinelle stores (France) that are operated by the Group (whether or not temporarily) have been transferred to the Wholesale segment as from 01/04/2012.

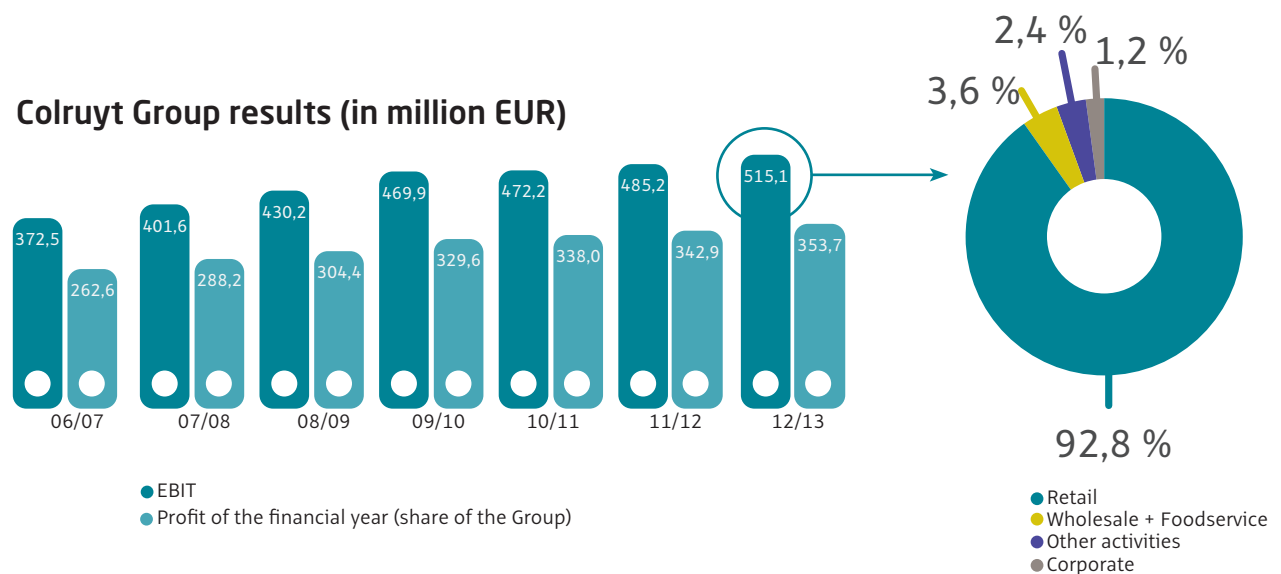
(4) The engineering activities (intrion) were sold on 1 April 2012 and thus no longer contribute to Colruyt Group's results as of the financial year 2012/13.

3. Overview of key figures

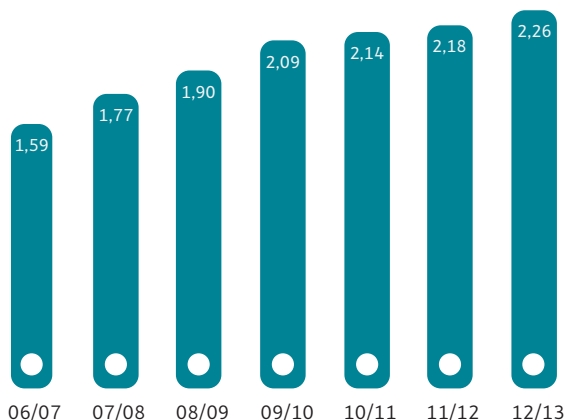
Evolution of turnover Colruyt Group (in million EUR)



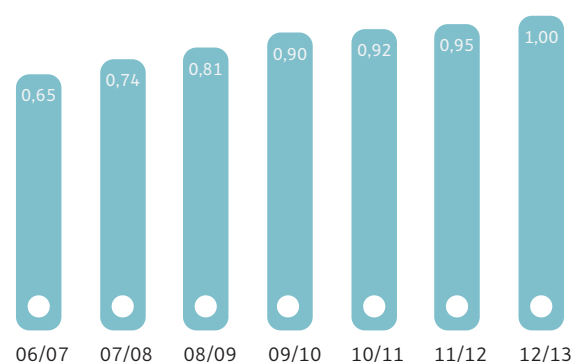
Colruyt Group results (in million EUR)



Profit per Colruyt share (in EUR)



Gross dividend Colruyt share (in EUR)





01

Who are we?

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COLRUYT
GROUP

1. Colruyt Group - a family of companies

This annual report is the first publication of Colruyt Group with the new house style and the new logo. This logo symbolises the growth process that the group has experienced in recent years. Colruyt, the family-owned company from Lembeek, has now expanded into a family of companies: Colruyt Group, active in four countries.

1.1 From a family-owned company to a family of companies

Two underlying driving forces form the basis for Colruyt Group's gradual growth. On the one hand, it has always been in our genes to want to do many things ourselves, from a certain pride and from our belief in people. For instance, we still roast our own coffee, we have our own meat-processing company and we create all our communication in-house. On the other hand, since the beginning of the 1990s, we have strongly diversified all of our activities with store formulas such as DreamLand, Spar Retail and Bio-Planet.

Initially, Colruyt served as the parent company for all of these new store formulas. Until they developed into mature companies and felt the need to stand on their

own two feet and to organise and profile themselves in their own way. This is why we decided to create a new structure, with equal sister companies. Colruyt ceased to be the supporting parent and became a sister company next to the other sisters companies.

As a result of this restructuring process, the need arose to explicitly define a common identity as a permanent link between the sister companies. We went, as it were, in search of our family name and we proceeded to define our identity in nine core values and a mission statement. Colruyt Group was born.

1.2 The mission and values of Colruyt Group

This thorough identity-defining process began in 2007 and resulted in nine core values: simplicity, respect, solidarity, readiness to serve, belief, hope, space, courage and strength. Our common drivers are defined in our mission statement: 'Together, we create sustainable added value through value-driven craftsmanship in retail'. Every word in this mission statement has been chosen carefully. And that our mission statement starts with the word 'together' is 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 translated this mission statement into five broad ambitions. We then defined these ambitions into 12 strategic themes to help realise these ambitions. Developing new models for risk management, leadership, craftsmanship and communication is one of

***Our mission:
to create sustainable added value
together through value-driven
craftsmanship in retail.***

these themes. These strategic themes and ambitions, in combination with the mission statement, give a clear impression of Colruyt Group's corporate culture. They determine a vision on entrepreneurship in which all store formulas can recognise themselves.

Defining a common vision and approach has an important advantage: we continue to speak the same language. The various sister companies do things in the same manner. This makes it possible to communicate and cooperate efficiently.



1.3 Strengthening identity, ambitions and coherence

Now, five years later, it is time to review all of this once again. To again clearly define and coordinate all parts of the whole - identity, mission, ambitions and themes. In a new vision exercise, we also examined how the world is developing and what the world looks like today. We have reviewed our mission and values in the context of the political, social, cultural and public framework in the year 2013. In this process, one core value came to the surface in our eyes: simplicity. 'Simplicity in retail' has therefore become the group's brand promise. In addition, it is our ambition to communicate a positive vision of the world as it is now and to make a real difference. We also wish to implement our mission more clearly in our daily operations and we consider simplicity and craftsmanship to be of paramount importance. Finally, we wish to set the standard in the market based on our current structure as a family of companies.

In the past financial year, we also strengthened the ties between the members of the new Directorate. The restructuring of Colruyt into Colruyt Group has led to an enlargement and rearrangement of the Directorate.

The necessary teamwork training sessions have ensured that the new team can work together well and are on the same wavelength, with Jef Colruyt and Frans Colruyt as the leaders. As the COO Retail, Frans Colruyt is responsible for all of the store formulas. The other activities and the corporate services continue to report to Jef Colruyt, COO Services.

It is not only the Directorate that has been restructured. We also strengthened the coherence in the various other levels from shareholders to board members to department supervisors. In other words, we have strengthened our backbone. We have worked with our mission statement, values and ambitions in all levels of the group. In this manner, our corporate culture has really become a story of people. A story that is spread throughout the company by these same people.

1.4 New logo and new house style

This whole process is symbolised by our new logo. The logo is the visual embodiment of the identity of Colruyt Group that forms the binding agent between the various activities. The shape of the logo refers to CG, the initials of Colruyt Group. With the family name Colruyt, we maintain our ties with the past. Loyal to our roots, the open space in the circle follows the outline of the well-known orange Colruyt 'diamond'. The opening in the circle symbolises the open outlook that we have on the world and the choice for white was also easily made, from our desire for simplicity in what we do and who we are. Finally, the English term in our name refers to the international expansion of Colruyt Group and its ambition to continue to expand.

The essence
of our story

An open
outlook

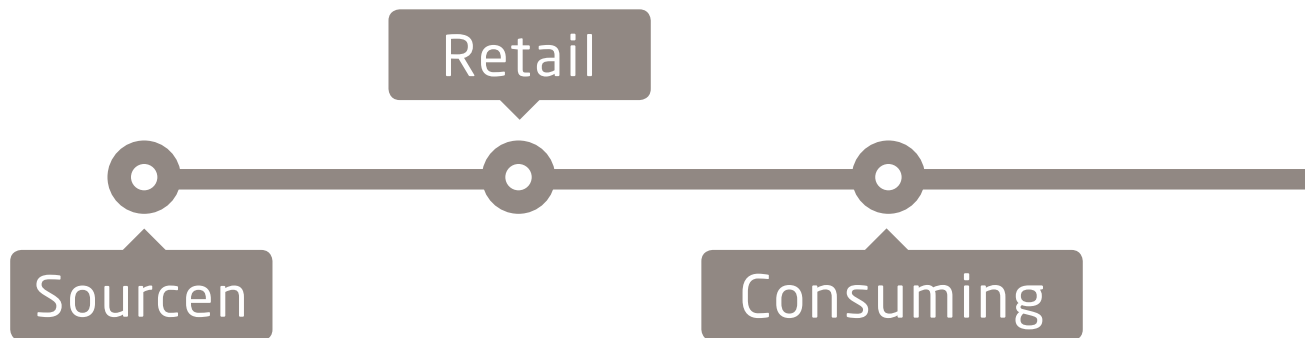


Loyal to
our tradition





Corporate sustainability at Colruyt Group: From A to Z



In an increasingly complex and international society, we fully realise that Colruyt Group is a link in a chain. Products often travel a long route before they reach the customer. This is why we consider themes such as health, sourcing, ethics, footprint, etc. to be very important.

As a 'link' in the chain, our direct impact is sometimes limited. This is why we work together with other players to increase the awareness with regard to corporate sustainability. In this manner, we acquire more insight and we inspire each other. Step for step, bit by bit.

We always have a clear objective, where ever we play a role in the chain: we seek to turn an economic impulse into a positive driving force in the social and ecological field. Not because this is the way it should be done, but because we wish to show our gratefulness for the materials and resources that we use day in day out. Because it is our task to leave a healthy living environment behind for generations to come.

More information about how important corporate sustainability is to the Colruyt Group can be found on www.colruytgroup.com.

We always have a clear objective, where ever we play a role in the chain: we seek to turn an economic impulse into a positive driving force in the social and ecological field.

Corporate sustainability

At Colruyt Group, we have a clear vision on corporate sustainability. We seek to turn an economic impulse into a positive driving force in the social and ecological field. We believe that our entrepreneurship is the driving force for a sustainable development.



People

We divide the initiatives that we take in the field of corporate sustainability into three main themes: People, Living Environment and Products. Within each of these themes, we will discuss a number of chain processes such as personnel policy, mobility and health. For each of these chain processes, you will find the initiatives that we take in the various steps of the chain.

We believe in the following credo: 'the company grows as the people grow'. Every person has unique talents. We wish to discover and develop these talents as much as possible. This is why we seek to combine competency and talent management in our personnel policy. From the recruitment of talent until the employee leaves the company, we provide the best possible support and stimulation for each of these talents. We do this with an open mind and offer equal opportunities to each (potential) employee.





Living Environment

In order to carry out our business in a sustainable manner, we aim to make efficient use of our resources. For instance, we make respectful and sustainable use of natural resources (water, wind and energy), means of transport and materials. We aim to do more with less, taking the future into account. In doing so, we systematically work on avoiding waste. For instance, we monitor consumption, where possible we seek to avoid peak times by means of a more balanced distribution and we conserve resources by means of new technologies and techniques. Quiet deliveries and storing renewable energy are good examples of this.



Products

We aim to increase the sustainability of our product range as much as possible. In this, the focus lies on product categories, also of our store brands, that have a high turnover rate (for example drinks and toilet paper) and that an average family often buys such as vegetables, fruit, dairy products, fish and meat. In this case, we pay attention to the ingredients, the processed products and the packaging. We examine the social, ecological and economic impact of these products. In our procurement policy, we therefore pay considerable attention to health, safety, choice and animal welfare. And we communicate about this in a transparent manner.



We make respectful and sustainable use of natural resources (water, wind and energy), means of transport and materials.



People Personnel policy

Retail

Selection and recruitment

With over 25.000 employees, Colruyt Group is a flourishing company. In order to maintain this growth, the company recruits many new colleagues each year. As Colruyt Group is a value-driven organisation, the selection service takes the nine group values into account. New employees must support the corporate culture and the core values. Respect for the job applicant is a key issue in each selection procedure. Diversity is regarded as an enrichment for the employees and as added value for customers; however, it is not an objective in itself. The motivation and the growth potential of the candidate, in combination with equal opportunities, are important criteria in the recruitment of new employees. At present, no less than 79 different nationalities work for the group.



Employees from **79** countries

Development

"To the extent that people grow and teams become stronger, the company also grows", according to Jo Colruyt. If each employee can develop his full potential, not only will the employee benefit but the whole organisation will benefit. Therefore, we provide the necessary opportunities and means to develop employees so that they can develop themselves.

There are extensive and structured training programmes to enhance both the craftsmanship (skills, attitude and knowledge) and the personal development of each employee. In the financial year 2012-2013, 2.846 employees participated in a personal growth training programme.

Continuing to grow

Job rotation and internal mobility so that employees can continue to grow are important spear points in Colruyt Group's personnel policy and are constantly stimulated. As we believe that this not only increases the creativity and the motivation of the employee in question, but this also ensures that knowledge and expertise remain in the company. Interested employees can register for a monthly overview of all job vacancies within the group. This gives them the opportunity to quickly apply for a (new) position. In the financial year 2012-2013, 808 employees switched to a new job.

Consuming

Colruyt Group Academy

Colruyt Group Academy is the embodiment of our development philosophy. With the slogan 'Meet, Discover, Enterprise', the Academy aims to stimulate employees to develop themselves and to encourage customers to continue to learn in a home-like, relaxed atmosphere. Between October 2012 and March 2013, 2.569 participants participated in approximately 120 workshops. The first training centre, Heulenberg in Halle, opened its doors in October 2011. The centre in Grimbergen will open its doors in the fall of 2013. In the future, Colruyt Group intends to open more training centres spread over the whole country.



Living Environment management of resources

Sourcing

Stock optimisation

Through an automatic restocking system, also based on sales figures, the stores are always optimally stocked. With this automatic restocking system, we can react rapidly to a sudden increase in demand for certain seasonal products. 99,16 % of all goods, food and non-food, purchased by Colruyt, Bio-Planet and OKay are sold.

Reducing packaging

In consultation with our suppliers, packaging is becoming smaller and thinner or is replaced by reusable alternatives.

99 %

of all food and
non-food products
are actually sold



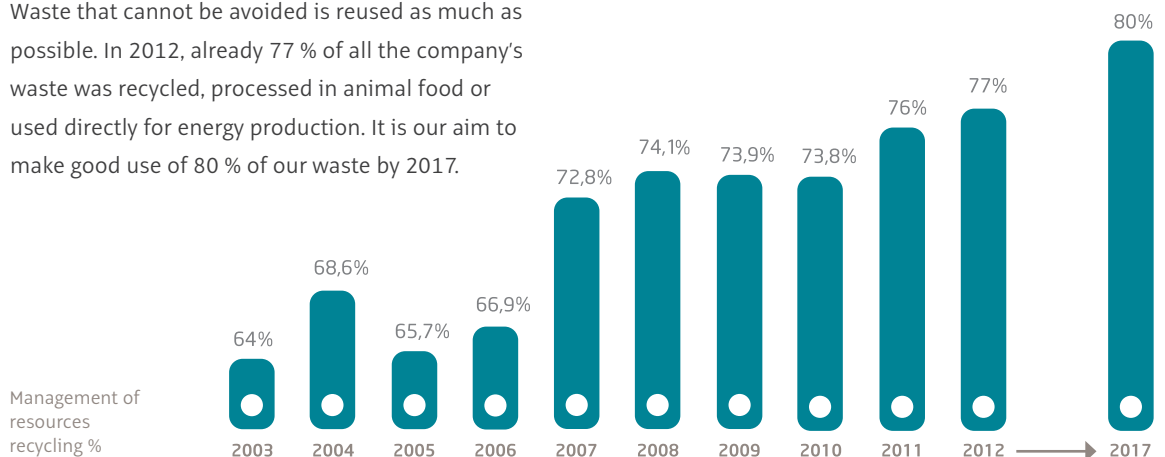
Retail

Eliminating waste as much as possible

In our own production divisions, we seek to eliminate as many waste flows as possible in our logistic processes. For instance, we have designed reusable crates for delivering cheese. Vegetable and fruit deliveries take place in accordance with the same principle. As a result of these (and other) measures, we have succeeded in severing the link between our waste production and our economic growth. Consequently, our waste production no longer increases in line with our turnover growth.

Recycling

Waste that cannot be avoided is reused as much as possible. In 2012, already 77 % of all the company's waste was recycled, processed in animal food or used directly for energy production. It is our aim to make good use of 80 % of our waste by 2017.



Sorting

A first sorting takes place in the stores of, for example, cardboard, paper, plastic, old bread, etc. These materials are sent back to the return centres. A further sorting of wood, metal, glass, hard plastics, KGA and textiles takes place there. Certified processors collect these materials and are also required to provide information on how and by whom these materials will be further processed.

Fermentation

The organic component (vegetables, fruit and dairy products) has been fermented since 2008. The 19.965 tons of waste that can be fermented is processed into green electricity and contributes to the realisation of our energy objectives.

Food Banks

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. In 2012, we donated 354 tons of food products to the Food Banks. The annual collection campaign for customers resulted in another 225 tons of food products for the Food Banks. This represents a 10 % increase compared to 2012.



Consumption

In order to avoid food losses at the consumer, we remove fresh products from our shelves three days before the expiry date and donate these products to the Food Banks. In this manner, the consumer has the opportunity to eat his fresh food products before the expiry date. In addition, we also inform the customer about how he can store products freshly for a longer period. Within the REAP (Retail Environmental Action Plan) an additional engagement has been concluded regarding waste management. Food waste and the campaigns and communication regarding food waste form part of this.



Living Environment Energy

Sourcing

Application for green electricity

Colruyt Group participates in large-scale wind parks in the North Sea. The group invests in the windmill project Northwind via the holding Parkwind.

With 72 turbines, it will be able to provide green electricity to 250.000 families. The group also has an indirect interest of 47 % in Belwind: with 55 turbines, this is the largest green electricity project in Belgium.

Retail

WE-Power

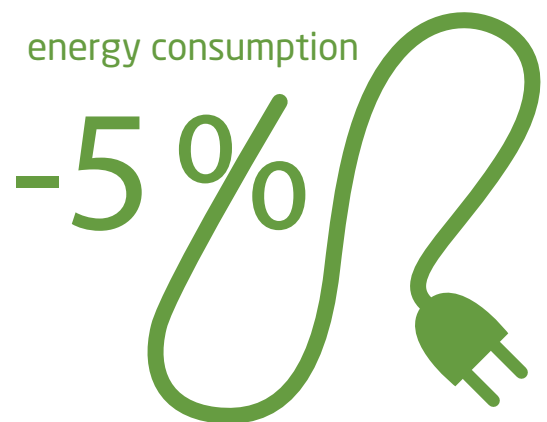
WE-Power is an independent business activity of Colruyt Group directed at the production of green energy for internal use. WE-Power brings together all projects regarding energy care and sustainable energy production.

Green energy production

Solar energy: when building or renovating stores and business premises, WE-Power checks whether solar panels are technically and economically feasible. Colruyt Group never installs more solar panels than necessary for its own consumption.

Wind energy: WE-Power invests in wind energy, both on its own sites and elsewhere. The next projects are the construction of two new wind turbines at the distribution centre Dassenveld in Halle and a joint project in Lot with Ecopower, a supplier of green energy. WE-Power is looking into whether it will install wind turbines in the rest of the country.

WE-Power is an independent business activity of Colruyt Group, directed at the production of green energy for internal use. It brings together all projects regarding energy care and sustainable energy production.



Rational energy consumption

The relative energy consumption of Colruyt Group has decreased by 3,7 % compared to the base year 2009. We are increasing our efforts also by means of the implementation of the CO₂ energy reduction plan. This plan focuses mainly on the large energy consumers with the biggest reduction potential, such as heating, cooling, lighting, IT and transport. For instance, the new data centre consumes a lot less energy than the former central computer hall. This is the case for both the operation of the IT systems and for the cooling of these systems. With an in-house developed measuring system, we can also monitor the energy consumption in our distribution centres and our stores precisely. We perform measurements at the level of individual energy consumers, such as a specific cooling group, a part of the lighting system, etc. In this manner, we can quickly detect any losses. The objective of the energy reduction plan is to reduce the relative energy consumption by 20 % by 2020 compared to the base year 2009.

CO₂

The relative emissions have risen by 6 % in 2012 compared to the previous year. This is mainly due to the increase in greenhouse emissions in connection with heating and cooling. One of the reasons for this is the increase in the consumption of fresh products, and consequently an increasing impact of cooling systems to transport fresh products to the stores and to keep these products fresh. Another reason is the compulsory reduction of a cooling system that is often used in the stores and that is harmful to the ozone layer. The alternative cooling system is less harmful to the ozone layer, but scores worse with regard to the greenhouse emissions impact. This is why priority is being given to searching for a less harmful cooling system. Another reason for the higher greenhouse emissions is heating. This is mainly due to the extremely cold winter months. The heating requirement was approximately 20 % higher in 2012 than in 2011.





Living Environment Mobility

Sourcing

Sustainable means of transport

In order to increase the sustainability of its international transport, Colruyt Group is switching to more environmental-friendly means of transport, such as by rail and by boat. In 2012, 68.240.300 ton/km/years was realised by sustainable means of transport. This is a share of 41 % in the total international transport, which represents a reduction of the annual CO₂ emissions by 36 %. Within Belgium, the group is also increasingly opting for transport by rail and barge.

41% 
Transport by rail and boat

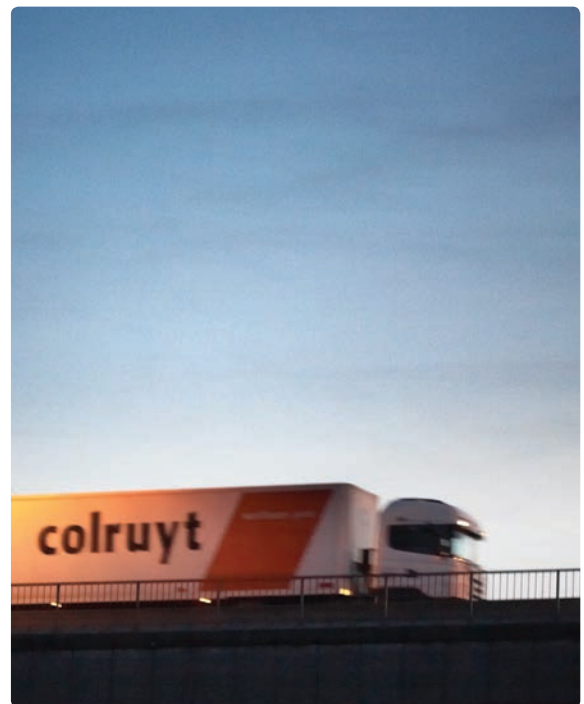
Retail

Avoiding kilometres

Transport is of course very important for a distributor such as Colruyt Group. The group's distribution system aims to limit the number of truck kilometres in all segments of the logistic chain to a minimum. Better stacking methods make it possible to fill the transport vehicles and trucks to maximum capacity.

Clean(er) fuels

Colruyt Group is constantly searching for more environmentally friendly and thus cleaner fuels. Since last year, a trial project has been running regarding hydrogen at the distribution centre in Dassenveld and also the possibilities of electric driving are being looked into. Fuel supplier DATS 24 has been using natural gas for vehicles (CNG) for some time now. These vehicles emit 95 % less fine particles, they produce 12 to 27 % lower CO₂ emissions and result in a noise reduction of 75 %. The vehicle fleet of Colruyt Group now numbers 58 passenger cars, 10 vans and 2 trucks on GNG.

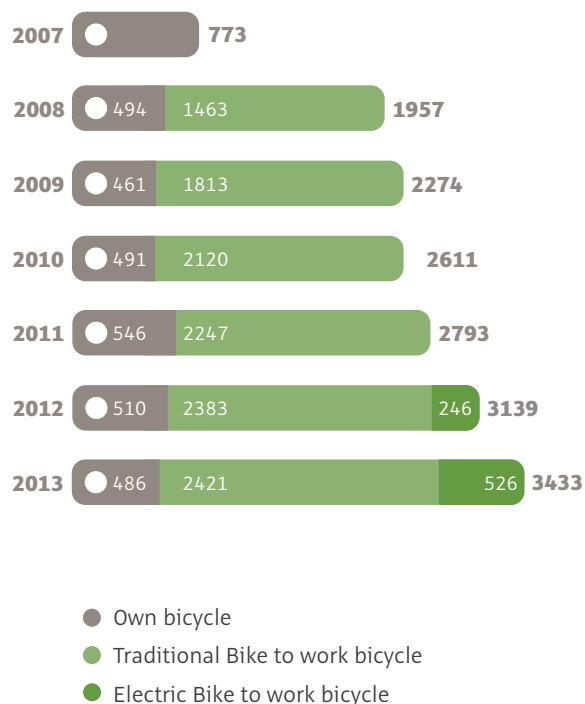


Spreading transport

In order to avoid traffic jams and guarantee on-time deliveries to the stores as much as possible, the group is looking into realistic ways to spread its deliveries. Colruyt Group is the requesting party to shift deliveries to the beginning and the end of the day (before the morning and after the evening rush hour) and to the night. Deliveries can then be made faster and more efficiently and with a higher traffic safety, while the fuel consumption and the CO₂ emissions decrease. Up till now, the group has invested EUR 3.500.000 in 45 quiet trucks, 25 quiet trans-pallets and 29 unloading docks.

Commuter traffic

Nearly 5.500 employees make use of a sustainable transport alternative when commuting between home and work. Together they avoid over 25.000.000 car kilometres per year. This equals a CO₂ savings of 3.855 tons. Employees who use public transport to travel to work, can receive a free train season ticket or a season ticket of the Brussels transport company MIVB. Another popular means of transport is the bicycle. Depending on the commuting distance, employees can make use of a traditional or an electric company bicycle. The number of users of electric bicycles has more than doubled since the previous financial year. Finally, a bicycle can also be combined perfectly with a means of public transport. Depending on the route from home to work, the employee can make use of a traditional bicycle or a folding bicycle for the beginning and/or end of the route.





Products Health

Sourcing

Nutritional composition

Together with suppliers, we look into how we can make products healthier without losing their taste. For example, since 2010, AZO colouring agents are no longer used in own brand products. Research shows that such colouring agents can cause a decrease in concentration and an increase in hyperactivity among children. We also evaluate the salt, saturated fats and sugar content in our own products and reduce these where possible. In addition, we used iodized salt for fresh bread. In this manner, we help to reduce the shortage of iodine in foodstuffs, which is a request of the government.

Specifications and controls

Specifications have been in place for beef, veal, pork and poultry since the 1990s. For instance, we prohibited the preventive use of antibiotics long before this became compulsory by law. Each year, we take samples of water and animal feed after which external control organisations analyse these samples. End products are also subject to such analyses at random.

Food safety

Guaranteeing food safety and the quality of our products is a priority. Due to our long-standing relationships with suppliers, our stores can count on a safe and high quality product range. In order to guarantee the safety of our own food and non-food products, many tests are carried out such as micro-biological and mechanical tests. We ensure the quality guarantee through taste and smell tests. Our suppliers must have a food safety certificate. If the supplier does not have a certificate at the beginning, Colruyt Group performs the audit itself, up to the time that the certificate is available. Today, the own production divisions and the points of sale are mostly certified by third parties. This has already taken place for the Colruyt stores and this is still being carried out for the distribution centres.

Consumption

Tips

Customers are informed and inspired with simple recipes to eat healthier and more balanced meals. For instance, we often work with fresh seasonal products and a well-balanced weekly menu is always provided on www.colruyt.be/lekkerkoken. A vegetarian dish is on the menu every Thursday. Customers can then choose from a wide range of veggie products and pre-cut vegetables. The nutritional value is given for each recipe. Customer who require a specific diet and, for example, cannot eat gluten, can now also find special diet recipes. Such information is also provided on the packaging of the store brand products and specified per portion.

Colruyt Group Academy

The Academy offers a number of workshops on a well-balanced diet. The workshops are in line with the objective of Colruyt Group to stimulate children and their parents to eat a healthier and well-balanced diet. Initiatives that Colruyt supports such as Tutti Frutti, All Day Long and Cooking Class are also in line with this objective.



02

Time line

12 month of initiatives and
realisations

April	37	October	65
May	39	November	69
June	43	December	73
July	47	January	75
August	53	February	79
September	61	March	83

Time line

12 months of 41 initiatives and realisations

2012

April

- **New store brand and cookbook for vegetarian products**
- intion as an independent company
- 10 % more food for the Food Banks



May

- **Only free-range eggs in the company's own products**
- 600 French Colruyt suppliers joined together for the first time
- Better working conditions in Asia
- Positive pilot project electronic vehicles

June

- **First Colruyt low-energy store opened in Wépion**
- Funding of wind park Northwind completed
- Award-winning Colruyt Group
- Colruyt India five years in operation
- Colruyt France opens its first bakery
- Colruyt France launches Collect&Go



July

- **New look for store brand Kangourou**
- First procurement office in Hong Kong
- New bar code reader
- 25 years of bar code

August

- **First OKay Compact opens its doors in Elsenne**
- OKay-logo restyled
- Customers award Colruyt and OKay

September

- **New evaluation system for sustainable fish**
- Spar introduces climate-neutral shopping bag
- DreamBaby opens its tenth store



October

- **Gradual growth of French activities**
- OKay introduces customer card
- Three times 'Best Chain of Stores' in 2012
- Colruyt Group launches a new bakery

November

- **DreamLand collects 250 pallets of toys for less privileged children**
- Colruyt Group acquires 10 O'Cool stores
- Action dropper to accommodate growth of non-food sales

December

- **Colruyt Group presents the supermarket of the future**

2013

January

- **Store formulas set steps towards social media**
- New sorting system for regional beers
- Expansion of Colruyt Group Academy



February

- **Colruyt Group is looking for young talent**
- Colruyt has the best reputation

March

- **Spar celebrates 10th anniversary of KOOK (Cook)**
- Spar stimulates entrepreneurs and their employees
- Application for building permit for new distribution centre in Ollignies
- Symeta develops ZEB newspaper
- Collect&Go nominated Digital Gazelle



New store brand and cookbook for vegetarian products

In April, Colruyt launched Veggie Eger and Veggie Today: the first vegetarian store brand and the first vegetarian cookbook. With these two new products, the store wishes to capitalise on the growing demand for vegetarian foods and to make veggie products more accessible for a wider public.

Wide range of new products

With vegetarian schnitzels, burgers and stir-fry strips, Veggie Eger offers a wide range of fresh veggie products at the lowest price. In addition, the products are already prepared, which is convenient in the kitchen. The product range will be expanded gradually and it supplements the existing deep-frozen vegetarian product range.

First vegetarian cookbook

Veggie Today was made available on the store shelves on 25 April. This 25th Colruyt cookbook is the first cookbook with vegetarian products. 75 recipes highlighting ingredients such as dried peas and beans, grains and meat substitutes. With this cookbook, Colruyt seeks to not only inspire vegetarians, but also to inspire people who sometimes opt for a veggie day and hobby cooks who have vegetarian guests for dinner. For example, readers will find recipes for spicy vegetarian paella and an Asian curry dish, but also ideas for delicate snacks, dip sauces and soups. The nutritional value is specified for each dish and an accompanying wine or suitable beer is recommended.

Variation and sustainability

Colruyt aims to make vegetarian food more accessible in Belgium. Eating less meat is becoming increasingly popular. Today, 15 % of the Belgians regularly buy vegetarian products. In the Netherlands, at 30 %, this percentage is already considerably higher. The

retailer consciously opts for not only appealing to vegetarians, but to everyone who is interested in trying something different for a change, for health reasons or out of respect for the environment or animal welfare. Commercial Manager Jean-Pierre Roelands: "Nowadays, many people plan a day without meat or fish in their weekly menu. Our choice to make vegetarian food more accessible is also in keeping with our engagement to operate as a sustainable enterprise."

Inform and stimulate

Consumers can find information on the Colruyt website about vegetarian alternatives such as meat substitutes, dried peas and beans, nuts and dried fruits. They also can find information on how they can prepare varied and healthy vegetarian meals and what they should pay attention to when they decide to become vegetarian. In addition, customers can also look up (vegetarian) products. Colruyt considers it important to inform its customers correctly and clearly about food products. The retailer provides information on the nutritional value of products and has its own culinary team that provide recipes, ideas and cooking suggestions. For that matter, Colruyt also promotes a well-balanced diet. With the educational project Cooking Class; the retailer helps teachers to pass on knowledge about food and a well-balanced diet.

intrion as an independent company

In April, the Colruyt Group sold its industrial IT company to the existing management. Henceforth, intrion will operate as an independent company because its activities are too far removed from retail, the Group's core activity. Colruyt Group will continue to make use of the engineering services of the new intrion company in the future.

intrion was established in 2008 as the result of a merger between Dolmen Industrial Projects and Createch Engineering. These companies were established at the time in order to automate and simplify tasks. The company grew and attracted more and more external clients throughout Europe. For Colruyt Group, intrion also developed the sorting installations for empty goods in Ghislenghien and the order picker, a robot that prepares vegetable and fruit orders for the stores. intrion is currently working on a new order picker to computerise the order picking in the deep frozen storage.

Colruyt Group considers it very important to *stimulate entrepreneurship*. The intrion management buy-out is a good example of this. CEO Jef Colruyt: "Entrepreneurship at all levels contributes to the growth of our company to a large extent. This is why we continue to make room for creativity and innovation."



10 % more food for the Food Banks

Colruyt's annual collection campaign for the Food Banks produced 225 tons of food products. Colruyt customers collected 33.000 food packages and 32.000 cartons of milk. This represents a 10 % increase compared to last year. During this campaign, which ran from 4 to 28 April, the customers did not have to take the products from the shelves themselves. They handed in one or several donation vouchers at the checkout and their donation was settled with their purchases. The donation voucher system resulted in a considerable simplification of the logistic process of deliveries to the Food Banks. Colruyt Group sends all packages directly from its central warehouse in Halle and no longer separately from each store.

Colruyt Group supports the Food Banks all year long. The group donates food products of which the packaging is damaged, of which the expiry date is approaching or that are in over-stock. These donations fit in with the *Colruyt Group's sustainable waste and material management*. Various initiatives have enabled the group to control and limit its waste. Since 2008, the amount of waste has increased less rapidly than its turnover. This is referred to as 'unlinking' the economic activity and the waste production. The company mainly realises this by constantly taking preventive measures. For example, by means of smart inventory management, Colruyt Group does not purchase more than it thinks that it will be able to sell. In addition, the group also adjusts its orders daily based on the sales of the previous day and the group is constantly discussing the possibilities of reducing packaging with its suppliers.

The company is also succeeding in putting an increasingly larger percentage of the remaining waste to good use. In 2012, no less than 77 % of all waste was recycled, converted into animal feed or used directly for energy production. The group achieves this high score by paying a lot of attention directly at the source to correct sorting.







Only free-range eggs in the company's own products

Colruyt Group has undertaken to only use free-range eggs in its own brand products by the end of 2012. This concerns more than 1.000 products that are sold at Colruyt, OKay and Spar Retail, ranging from mayonnaise to meat products such as hamburgers and salads.

A step further than the law

Colruyt Group has already stopped selling battery-cage eggs since 2005. These traditional battery-cage systems have been prohibited since the beginning of 2012 by a European law. All battery-cage operators have had to switch to a more animal-friendly system with more space for the chickens. Such a system can consist of improved cages - the legal minimum requirement - or free-range barns. Colruyt Group took a seven year head start and consciously went further than the legal minimum requirement by opting for eggs of chickens that live in free-range barns or runs.

In May 2012, the group went a step further. Philippe Toussaint, responsible for sustainable procurement: "It is our aim to extend the choice for free-range eggs to all of our store brand products and to the products made in our butcher's department by the end of the year. ***Animal welfare is an important aspect of sustainable business practices and we consider this essential at Colruyt Group.***"

Colruyt Group has taken the necessary preparatory measures in order to allow the transition to take place as smoothly as possible. Christophe Dehandschutter, Distribution Manager: "We realise that this decision affects our suppliers and that a good cooperation is necessary. This is why we have entered into consultations with our suppliers so that the transition can be carried out as smoothly as possible."

GAIA is pleased

Animal rights organisation GAIA is pleased with Colruyt Group's initiative. "This is an important breakthrough for chicken welfare", GAIA chairman Michel Vandenbosch declares. GAIA regards the undertaking as an excellent result of its 'boycott-cot' campaign. GAIA has previously completed the first part of the campaign: none of the supermarkets in Belgium still sells battery cage eggs. The animal rights organisation launched the second part of its campaign in 2011 urging supermarkets and sauce manufacturers to ban battery cage eggs in the production of their store brand products.

Successful transition

By the end of 2012, Colruyt Group has as good as realised its undertaking. 95 % of the store brand products of the group that contain eggs are made with free-range eggs. The other 5 % consists at present of smaller and local suppliers and products that hardly contain any eggs. Eventually, customers will be able to read what types of eggs have been used in the production on every packaging.

Animal welfare is an important aspect of sustainable business practices and we consider this essential at Colruyt Group.

*Philippe Toussaint
responsible for sustainable procurement*

600 French Colruyt suppliers joined together for the first time

Codifrance organised the first national conference in Dole for over 600 suppliers of the French Colruyt stores. During this conference, Colruyt France presented its growth policy and ambitions and also explained that the group considers value-driven entrepreneurship to be very important. The main theme of the conference was: "Creating tomorrow's retail together".

The suppliers were given a *better and more comprehensive overview* of the activities of the Colruyt Group and the French Colruyt stores. They were also introduced to the French third-generation stores and they were given the opportunity to ask the

management questions about the commercial policy, price positioning, product range and promotion policy. The stores in France aim to profile themselves as local neighbourhood stores with fresh products, friendly personnel and a fully-fledged butcher's shop and bakery. In addition, Colruyt France aims to distinguish itself with the lowest price for national brands. In order to further realise this positioning, Colruyt Group counts on the support of its suppliers. On the other hand, Colruyt communicates openly and aims, preferably, for long-term partnerships with its suppliers.



Better working conditions in Asia

Colruyt Group is constantly striving to improve the working conditions at suppliers in non-European countries. In 2012, the group invested EUR 80.000 in 117 social audits at non-food suppliers mainly located in Asia. This concerned the first audit at 56 new suppliers and follow-up audits at the other 61 manufacturers. Half of the manufacturers that were audited for the second time had improved their working

conditions. The cooperation was terminated with 34 suppliers where the group observed no improvement or where they refused to allow an audit. The irregularities that occur most frequently are too much overtime and too low wages as well as insufficient social protection.

Colruyt Group sees *step-for-step progress* in the 10 years that the company has carried out social audits. In most cases, the suppliers indicate that they are willing to make improvements. But there still is a lot to do. Colruyt Group is only a modest player on a global scale and

therefore only has limited possibilities. This is why the group calls on all parties to assume their responsibility. For instance, Colruyt Group asks local governments to carry out audits more often and to supervise the compliance with local laws more strictly.



Positive pilot project electronic vehicles

Colruyt Group aims to reduce its ecological footprint and is looking into the added value of electronic vehicles. The group collected user data of four Peugeot iOns for one year and is pleased with the results. The electric cars that were purchased are mainly used for *short distances* between the various sites in the vicinity of Halle. The cars have a limited range of action; but they offer great ecological advantages: the vehicles are quiet and do not emit any CO₂ or fine particles.

The cars are used as replacement and company cars for personnel. For instance, the internal services Theft Control, Labo and Security also make regular use of these cars. In addition, Colruyt Group has also participated in pilot projects with electronic Golfs and a Toyota Prius. The group has its own charging points in three locations in Halle and Lot (Beersel).

The project with electronic cars fits in with Colruyt Group's sustainability policy and its aim to achieve a balance between economic, ecological and social aspects. For instance, various service and company vehicles run on natural gas (CNG).



colruyt
meilleurs prix



First Colruyt low-energy store opened in Wépion

The first Colruyt low-energy store opened its doors in June 2012 in Wépion near Namen. The store has low energy consumption thanks to excellent insulation, an optimal ventilation system and a well thought-out orientation. As is the case in about thirty other stores, electricity is also generated here as much as possible on location. The store with a sales surface of 1.500 m² already complies with the strict European laws that will come into force as from 2020. When building new stores, Colruyt Group already implements the environmental-friendly and energy-friendly applications used in this store where possible.

Intelligent ventilation

In the winter, Colruyt Wépion requires 50 % less heating. First of all, the building has a good airtightness. There is a sas at every entry so that hardly any warmth is lost in the winter and it always remains cool in the summer. The building is also well insulated and warmth is recouped in an optimal manner.

Smart orientation

Colruyt Wépion also saves on energy costs by means of a smart orientation. As the cooling of the fresh market requires a lot of energy, in the north of the store this was embedded against an earth verge. As a result, the fresh market always remains cool without demanding much from the cooling system.

In addition, the store with its over 300 solar panels can run on mainly self-generated green energy on sunny days.

Green roof and green energy

Colruyt Wépion also has a green roof. The moss, succulents and grasses on the roof prevent overheating in the summer and slow down the drainage of rain water. An infiltration well collects the drained rainwater together with the purified waste water. In this manner, the sewer system is not overburdened. In addition, the store with its over 300 solar panels can run on mainly self-generated green energy on sunny days.

Second place for the Comeos Mercurius prize

The Belgian retail federation Comeos awarded Colruyt Wépion second place for the Mercurius prize 2012. The prize is awarded to retail companies that make a difference in a certain area. This year's theme was 'The store of the future'. An independent jury assessed the architectural and aesthetic value, the integration in the surrounding area and the sustainability.

Funding of wind park Northwind completed

After a short and intensive negotiation period, the shareholders of Northwind announced that the funding of EUR 850 million has been arranged. The operation was not a matter of course in times of economic crisis. Colruyt Group holds an indirect interest of 40 % in Northwind through a joint venture participation in the holding Parkwind. In addition, green electricity producer Aspiravi Offshore is also a shareholder of Northwind. With 72 turbines of each three megawatt, the wind park can provide green electricity to 250.000 families.

The construction of the wind park started in the spring of 2013 on the Lodewijkbank, 37 kilometres off the Belgian coast. In the fall, Northwind will install the electricity cable which will connect the park with the shore. After which the foundation pipes for the wind turbines will be pushed into the ground vertically. A number of Belgian companies are involved in the construction. Northwind will become operational in the summer of 2014.

The construction of the new wind park is in line with *Colruyt Group's sustainable strategy*. In this manner, the group realises its engagement to operate completely on self-produced green electricity and thus is able to create a hedge against higher energy prices. The group already participates in Belwind, a wind park in the North Sea that has been operational since 2010. With its 55 turbines, Belwind can produce 164 MW and is currently the largest offshore green electricity plant in Belgium. In the meantime, the wind park has concluded its second year of production within the expectations.



Award-winning Colruyt Group

In the course of the summer of 2012, Colruyt Group was awarded a number of prizes. The group stands out with its sustainable commuter traffic, its range of cheese products and its animal-friendly measures.

Business Mobility Award – Brussels Metropolitan

Colruyt Group was the third nominee for the first Business Mobility Award – Brussels Metropolitan. The Award aims to reward companies that make efforts to promote sustainable inter-regional commuter traffic, thus over the boundaries of the various districts. Colruyt Group was nominated due to, among others, the free train season ticket that the employees can combine with a free bus, tram or underground season ticket of the MIVB (Brussels), De Lijn (Flanders) or TEC (Walloon).

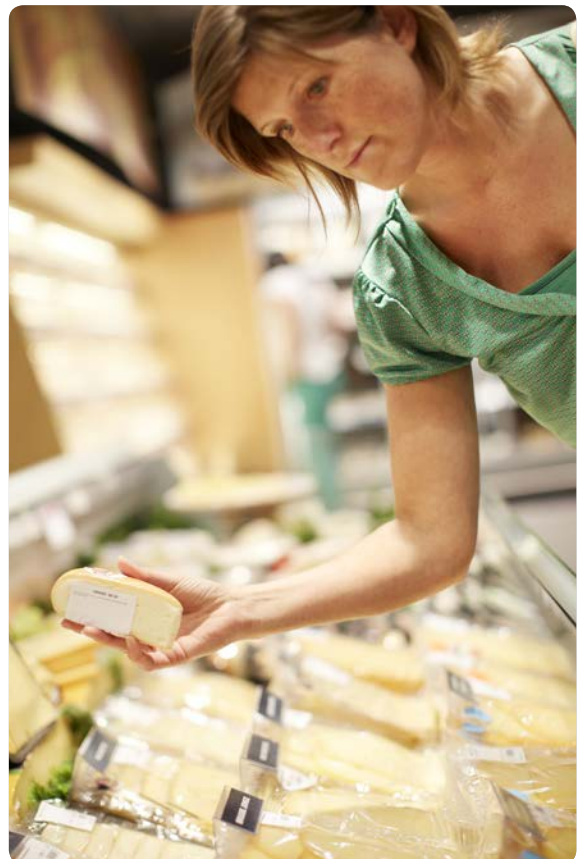
Colruyt Group was awarded the second Golden Paw for its undertaking to only use free-range eggs in store brand products by the end of 2012. The group has largely fulfilled its promise: by the end of 2012 95% of its own products that contain eggs were made with free-range eggs. You can read more about Colruyt's undertaking to only use free-range eggs in store brand products on page 43.

Award-winning Cheese Selection

Colruyt and Spar Retail's cheese selection received an award in the Westland Cheese Report. In the category self-service, Colruyt won first prize as it had two years ago. For the third year in a row, Spar Retail was the best in the category self-service counter. The Cheese Report is compiled by the market research agency GfK at the request of the international cheese supplier Westland.

Two Gold Paws from GAIA

In June, the group received two Golden Paws from the animal rights organisation GAIA. The first Golden Paw was awarded in connection with the choice to end the castration of pigs and to only sell meat from vaccinated pigs. As is the case with castration, vaccination stops the hormone production of pigs, so that the meat does not emit a strong boar scent later. Vaccination is much more animal friendly than castration and leaves the quality and the taste of the meat intact.



Colruyt India five years in operation

In five years, Colruyt India has expanded from a small group of employees to an important IT department within Business Processes and Systems (BP&S). The 240 employees work in the rapidly expanding IT city Hyderabad. Together with their Belgian colleagues, they are responsible for the operation and support of the group's IT systems. The IT department in India also works together with various external partners. Colruyt Group has opted for this in order to be able *to facilitate the growth of the company in a flexible manner*. In order to cater to the group's needs, the Indian IT department will be expanded further. The main reason for the establishment of Colruyt India is the shortage of qualified IT specialists in Belgium. In addition, the employment costs of an IT specialist in India are lower than in Belgium.

Colruyt India has the same corporate culture as the rest of the company; however, at the same time, it also pays a lot of attention to local customs, traditions and practices. For instance, Colruyt India celebrates its anniversary during the Company Annual Day. All employees of the Indian department and their family members are invited. The event is very important in view of the importance of a job in Indian culture. The Indian employees appreciate this respect for the local culture. Compared to the standard for the sector, staff turnover within Colruyt India is very low.



Colruyt France opens its first bakery

In anticipation of the future third-generation stores, the first traditional bakery was opened in Colruyt Mathay. Colruyt France plans to operate five traditional bakeries by the end of 2013. The aim is that the traditional bakeries become as strong a trump card as the traditional butcher's shops. The French are very attached to their bread. By opening a traditional bakery, Colruyt seeks to profile itself even more as a local neighbourhood store with a passion for high quality fresh products and friendly personnel.

In the bakery, Colruyt offers *traditionally baked French bread all day long*. This bread is kneaded and baked in the store, using flour without enhancers or additions. The bakery also offers speciality breads, home-baked brioches and traditional breakfast pastries.



Colruyt France launches Collect&Go

The first Collect&Go collection point was opened in the Colruyt store in Dole. With this service, French customers can now also order their shopping on-line and then collect their shopping in the store. Prices are the same as in the store and the promotions are also valid on-line. Colruyt charges 5 euros for each order. Depending on the available store space, there will be two types of collection points: a separate area and a Collect&Go checkout.

given this a lot of publicity, where it is possible, many customers already opt for Collect&Go. French Collect&Go customers spend on average 95 euros per order. Around 10 new collection points will be opened in 2013.

After Dole, Collect&Go collection points were opened in four more Colruyt stores. Without Colruyt France having



Simon

Thijs

Zelfportret van Vincent
van Gogh
26 april 2013

New look for store brand Kangourou

All writing materials, stationary and book bags of the brand Kangourou have been restyled. After ten years, the store brand for school supplies has been given a restyled logo, a new house style and additional colours and designs. With this new look, Kangourou aims to increase its recognisability, improve quality and to cater better to the various needs and trends in each age group.

Kangourou is a strong store brand of the Colruyt Group. It offers a complete range of school supplies and a large range of stationary products and writing materials. Kangourou is the best sold brand in the bag department at Colruyt, and number two in DreamLand.

Increase recognisability and inspire customers

The restyling has increased the recognisability and uniformity of the brand and ensures that the Kangourou school supplies attract more attention in the store. For instance, the Kangourou school supplies have a fresh green packaging and the prints and designs of the bags have other accents for each age group. In this manner, the customer can easily find his way in the product range and the company is better able to cater to the needs and interests of children and young people. In addition, Colruyt Group aims to better inform and inspire its customers. Consumer can now find product information and useful ideas about what they can do with the product on the packaging. There is also a book bag information sheet to familiarise the customer with the new product range.

Total make-over of kindergarten and teen book bags

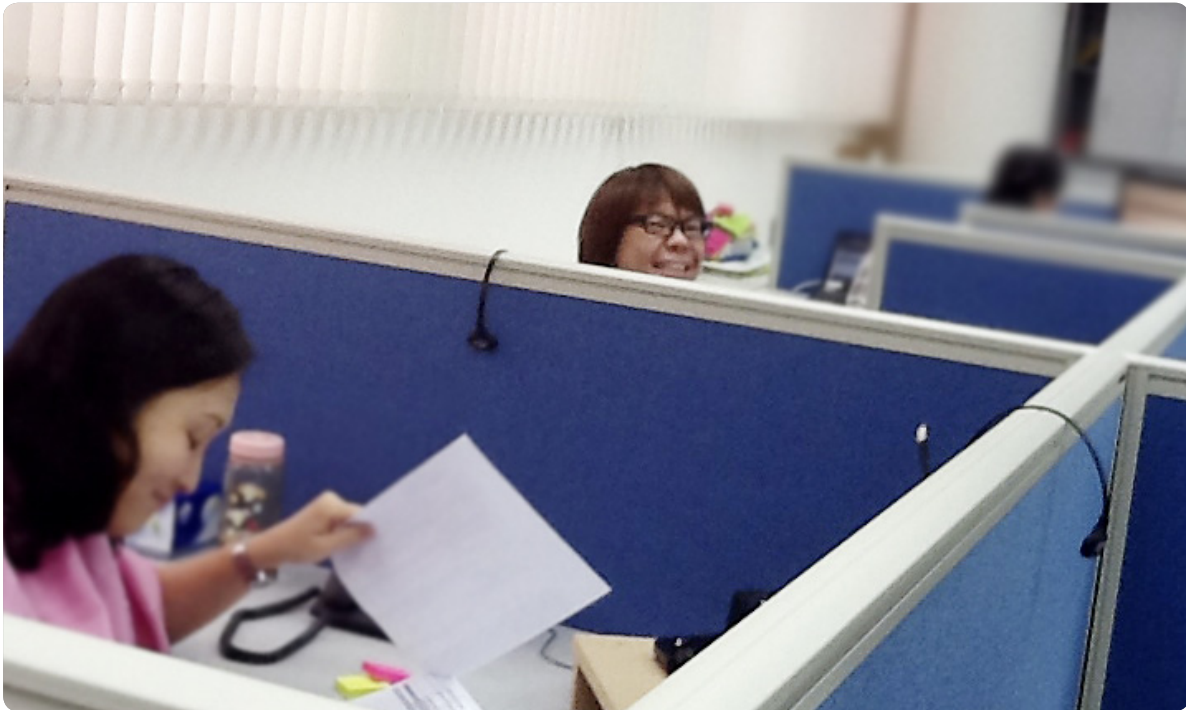
The book bags and rucksacks received a total make-over and now satisfy even more strict internal quality standards. Together with an external company specialised in product development, employees of Procurement and Brand Management evaluated the various formats, heights, gadgets, etc. After which criteria were formulated for the new models. For instance, the existing book bags for pre-school children turned

out to be just a bit too small. In addition, a space has been provided on all bags for a name tag and the backs have been strengthened and made more ergonomic. Moreover, the plastic fastening has been replaced by a more convenient Velcro system. Extra possibilities were added to the teen book bags as teenagers often use their book bags for their hobbies as well. For instance, the book bags are now equipped with a holder for a skateboard and a drinking container. The bags also have extra compartments for a GSM, MP3 players or a drink.

Kangourou
369
products

271
in stationary supplies

98
in bags of which
54 in book bags



First procurement office in Hong Kong

Colruyt Group opened its first office in Hong Kong on 3 July 2012: Colimpo (Colruyt Import). In this manner, the Group aims to *expand and optimise its purchasing support in the Far East*. Non-food products are already imported directly from the Far East. Now food products will be added to this. With this new office, Colruyt Group can purchase products directly from the manufacturers. As a result, it will be able to control the quality of the products and the working conditions at the suppliers even better and quicker and also increase its profit margin.

By carrying out more controls at the manufacturers and carrying out these controls more directly, Colruyt Group can ensure that all products comply with the most strict quality requirements and that these products have also been manufactured in ethically responsible

working conditions. The risk that customers purchase non-compliant products can be ruled out as much as possible. In addition, the through-processing time is shorter. As some controls turned out to be very time consuming in the past causing it to take a long time before a product became available in the store. Colruyt Group has opted for Hong Kong as central hub for its international trade because it is centrally located and has a flexible government that promotes international trade.

By carrying out more controls at the manufacturers and carrying out these controls more directly, Colruyt Group can ensure that all products comply with the most strict quality requirements and that these products have also been manufactured in ethically responsible.

New bar code reader

As from the summer of 2012, a new type of bar code reader was introduced in the Colruyt, OKay and Bio-Planet stores. The 2D or multi-dimensional reader is *faster and more ergonomic* than the previous one-dimensional model. It can also read new types of bar codes and gather more information from these bar codes. The investment costs amounted to approximately EUR 1,3 million.

The 2D readers do not work with a laser beam; they photograph the bar code in whatever position. In this manner, checkout personnel can hold the products closer when scanning the product. This results in less physical stress and is faster.

Colruyt was the first Belgian distributor that introduced the bar code at the checkout for all of its products. This transition is one of the most important milestones in the history of the Colruyt Group.

25 years of bar code

Colruyt was the first Belgian distributor that introduced the bar code at the checkout for all of its products. The system replaced the punch cards in 1987. This transition is one of the most important milestones in the history of the Colruyt Group. With this innovation, Colruyt Group profiled itself at the time as a progressive company in the IT field.

In the early years, the punch card system supported the automatic supplying of the store and a complete inventory management. However, it also had a number of disadvantages. For instance, the customer had to take a card for each product and it occurred regularly that the customer was standing at the checkout with the wrong card. With the bar code, Colruyt has been able to remove this difficulty for customers. Moreover, there were no longer any manufacturing costs of the cards and the cards no longer had to be placed back on the shelves.





First OKay Compact opens its doors in Elsene

The first OKay Compact opened its doors on 22 August in the Brussels municipality Elsene. OKay Compact is a small neighbourhood store in the city. The emphasis lies on fresh and convenience and the customer will also find ready-made products. The store is open from Monday through Saturday from 8 am to 8 pm and also on Sunday mornings. The local residents have reacted enthusiastically to the new store and are buying more and more products.

For city customers

OKay Compact aims to profile itself as the local neighbourhood store within walking distance where you can do your shopping fast, cheap and easy. The store has a floor surface of 350 m² and no parking facilities. OKay Compact is intended for people who do a small amount of shopping for today and tomorrow on foot or by bike. This can concern local residents, but also students of the ULB and VUB located nearby or local employees. The customers drop in on the way home, after work or in between classes. The packaging is therefore sometimes smaller than in a regular OKay store. For this same reason, the store also offers ready-made products such as cooled drinks, pre-cut meat, fish, salads and sandwiches. The sandwiches are made fresh in the store by the store personnel.

Different checkout system

The checkout system is different from the system used at the regular OKay stores. Scanning and paying takes place at one and the same location at OKay Compact and there are shopping carts and baskets. This is more convenient as most of the customers of OKay Compact do a smaller amount of shopping. The checkout assistant scans the products with a portable bar code reader and then places the products in a bag, cardboard box or whatever the customer has brought along.

Site of the very first Colruyt store

The first OKay Compact was opened on a historical site. It was in this location that the first Colruyt 'Discount' store opened its doors in 1965. At that time, Colruyt was still a wholesaler that supplied small storekeepers. As a result of the ascendancy of the first supermarkets at the end of the 1950s, the market share of small storekeepers began to decrease causing Colruyt's deliveries to decline as well. It is for this reason that Colruyt decided to go into retail. After taking over a self-service store in Elsene in 1962, it turned out that part of the space was not designated for retail. By designating part of the area as a storage area for goods, Colruyt was still able to make full use of the space. The store was furnished very simply with second-hand furniture and punch cards were used. In order to save money, the store did not advertise. Because the store was located close to large and fancy supermarkets, Colruyt had to distinguish itself with a lower price. Therefore, it offered the well-known brands 10 per cent cheaper. This was the beginning of the lowest price policy, which is still the trademark of the Colruyt stores today.

OKay Compact aims to profile itself as the local neighbourhood store within walking distance where you can do your shopping fast, cheap and easy.

OKay-logo restyled

Fourteen years after its introduction, OKay has restyled its logo. The new logo is more dynamic, more modern and simpler. The most striking difference is the little cart. The little cart was already depicted in the previous logo, but it is now more streamlined and is now moving from left to right. The orange Colruyt diamond has been replaced by an orange circle. The idea behind the new logo is that OKay is a part of the Colruyt Group, but it also stands on its own two feet. The old logo will gradually be replaced by the new logo.

OKay is among the fastest growers of the Colruyt Group. It is even one of the fastest growing companies in the Province Flemish-Brabant. The supermarket chain was founded in 1998 and now numbers 88 stores. The compact local stores have the following base line: 'save time, money and effort'.

The store distinguishes itself with fresh products, a varied range of ready-made dishes and a well-balanced mix of A-brands, store brands and discount brands. The store formula envisages a potential of 160 to 180 stores in the future. OKay plans to open 8 to 10 new stores in the coming financial year.



With the new logo, OKay aims to convey the message that it is a part of the Colruyt Group, but that it also stands on its own two feet.

Customers award Colruyt and OKay

Colruyt and OKay scored well in the Summer Report of market research agency GfK Belgium. As was the case in the past two years, both store formulas headed the general classification. Colruyt attained 8,48 out of 10 points in the customer satisfaction survey and OKay scored 8,25. Colruyt and OKay are the only store formulas in the top three of the three main categories. Jean-Pierre Roelands, Commercial Manager Colruyt:

"We are proud of this result. This report shows how customers see us. It is now up to us to remain alert and to continue to do our best every day. Only in this manner will we be able to score well again." Chris Van Wettere, General Manager OKay: "The good scores are a *nice sign of appreciation for the daily work of all our personnel.*"

Colruyt ended first in the category Ambiance, OKay third. Colruyt also won in the category Advantageousness and

OKay came in third. OKay came in first in the category Friendliness, just before Colruyt. Spar also scored well. It improved its scores considerably in all categories. It significantly improved its ratings in all categories. Dirk Depoorter, General Manager Spar Retail, is satisfied: "These good ratings are the result of years of work. Spar scored very high in the category of Advantageous. Also, it was the second-largest grower in terms of General Evolution and Image. Our independent storekeepers and their employees also scored much better than last year on Friendliness."

In its summer report in the second half of June 2012, GfK asked 5.000 supermarket customers in Belgium to evaluate their store on the aspects Advantageousness (prices and promotions), Ambiance (neatness, fresh, assortment and quality) and Friendliness of the personnel. Each aspect was weighted equally in the final assessment.

***We are proud of this result.
This report shows how customers
see us. It is now up to us to
remain alert and to continue
to do our best every day.***

*Jean-Pierre Roelands,
Commercial Manager Colruyt*



New evaluation system for sustainable fish

In September 2012, Colruyt Group introduced a new evaluation system for sustainable fish. The group had the sustainability of the wild fish (fresh and deep-frozen) of its own brands (Kelvin, Everyday and South) evaluated by two independent organisations. Colruyt Group has implemented a number of improvements based on this evaluation. For instance, the group also opts for fishing methods that have less impact on the environment and some of the fish only come from fishing areas where the fish population is sufficiently large.

Independent investigations

Two independent organisations, the Oostende Institute for Agriculture and Fishery Research (ILVO) and Sea First Foundation, are investigating the sustainability of the wild fish of the store brands Everyday, Kelvin and South. Each type of fish receives a score based on four criteria: Fish Population, Ecological Impact, Fishery Management and Animal Welfare. Colruyt is the first supermarket chain to include animal welfare as an evaluation criterion. The duration of the fishing is the first step in the evaluation. The shorter the fishing time, the less impact for the fish.

Good initial results

After the first evaluation in September 2012, the product range wild fish scored considerably positive on sustainability. 96 % of the fish is not endangered. 91 % is caught with fishing methods that have the lowest ecological impact. And 95% of the fish comes from areas that have an adequate fishery management. Finally, for the criterion animal welfare 97 % of the product range scores acceptable or good to very good.

Customers can make a more conscious choice

The results of the evaluation can be viewed on the Colruyt Group website and on the 'Colruyt information sheet for sustainable fish', which can be found in the stores. Each of the four criteria receives a score from 1 to 5. The scores are indicated with colour codes: green (good to very good), orange (acceptable) or red (not good). Thus customers can choose their fish more consciously based on the criteria that they think are

important. Customers are also informed regularly about how the sustainable character of the product range is developing further.

Continuing to work on sustainable alternatives

Measures have been taken with regard to the worst evaluations. It is Colruyt's aim to no longer sell endangered species of fish by September 2013 and Colruyt is looking into alternatives. From now on, the Greenland halibut only comes from fishing areas where the fish population is sufficiently large. For the criterion Fish Population, Colruyt Group still has two species of endangered fish: wolf fish and haddock. For the haddock, the group has found a solution in another region. For the North Sea sole, the group opted for a fish method that has less impact on the environment: the bottom of the sea is less disturbed and the bycatch is very limited. Fish for which no better fishing methods exist are no longer included in the product range.

Not only wild fish

The evaluation of the product range wild fish is only a first step. The group also plans to carry out an evaluation of the cultivated fish, the shellfish and the tinned fish products. The first steps towards sustainability have already been set for the cultivated fish. The Everyday pangasius now bears the independent hallmark of the ASC (Aquaculture Stewardship Council). This guarantees that the fish is cultivated with care for nature and respect for correct working conditions. Colruyt Group also aims to have an ASC hallmark for tilapia by September 2013.

Spar introduces climate-neutral shopping bag

On 19 September, Spar Retail introduced a reusable shopping bag of woven rPET plastic or recycled PET bottles as the first Belgian food distributor. The Spar Retail shopping bag is completely climate neutral, including production and transport. Therefore this sustainable shopping bag does not contribute to climate change.

This CO₂-neutral shopping bag costs one euro and is printed with a reproduction of 'Summer Afternoon 2010' of the Belgian artist Frieda van Dun. Spar aims to *bring art closer to the consumer* with this artistic reusable shopping bag. In addition, the convenience and the non-commercial trendy design should also encourage the Spar customer to use his reusable shopping bag more often.

Since 2005, Spar has introduced fifteen artistic shopping bags with prints of well-known names such as Van Gogh, Raveel, Panamarenko and Nick Andrews. A number of these bags can still be purchased in the stores.

The CO₂-neutral shopping bag is reusable and printed with a reproduction of 'Summer Afternoon 2010' of the Belgian artist Frieda van Dun.



DreamBaby opens its tenth store

DreamBaby opened its tenth store in the Bruges shopping centre V-market on 5 September. The new store is 700 m² and twice as big as the DreamBaby-shop in DreamLand in Bruges.

The tenth DreamBaby store highlights the *strong growth of the formula*. It is a strategic choice to convert DreamBaby departments into fully-fledged stores. DreamBaby wishes to position itself even more clearly as the baby specialist. In independent stores, customers can choose from a larger product range in a relaxed atmosphere. They can also count on more specialised personnel who are able to devote more time to assisting pregnant women with making their choices. Dirk Berteloot, Manager of DreamBaby: "As a specialist baby store we are at the beginning of family life. With our own stores, we are able to help pregnant women even better to get a good start as mothers."

DreamBaby and toy specialist DreamLand will continue to work together closely. For instance, a number of new stores will be housed in the same building or the stores may share a parking area.

"With our own stores, we are able to help pregnant women even better to get a good start as mothers."

Dirk Berteloot, Manager of DreamBaby





Gradual growth of French activities

The French foodservice division Pro à Pro books higher sales figures for the second year in a row in a stagnating market. This division also concludes a five-year contract with Sodexo, which is good for an annual turnover of EUR 190 million. The turnover of the French Colruyt stores rises by no less than 17 % also due to a clear price strategy.

190 million euro contract with Sodexo

As from April 2013, Pro à Pro will supply **82.000 tons of products to 3.800 Sodexo customers**. Sodexo is a global market leader and provides catering services in over 80 countries. Approximately 380.000 employees serve over 50 million meals at 34.000 locations every day. With this deal, Pro à Pro will become one of the biggest players on the French foodservice market. In addition, it also strengthens its position on the market for dry goods and for fresh products. Colruyt Group and Sodexo both consider their employees to be very important. Shared values such as simplicity played a role in the decision to work together. Pro à Pro announced the deal at its bi-annual suppliers conference, where 157 suppliers present their products.

Lowest price in Colruyt stores

On the French market, Colruyt offers the **lowest price for national brands**. This is apparent from comparative price research that the market research agency Nielsen published in October. Colruyt France promises its customers 'les prix les plus bas sur toutes les grandes marques' [the lowest prices for all the major brands] and fulfils its promise. Dries Colpaert, General Manager Colruyt France: "We are proud of the outcome of the Nielsen survey. It clearly shows that we really deliver on our engagement that we entered into in 2009.

Active in France since 1996

Colruyt Group took over the distribution company Ripotot in 1996 and later renamed the company Codifrance - Colruyt Distribution France. A year later, the first French Colruyt store was opened in Pontarlier. Today, Codifrance operates 63 integrated local supermarkets in the east and north-east of France. The Colruyt stores distinguish themselves with fresh products and regional products, an extensive wine and cheese product range and friendly personnel. Other trump cards are the convenient product range, the traditional butcher's shop and now also a traditional bakery.

Codifrance also supplies 260 affiliated stores of Panier Sympa, CocciMarket and Coccinelle and 680 independent storekeepers (without a formula).

Since 2001, Colruyt Group provides foodservice throughout France, where it is also referred to as RHD or Restauration hors domicile. 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). With branches in Guadeloupe, Martinique, Réunion and French-Guyana, Pro à Pro is also active in the French overseas territories.

OKay introduces customer card

All OKay customers received an OKay customer card in their mailboxes in October. With this card, customers receive an extra discount on the lowest prices in the neighbourhood. The OKay customer card makes shopping more efficient. All customer advantages that are listed in the folder are automatically loaded on to the card. The customer simply hands over his card at the checkout. Coupons no longer have to be cut out and scanned. With the customer card, OKay aims to gain insight into the purchasing behaviour of its customers and thus be able to gear its *communication and product range* better to its customers.

OKay customers enjoy four types of discounts with their customer card. First, there are euro discounts and percentage discounts. In addition, the customers can also receive a free product or gadget with some of their purchases. Finally, there are inspiration advantages. These are promotions listed in the folder that can be found in combination with a culinary tip or a meal idea. For example, if the customer buys 2 kilos of mussels, he is offered free French fries.

A large number of the customers now make use of the customer card and our pleased with it. OKay intends to link additional advantages to the card in the future.



Three times 'Best Chain of Stores' in 2012

Three store chains of the Colruyt Group were again awarded prizes in the nomination of the 'Best Chain of Stores of Belgium'. As was the case last year, Colruyt (supermarkets), DreamLand (toy specialists) and DreamBaby (baby specialist store) were voted first in their category by the participating consumers.

This already was the seventh first place in a row for Colruyt, the sixth for DreamLand and the third for DreamBaby.

'Best Chain of Stores of Belgium' is the *largest consumer survey in Belgium* and was organised for the first time in 2006. All chain stores with at least seven branches in Belgium can qualify for the title in one of the 25 categories. Consumers assess their favourite chain stores on price level, product range and service. Consumers assess each aspect on-line on a scale of 1 to 10 and can also substantiate their score. Approximately 113.000 consumers participated in 2012. The winners of the 35 categories can then compete in a later stage for the general title 'Best Chain of Stores of Belgium'. Colruyt won this prize in 2007, 2008 and 2011.



Colruyt Group launches a new bakery

Colruyt Group established a *new bakery* in Lokeren together with Bakkerij Roeland in Zele. As from the spring of 2014, RoeCol NV will bake fresh bread daily for the Colruyt and OKay stores. The new bakery will have two bakery production lines and will provide employment to approximately 40 employees. Both parties participate for 50% in the new bakery.

Chris Van Wettere, General Manager of OKay and Bio-Planet: "Bread is a very important product for our customers and thus also for the Colruyt Group. By already producing quality meat via our sister company Vlevico, by roasting our own coffee and bottling our own

wine, we ensure that we are more in touch with these products. We also want to do this with bread. We increase the craftsmanship within the group by producing our own bread."

With the establishment of the bakery, Colruyt Group goes back to the roots of the family-owned company once again. Jozef Colruyt, the father of Franz Colruyt, was a baker in Lembeek. Franz Colruyt, the grandfather of the current CEO Jef Colruyt, closed the bakery and started a wholesale trading company in colonial goods.





SOS
speelgoed

GEEF JE
OUDE SPEELGOED
NIEUWE VRIENDEN

Fabota - Het Lampeke

Speelgoed

GEEF JE
SPEELGOED
NIEUWE VRIENDEN

DreamLand collects 250 pallets of toys for less privileged children

With the campaign SOS Toys, DreamLand collected 250 pallets of old, but still usable toys for 35 charities. In this manner, the toy specialist, together with the Flemish radio station JOE fm, ensures that less privileged children received a nice Saint Nicholas or Christmas present. Thus DreamLand delivers on its key promise 'Children's joy' also for less privileged children.

Everyone could bring in toys to DreamLand from 12 up to and including 30 November 2012 to donate to the campaign SOS Toys. In addition, a JOE fm presenter visited six different locations together with a DreamLand truck in areas where there was no DreamLand store in the vicinity. In this manner, people who lived in these areas were also given the opportunity to donate toys. Each charity received a selected package of suitable toys before 6 December. The 35 charities provide aid to the less privileged in Flanders and Walloon. Dirk Berteloot, General Manager of DreamLand: "We could never have dared hope for this. The reactions of the organisations are heart-warming. As a company, we also play a role in society and with this campaign we wish to make a contribution to society. It is very likely that we will repeat this project in the coming years."

Grand finale in the distribution centre

The radio station JOE fm also paid a lot of attention to SOS Toys. In order to promote the SOS toys campaign even better, JOE fm presenter Raf Van Brussel wrote a special SOS Toys song. The accompanying clip was recorded partially in the DreamLand store in Halle. A grand finale was held on 30 November in the DreamLand distribution centre with the representatives of the charities. This was also broadcast live on JOE fm.

DreamLand, more than a store

DreamLand aims to be more than just a toy store. With fun initiatives and info evenings, the store aims to advise and assist parents and children in their various stages of life. For instance, learning to read and learning to ride a bicycle are two important milestones in the life of a child. These are also major challenges for parents. DreamLand aims to make learning to read and learning to ride a bicycle a positive experience for parents and children. Campaigns as Let's Bike help them with this. Let's Bike enables young cyclist who are just learning to ride a bike to do fun exercise together with their parents until they have learned the basics of cycling. After which, both parents and children go home with a pack of useful tips.

In addition, DreamLand also organises information evenings with themes such as 'Help, my child does not like to read!', 'Reading to children from the right book' and 'Safe on-line'.

As a company, we also play a role in society and with this campaign we wish to make a contribution to society.

*Dirk Berteloot,
Manager DreamLand*

Colruyt Group acquires 10 O’Cool stores

Colruyt Group signed an agreement with the deep-frozen products chain O’Cool for the acquisition of seven stores in November. Two more acquisitions took place in December and the group will also be acquiring another store in the beginning of April 2013. The group plans to convert the stores in Sint-Stevens-Woluwe, Wetteren, Mol, Oudenaarde, Sprimont, Boussu and Gembloux into Spar Retail stores. The stores in Aalst and Merksem will become DreamBaby stores, and the store in Lier will become a Bio-Planet store.

These acquisitions enable the Colruyt Group to *accelerate the growth of store formulas*, and then in the first place Spar Retail.

These acquisitions enable Colruyt Group to accelerate the growth of store formulas, in the first place Spar Retail.

Colruyt Group chose these ten sites based on the regions in which the store formulas were not yet present. In this manner, the group can further refine its store network. Colruyt Group continues to closely monitor the market situation and will also take advantage of such opportunities in the future. Around twenty former O’Cool employees will be able to continue to work in the stores.

Spar Retail will further develop the seven new stores in partnership with independent storekeepers into modern Spar neighbourhood stores. Dirk Depoorter, General Manager Spar Retail: “These new stores are the best example of our confidence in the future of Spar neighbourhood stores and of our belief in the cooperation with independent storekeepers. Together with the construction of our new distribution centre in Mechelen, this demonstrates our efforts to accelerate the growth of Spar Retail.”

7 new Spar stores
1 extra Bio-Planet
2 additional DreamBaby stores



Action dropper to accommodate growth of non-food sales

Colruyt Group has a new installation for preparing non-food orders in its distribution centre in Halle. The 'action dropper' reverses the traditional principle of order picking and brings the crates with products automatically back to the employee at the work station. With the new installation, the distribution centre can accommodate the future sales growth without expanding the surface, as the machine saves room. In addition, it shortens the through-processing time and increases the efficiency and quality. Moreover, as a result of the shorter through-processing time the price labels are more recent. Therefore, the stores have to revise the price labels less often in reaction to the promotions of competitors. The investment of approximately EUR 4 million will be earned back in eight years.

The action dropper works according to *the 'goods to man' principle*. The employee no longer has to travel back and forth to pick the goods that he needs. Instead the system brings the goods to the employee. The to be picked products are stacked high in a crate storage.

From there the crates are transported automatically to the operator. The operator puts the required products in the crates for the stores that are placed directly below. The system indicates which products are intended for which store.

Former subsidiary intrion carried out the installation of the action dropper. The industrial IT company has been operating independently since April 2012 because its activities are too far removed from retail.

With the new installation, the distribution centre can accommodate the future sales growth without expanding the surface.





Colruyt Group presents the supermarket of the future

In the coming years, Colruyt Group will be presenting its supermarket of the future in the new 'House of the Future' of Living Tomorrow in Vilvoorde. The group sketches what a store of the future could possibly look like and aims to inspire people with this. Technology is omnipresent and is integrated in the supermarket in a natural and user-friendly manner.

Intelligent cooking island

The store of the future has been designed by architects and IT specialists of the group, in cooperation with Living Tomorrow. The store is much smaller than the average Colruyt store and looks like an enlarged Collect&Go collection point. As shopping will increasingly be ordered on-line and collected or delivered to the customer's home. Customers will mainly come to the store to find inspiration. Products that the consumer likes to choose himself, such as fruit and vegetables, will always continue to be available in the store.

A cooking island with an intelligent cooking plate is located in the middle of the store. When the customers put a product on the cooking plate, the plate will recognise the product and issue a number of recipes. If the customer wants to try one of these dishes, a store assistant will prepare a small dish together with the customer.

Personalised consumer profile

Customers make use of personalised consumer profiles on their smart phones when shopping. This profile contains all information about cooking interests and eating habits, but also about allergies. In addition, customers can indicate how much time they would like to spend on preparing a meal, which ingredients they prefer to use, whether they wish to eat a healthy meal, etc. Based on this profile, customers receive relevant personalised information through their smart phones and built-in digital screens in the districts. This information could concern recipes and serving suggestions, but also explanations on the route that the products have travelled.

Regional and bio products

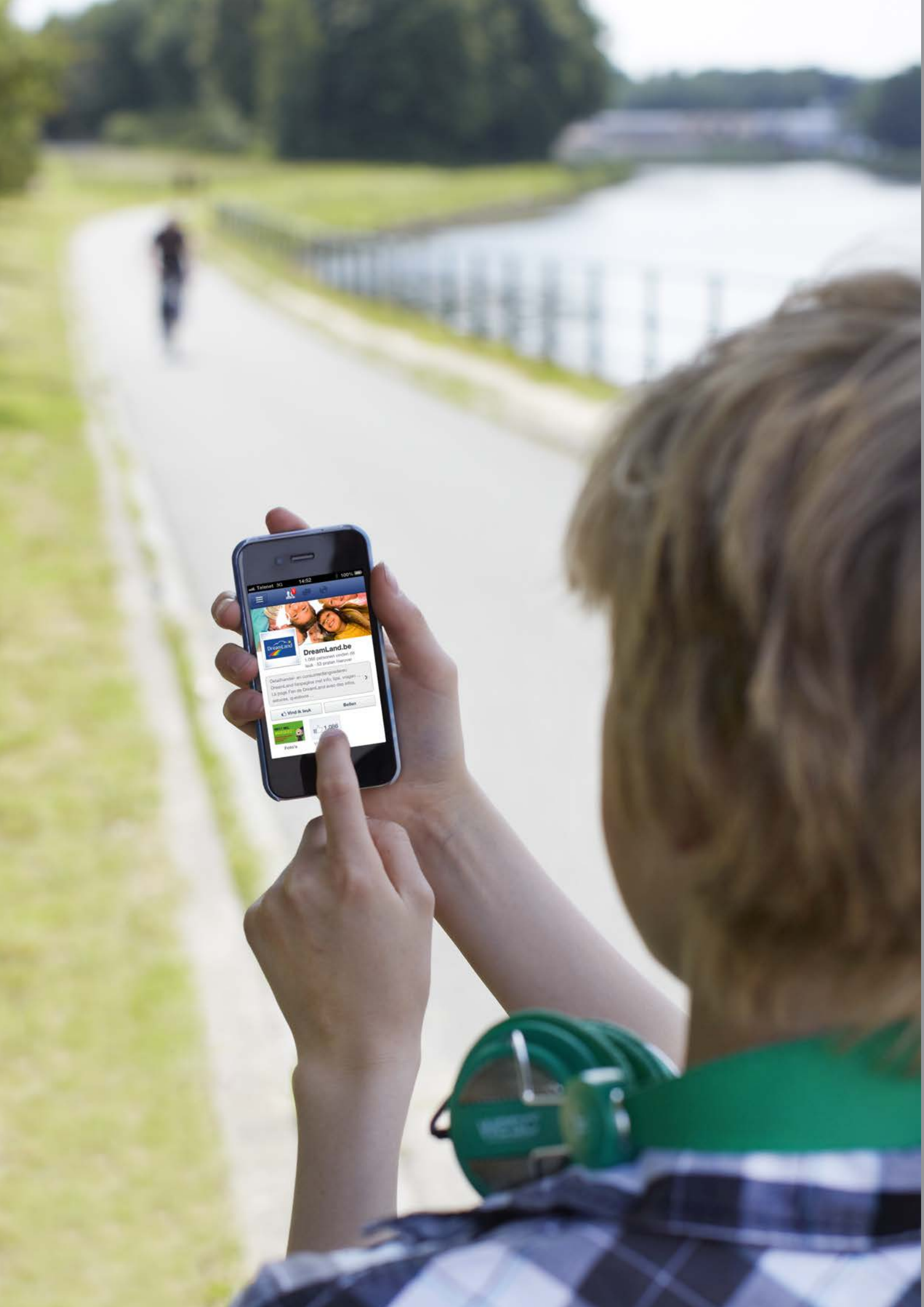
Colruyt Group also plans to focus more on regional and bio products and inform customers specifically about these products. People are opting more and more often for local products and consider it increasingly important to know the origin of products.

Additional innovations

Colruyt Group and Living Tomorrow plan to work together closely during the next six years under the TomorrowLab flag. They ask themselves the question what retail will look like in the future and what is the best way to react to these new opportunities. Together with Living Tomorrow, Colruyt Group will present other innovations in the supermarket of the future in the coming years.

Platform for innovation

Living Tomorrow is a VZW that is financed by companies and also receives support from the Flemish community. The first 'House of the Future' was opened in 1995. Its objective is to create a realistic but future-oriented house, office and external environment. In this project, innovative companies exchange ideas and present their newest products, services and plans.



Store formulas set steps towards social media

DreamLand has had an account on Facebook and Twitter since 8 January. The toy specialist is not the only store formula of the group that is active on social media. Colruyt (Good Cooking, Lowest Prices and Mobile), DreamBaby and Spar are active on Facebook. Colruyt Mobile has a Twitter account and Spar has a page on Pinterest.

Social media help our store formulas to maintain and improve their relationship with their customers. They enter into a dialogue with their customers directly and inform and inspire their customers. Consumers are increasingly making use of social media and are sharing information about themselves on social media. Through social media, our stores are able to find out a lot more about their customers so that they can cater better to their demands, needs and interests.

DreamBaby: nearly 35.000 fans

DreamBaby has nearly 35.000 fans on Facebook and thus the store is the group's most popular store formula. The baby specialist interacts with its fans through fun and interesting posts and supports its fans through the various stages of life. For instance, DreamBaby starts discussions on the difficult choice of a name, about how and when parents announce the gender of their baby or about the first time that a child goes to have a haircut. The posts often attract many comments and are often liked and shared. In addition, there are also competitions. For instance, Win A Baby Room attracted almost 10.000 new fans.

Colruyt Belgium: on Facebook three times

The store formula communicates about new services, realisations and store openings via the Facebook page Colruyt Lowest Prices. Furthermore, the retailer also inspires its fans with fun and interesting ideas, recipes and tips via the page Colruyt Good Cooking. During the year-end holidays, Colruyt's culinary team was stand-by on Facebook for the first time. Fans received an answer to their questions within 10 to 12 minutes. Colruyt Mobile gives tips and information about the GSM service

via Facebook and Twitter. This can range from answering questions and helping customers who have a problem with their SIM card to posts in which promotional campaigns are shared. Colruyt Mobile thus discovers what is going on with its customers and makes use of this knowledge in order to customise its services better.

Spar: supporting entrepreneurs

Spar Retail posts fun and interesting tips, ideas, recipes, promotions and competitions on Facebook. These also come from the culinary magazine KOOK. The independent storekeepers' organisation aims to inspire its customers and also support the Spar entrepreneurs who have already created a Facebook page. Independent storekeepers can share the Spar posts on the page of their own store.

DreamLand: learning to bicycle and reading to children

What DreamLand does on Facebook and Twitter is an extension of what it already offers today in its stores and via its website. The toy specialist shares useful information such as store openings and it provides tips for parents about how to teach their children how to ride a bicycle or how they can spend their vacation together with their children in a useful and fun way. In addition, DreamLand also stimulates conversations between its customers by asking for feedback on workshops, but also by asking about favourite holiday camps for children.

New sorting system for regional beers

The return centre for empty bottles in Ghislenghien has a new sorting installation for regional beers. The more productive line sorts 35.000 bottles per hour or three times more than the previous installations. With this, Colruyt Group will accommodate the *increase in sales of approximately 20 %*, and the increase in the number of regional beers that are bottled in bottles of 33 cl. The line represents an investment of EUR 2.900.000 and will be earned back in 2,5 years.

The new line can sort all types of bottles and automatically removes broken bottles. As a result, employees no longer have to pre-sort the bottles. In addition, there are now 11 work stations instead of seven where employees take the bottles out of the empty bottle crates and place them on the sorting conveyor belt. Moreover, the work stations are more ergonomic. The floor and the crate lifts have been replaced. Employees can now adjust the lifts more

precisely, so that they have to bend over less. The innovative system for placing bottles in crates also increases productivity. With one movement, the robot places 72 sorted bottles in three crates. The previous robot could only pick up 12 bottles and required two movements. Due to the higher productivity, there are also fewer carts weighting around the installation. As a result, space has become available for a pallet machine.

Colruyt worked together with a number of external partners, including the former sister company intrion, for the construction of the line.



Expansion of Colruyt Group Academy

After a successful fall season with 38 workshops and 600 participants, Colruyt Group Academy will start with a new spring programme in 2013. Customers and employees can choose from 200 workshops and can register on-line via the restyled website. There are 47 themes in five domains: Eating & Drinking, Society, Wellness & Leisure, House & Garden and Kids & Co. *Three months after the range of workshops were launched; already more than 2.500 people have registered.*

The objective of the Academy is to inspire people and to offer solutions for every day themes and situations. Various workshops are included on the programme: from an introductory course on kitchen knives to a workshop on raising multi-lingual children and to a course on dog nutrition. The various store formulas and Colruyt group provide the expertise for the workshops. To this end, the Academy works more and more intensively with suppliers of the group and with internal and external consultants.

At present, the workshops take place in Halle and Grimbergen; however, two additional centres will be opened in Leuven and Namen in 2015. Awaiting the opening of the new centres, some of the workshops are given in rented locations in Bergen en Luik. The intention is to expand the number of locations over the whole of Belgium.

47 themes
200 workshops
2.500 subscriptions





Colruyt Group is looking for young talent

Colruyt Group seeks to attract young employees. The company wishes to attract new employees in order to support its further growth. At the same time, it also offers a solution for the increasing unemployment among young people. The group has launched several initiatives in order to appeal to various target groups and to demonstrate the extensive range of job opportunities within the company.

On-the-job training for sales teachers and students

In 2013, 26 secondary school teachers participated in a practical training programme at the Colruyt Group. They followed a practical training programme in a Colruyt or DreamLand store in order to be able to help students better during their on-the-job training. For the students, this increased their chance of finding a sales job after they have completed their studies. And in this manner, Colruyt can fill job vacancies faster with **better trained personnel**. The on-the-job training fits in with the new Sales training plans, which aim to bring the training more in line with reality of the job. Colruyt not only enables on-the-job training in its stores, it also supplies photographs and examples for the new manuals.

26
teachers

Butchers invited as guests

In February, over 300 student butchers and their teachers participated in Meatland, an interactive voyage of discovery for young butchers. The participants received a tour in the Group's meat processing company and paid a visit to the butcher's shop in a Colruyt store. By focusing on pride and craftsmanship, Colruyt Group wishes to make **working as a butcher more attractive** for young people and thus attract butchers. And this is necessary, because at present there is insufficient inflow from the schools. This is why the group also works more intensively with the butchers' schools such as Elishout in Anderlecht and Ter Groene Poorte in Bruges.

300
student
butchers

Bachelors and masters on second job day

The second edition of the job day for bachelors and masters drew 88 students to Halle. The students were given an extensive look behind the scenes of the Colruyt Group. The job day forms part of the recruitment campaign with as slogan '*Look at us with other eyes*'. In this manner, the group wishes to make it clear that it consist of more than just stores. And that it has a wide range of jobs to offer to starters.

Partnerships with higher education

Colruyt Group also has various partnerships with institutions for higher education. For instance, the group works together closely with the HUB, the Karel de Grote-Hogeschool and with Unifac, the umbrella student union of the city campus of Antwerp University. For example, Colruyt Group tested a new recruiting tool with the HUB: the interactive 3D-screen JobCam. With this screen, interested students can talk live remotely with recruitment staff about job vacancies at the group and even conduct a job interview. Greet Raspoet, student counsellor at the faculty Economics & Management of the HUB, is pleased: "We think it's fantastic that we are involved in such an innovative initiative and that our students can become acquainted with a future employer in a manner that fits in with their own living environment." The group also tested the 'Job Cam' in the Colruyt store in Oudergem, in a VDAB office and in a distribution centre in Halle.

We wish to guarantee the inflow of young starters in the long term in order to enable the company to continue to grow. Starters provide new insights and keep the company young.

Ilse Bellemans, department head Selection, Recruitment and Orientation





Colruyt has the best reputation

For the third year in a row, Colruyt has the best reputation *of all large Belgian companies*. Colruyt attained first place in each category in the national consumer survey of the communication agency Akkanto, resulting in a total of 83,5 points. CEO Jef Colruyt: "We have achieved this good reputation thanks to the hard work of all of our employees. Employees who try and do their work as it should be done every day based on our group values and our aim for simplicity in how we are and what we do. And thus to fulfil the mission of the Colruyt Group."

Colruyt's score is exceptional according to the survey. Most of the companies score between 60 and 70 points. Whoever scores higher has a very good reputation.

Akkanto carries out a survey every year of the reputation of 35 major Belgian companies. To this end, the communication agency uses the RepTrak survey method. This method shows the consumer's perception of an organisation. 16.987 Belgians filled in the questionnaire via internet in January and February. Seven dimensions

of a reputation are measured: products and services, innovation, working environment, management, citizenship, leadership and performance.

This year, for the first time, socially responsible entrepreneurship was also measured. Colruyt also attained the first place in this category with 78,2 points. For many people, this responsibility does not only apply to a good working environment, citizenship and good management. It also applies to customer orientation, a suitable product range and a good price-quality ratio, items in which Colruyt scores very well traditionally.

We have achieved this good reputation thanks to the hard work of all of our employees.

CEO Jef Colruyt

83,5
Colruyt's total score in the national consumer survey of the communication agency Akkanto.



Spar celebrates 10th anniversary of KOOK (Cook)

KOOK, Spar's free culinary monthly magazine celebrated its 10th anniversary in March. In order to celebrate this, Spar produced an extra thick celebration number of 100 pages and a sturdy city bike could be won in every store.

The first KOOK was made available in the stores in March 2003. At the time, the magazine was 32 pages thick and contained seven recipes. Today, KOOK has 80 pages and 230.000 copies are printed. The monthly magazine is produced by a fixed team of editors, designers, cooks and a photographer.

Eating well

The culinary magazine communicates Spar's key concept: eating well in a pleasant and family atmosphere. The magazine contains 30 self-created dishes and various background and promotional articles. Each month, a Spar entrepreneur presents his or her favourite recipe and regional dish. There are also regular features that deal with 'food' from different perspectives: Snelkoker (fast cooker), Broodnodig (necessities), Bespa(a)r (savings) and Passioneel Product (the story behind products). In addition, KOOK also takes the seasons into account and pays attention to the products at that time.

Three functions

With its colourful style and lively tone, KOOK is accessible for a wide audience: from the experienced cook to the beginner. The culinary monthly has three functions: mirror, magnifying glass and window. First of all, customers should be able to recognise themselves in the monthly magazine. This is why the magazine contains recipes for all levels, directed at different age groups and

different regions. KOOK also deals with certain topics in more detail. Readers are thus able to learn more about products, recipes, kitchen utensils and wines at the Spar stores. Finally, the magazine also aims to be a window on the world and to present new things every month.

Also on-line

KOOK can also be viewed in full on-line via the Spar Retail website. The independent storekeepers' organisation also has pages on the social network sites Facebook and Pinterest since March. Marketing Spar Retail posts fun and interesting tips, ideas and recipes on Facebook mainly from KOOK. In this manner, the independent storekeepers' organisation interacts with its customers and also supports the Spar entrepreneurs who have already created a page for their own store. On the Pinterest page, our fans will find photographs of the history of Spar and the covers of their KOOK magazines.

230.000
the number of copies in which
KOOK is printed.



Spar stimulates entrepreneurs and their employees

A second Spar Retail engagement day is organised in March. 150 independent storekeepers and their 550 employees are invited. Spar Retail aims to provide expert and committed support to its entrepreneurs and does this with extensive consultation and two-way communication. However, it is up to the storekeepers themselves to achieve the results. In order to support them in this, the independent storekeepers can rely on many initiatives, resources and tips. For example, Spar Retail offers a Starters Kit, in addition to the support of work simplification coaches and company advisers. The support is always linked to the Spar engagements, based on four pillars: Neighbourhood, Colleagues, Employees and Consumers.

The second engagement day takes place at Vossemere in Lommel. This year's main objective is to *involve the employees in an interactive manner in the engagement story*. Independent entrepreneurs and their Spar employees work in groups on various cases linked to the challenges with which they are confronted every day. For example in the workshop on the theme Neighbourhood, independent storekeepers and their employees ask themselves what they considered to be a good neighbourhood store. After the engagement day, photographs are placed on the SPARweb. Spar storekeepers and their employees exchange experiences, opinions and ideas on this internal communication forum.

150
independent storekeepers

550
employees

Application for building permit for new distribution centre in Ollignies

Colruyt Group has submitted an application for a building permit for the construction of a distribution and logistics centre along the A8/E429 on the boundary of Ollignies (Lessines) and Ghislenghien (Ath) in the province Henegouwen. The distribution centre, with a surface of approximately 30.000 m², will be located in the vicinity of Colruyt Group's existing distribution centre in Ghislenghien. The group aims to *accommodate future growth* with this investment. The new logistic centre forms part of the Orientis project of the inter-municipal Ideta. The start of the construction work is planned for August 2013. The distribution centre should be operating in full as of the spring of 2015. 350 employees will be able to work there directly.

The site will contain a distribution centre and a return centre for empty goods. The centre will also have a high-rise building (30 meters high) where the pallets will be stacked ready for use partially automated.

The distribution centre will be used for products with a high turnover such as beer, water, milk, fruit juice and paper. The former sister company intrion has developed the software. To this end, the engineering company is working together with external partners.

This investment demonstrates that Colruyt Group wishes to further develop and expand its activities in Walloon. At present, the group already has nearly 4.000 employees in Henegouwen and is thus one of the largest private employers in the province. Colruyt Group continues to create employment and invest in Walloon in difficult economic times.



Symeta develops ZEB newspaper

Symeta has produced a personalised newspaper for the clothing chain ZEB: the Zeb Gazette. All ZEB's loyal customers have received a copy in their mailbox. The 8-page brochure is personalised in accordance with their preferences and purchasing behaviour. With the ZEB newspaper, Symeta shows how a traditional publication such as a newspaper, with the use of modern print technology and the input of relevant customer data, can be used as a targeted and personalised marketing communication tool.

ZEB aims to promote its new collections in this newspaper. It is a Belgian first that a newspaper is personalised in colour print for a marketing campaign. Most of the articles, illustrations and titles vary per customer. Symeta makes use of customer data that ZEB gathers via the customer card. As a result, it is possible

to take the age and the gender of the customer, his closest ZEB store and his personal dressing style and favourite brands into account. The newspaper also contains a personalised log-in that provides access to a micro-site. Customers can keep their data and preference up to date via the micro-site. In this manner, ZEB also obtains additional customer data.

The campaign has also been a success for ZEB. The Gazette also attracted a lot of reactions on the social network sites. Symeta ensured that the ZEB stores attracted more customers and that the customers made more use of the promotions. Symeta will produce the Gazette twice a year, in March and in October.



Collect&Go nominated Digital Gazelle

In March 2013, Colruyt Group was nominated 'Digital Gazelle' for its Collect&Go collection service. The financial-economic journal Trends and the internet search engine Google describe Colruyt Group as a *rapidly growing company with a well thought-out on-line strategy*. Orders are increasingly being placed via the Collect&Go app. Already more than 10% of the orders are placed via smart phones and 20 % of the registrations of new customers takes place via the app. Colruyt launched the Collect&Go app in July 2011 and was thus the first supermarket chain with a smart phone application to place orders.

The Digital Gazelle is an additional competition of the Trends Gazelles and was awarded for the first time this year. The Gazelles are rapidly growing companies that are selected by Trends and awarded for their contribution to the economy, employment and innovation within their region. Both OKay and the meat processing company Vlevico were previously nominated Trends Gazelles.

Collect&Go is Colruyt's collection services and it was launched in 2000. The customer orders his shopping on-line via the computer or smart phone and collects his shopping the next day at a collection point of his choice. Today, Collect&Go has 139 collection points in Belgium, one in Luxembourg and seven in France.

139
collection points in Belgium
1 in Luxembourg
7 in France





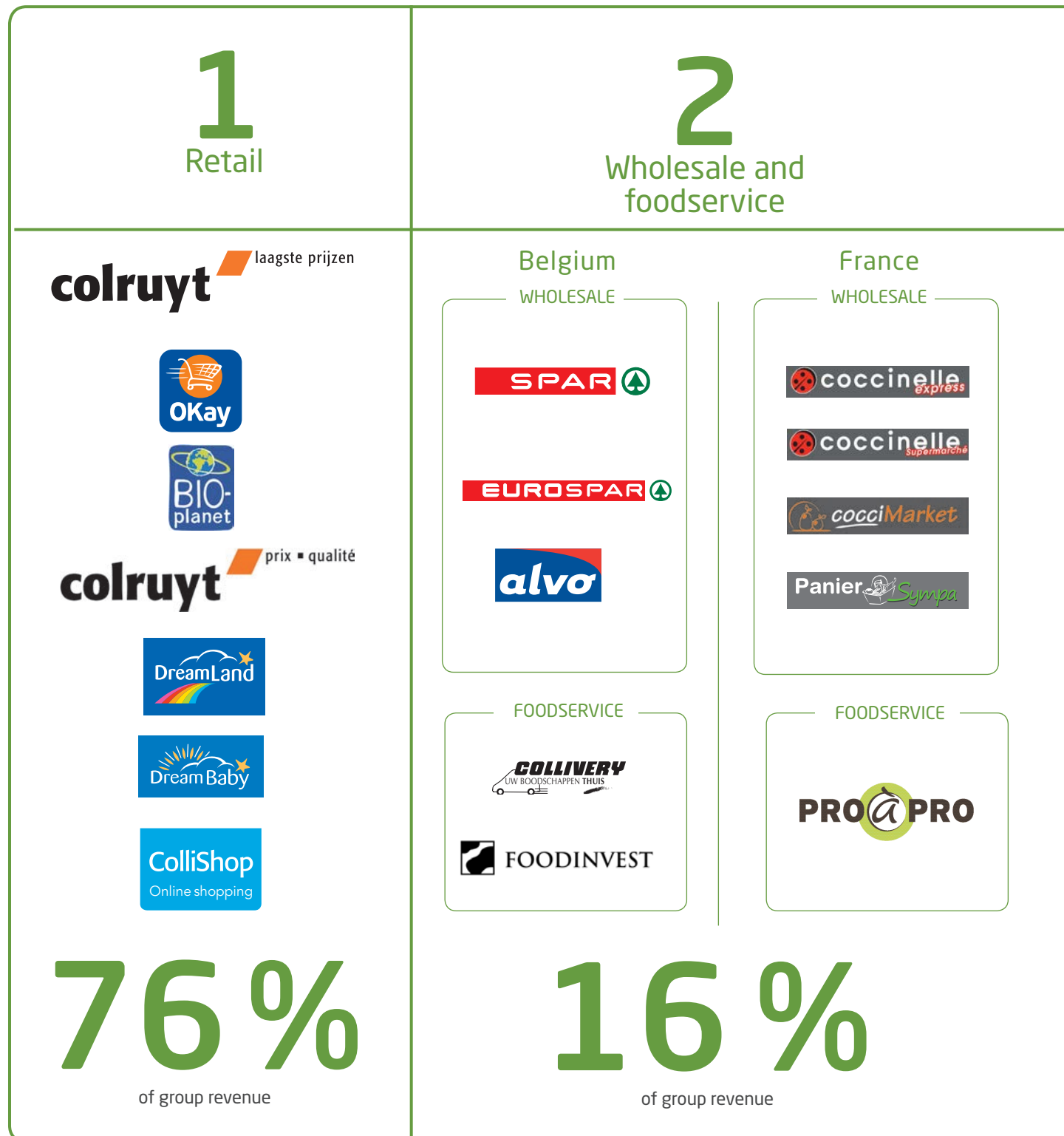
03

Activities

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Activities

Colruyt Group's operational activities can be divided into retail, wholesale & foodservice and the other activities and corporate activities. The retail store formulas, on the one hand, and the deliveries to independent storekeepers, wholesale and professional clients in foodservice, on the other hand, represent the main part of our operational activities. The commercial services that we provide in connection with DATS 24, Symeta and WE-Power as well as our financial participations are grouped under the other activities.



3
Other
activities



- DATS 24: petrol stations in Belgium and France
- Symeta: print & document management
- 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

The geographic segmentation is based on the various locations of the parent company and its subsidiaries and this is based on our strategy that we wish to provide services to our customers in their own region to the greatest extent possible. Therefore, our trading activities and group support services are mainly located in Belgium, Luxembourg, France and India.

Belgium: all activities

Luxembourg: retail, re-insurance company

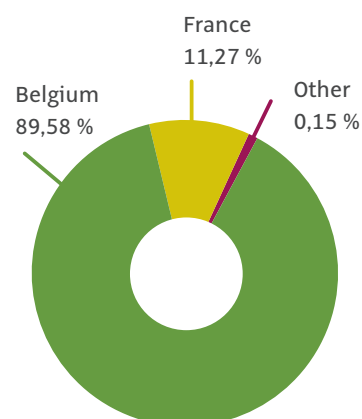
France: retail, wholesale, foodservice and DATS 24

French overseas territories: wholesale and foodservice

India: own IT department

Hong Kong: own purchasing support

The list of all companies included in the consolidation can be found in note 8.34 in the financial section.



1. Retail

Retail represents all sales from the store formulas of Colruyt in Belgium and France, OKay and Bio-Planet as well as the specialised non-food formulas DreamLand, DreamBaby and ColliShop. These activities realised a 5,2 % growth in revenue to EUR 6.309,4 million.

1.1 Colruyt



IDENTIKIT

- **Year of inception:**
1976
- **Revenue:**
EUR 5.232,3 million (+ 5,2 %)
- **Number of stores:**
227 (including one in Luxembourg)
- **Average store surface area:**
1.500 m²
- **Number of employees in FTE:**
15.581 (+ 324) (1)
- **Baseline:**
Lowest prices
- **URL:**
www.colruyt.be

(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. Colruyt aims to establish long-term relationships with its customers based on simplicity, service and transparent communication. Colruyt limits its costs to a minimum by using efficient working methods and by means of the simple furnishing of its stores and energy-efficient lighting, heating and cooling. Colruyt mainly targets families with children, who are price conscious and who organise their shopping in an efficient and rational manner.

Already for more than 30 years, Colruyt has carried out a consequent and transparent lowest price policy for A-brands, store brands and discount brands. The retailer monitors the prices of other stores in the area

and adjusts its prices if necessary. Employees record thousands of prices in stores all over the country on a daily basis and the prices secretariat takes all special offers and promotions of the competition into account.

As a result, customers will find all the special offers of all other stores under one roof at Colruyt. Colruyt is thus the cheapest for each product all the time.

In addition to the lowest prices, via the 'Extra discount' card, customers receive on average more than 3 % additional discount that we demand from our suppliers. Colruyt also informs its customers as thoroughly as possible about its prices. In the personalised shopping folder 'Selection for you' 1.650.000 customers receive a personalised selection of special offers every two weeks. These additional special offers are determined based on the customer's purchasing behaviour. Customers like to make use of the discounts and are thus able to save several euros off their shopping bill.

At Colruyt, customers can always count on skilled and service-oriented personnel.

Developments

At the end of the financial year, Colruyt had 226 stores in Belgium and one in Luxembourg. Three stores were closed temporarily in connection with renovations. The total store surface area amounted to 349.025 m², a 1,8 % increase compared to the previous financial year. Colruyt opened six new stores in the past financial year: 17 existing stores were renovated or enlarged.

Combined, the Colruyt stores realised a total revenue of EUR 5.232,3 million, which represents a 5,2 % increase compared to the previous financial year. Colruyt's market share continued to grow and amounted to 25,81 % in the calendar year 2012. This is a very good achievement in a highly competitive market where new players have also entered the market. Colruyt grew as a result of the opening of new stores, but above all by attracting new customers and because customers purchased more. The average amount purchased continued to increase.



In addition, the number of customers who make use of the 'Extra discount' card rose as a result of personalised communications such as the shopping folder 'Selection for you'. The average amount purchased is even higher for these customers.

The gross margin remained stable compared to the previous financial year. The gross margin was under pressure in the first half of the financial year because the increase in prices of suppliers could not be absorbed in the sales prices. This trend improved as from the end of the summer and this had a positive effect on the margins. Colruyt continues to take advantage of opportunities to further optimise its cost efficiency.

During the past financial year, consumers have learned to deal with the financial-economic crisis in a rational manner. Colruyt customers do not purchase less, but shop more consciously and efficiently. They do not consequently seek to purchase discount brands; they decide for themselves which type of A-brands, store brands or discount brands they wish to purchase. Colruyt also notices that customers like to make use of the 'Extra discount' card. They make use of the special offers and

buy products that they wanted to buy anyway but then for a lower price and in larger quantities.

According to its own calculations, Colruyt is still considerably cheaper than other Belgian retailers. The retailer can thus compete successfully with national and international competitors. Colruyt was also the leader in the general category of the Summer Report of the research agency GfK. Colruyt ended first in the categories Ambiance and Advantageousness.

The store formula invested considerably in improving its cost structure and the further optimisation of its processes and organisational structures in the past financial year. Colruyt was more careful with its resources, but continued to invest in training for its employees and in the constant improvement of quality. The retailer is convinced of the efficiency gain for the company and for the customer.

Commercial activities

Colruyt expanded its store product range in the past financial year. Colruyt launched its first vegetarian store brand Veggie Eger and its first vegetarian cookbook

'Veggie Today' in the past financial year. With this initiative, the retailer wishes to capitalise on the growing demand for vegetarian food and offer veggie products to a wider public. (Read more about these new activities on page 39). The sale of freshly baked bread was further expanded in the past financial year. Around 160 stores now offer freshly baked bread. Furthermore, Colruyt now shares tips, ideas and recipes with its customers in several ways. The culinary team gives workshops under the Colruyt Group Academy flag and also interacts with customers via the Facebook page of Colruyt Good Cooking.

Colruyt doubled all of the Extra discounts for the first time in 2012 during the Easter weekend. All the Extra discounts indicated in the store were automatically doubled at the checkout. Many customers profited from the opportunity by purchasing more. Colruyt realised a strong increase in sales and believes that customers are now even more aware of how much they can save with the Extra discounts.

Colruyt launched a campaign in June 2012 that focussed on the decrease in purchasing power. Up to the end of the year, the retailer gave an additional 3 % discount on a changing selection of around 500 basic products (A-brands, store brands and discount brands). The retailer observed that customers started paying attention to what they were spending earlier and earlier in the month.

Colruyt sent a letter to its customers in November 2012 specifying the total amount that they had saved in one year with their 'Extra discount' card.

A promotional campaign shortly after the end-of-year period led to a noticeable increase in turnover. Based on their purchasing behaviour, customers received a personalised folder with specific products.

75 years coffee and wine

Over 20.000 customers bought 51.300 tins of special coffee of the Colruyt brand Graindor in 2012. Colruyt celebrated the 75th anniversary of its own coffee roasting facility with a special melange in retro tins and various special offers in the store. With many special offers, promotions and special products such as wine party boxes, the group also celebrated the 75th anniversary of the wine bottling facility. By taking over the production itself, Colruyt can keep costs low, demonstrate its craftsmanship and monitor the quality better.

Outlook

In spite of the difficult market situation, Colruyt still expects to realise a further growth in revenue by opening new stores and enlarging existing stores.

The average sales surface of a Colruyt store today amounts to 1.500 m². Colruyt aims to expand existing stores every year. By expanding its total sales surface each year by 14.000 m², the store formula aims to increase its average store surface to 1.800 m². Colruyt sees a potential of 35 additional stores in Belgium. Furthermore, it remains an objective to further increase the store revenue per m².

Colruyt launched a new on-line service in 2013: the Extra monitor. With this tool, customers can monitor how much they have saved in the past 12 months with their 'Extra discount' card. In the near future, the retailer wishes to cater even better pro-actively to the needs and requirements of its customers.

Colruyt will test its first fourth-generation store in the fall of 2013 in which it intends to enter more into a dialogue and to offer more transparency from its passion for its customers and the product.

Collect&Go

Colruyt will also focus increasingly on e-commerce in the coming years. The on-line market is growing and Colruyt aims to capitalize on this market development. The store formula is also convinced that traditional and on-line shopping will continue to exist alongside each other.

Colruyt started the collection service Collect&Go in 2000. Customers order their shopping on-line via their computer or smart phone and collect their shopping the next day at a collection point of their choice. Sales of this service is growing strongly. In addition, the average purchased amount of a Collect&Go customer is higher than a traditional visit to the store. New collection points are being opened every year and around 5.000 new customers are welcomed each year. As at the end of the financial year, Collect&Go had in total 139 collection points in Belgium of which three are not located in a Colruyt store. It is striking that Collect&Go customers order at least just as many fresh products as conventional store customers.

Customers know that Collect&Go ensures an optimal cold storage of its products and that products are stored in optimal conditions.

In most collection points, Collect&Go orders are prepared by store personnel. In order to accommodate its growth and success, Collect&Go has been making use of the services of E-logistics since November 2010. E-logistics is a group company based in Zaventem that provides logistic services to third parties. Logistic personnel prepare orders for the nearby stores and stand-alone collection points. With this service, E-logistics unburdens a number of stores. Collect&Go continues to believe in the strong mix between order picking in the stores and central delivery from the logistic centre in Zaventem.

Colruyt Group was awarded the Digital Gazelle award for its Collect&Go collection service in March 2013. The financial-economic journal Trends and the internet search engine Google describe Colruyt Group as a rapidly growing company with a well thought-out on-line strategy. More and more customers are using the Collect&Go app for smart phones to order their shopping on-line. Customers already initiate over 10 % of their orders via their smart phones and 20 % of the new

customers registers themselves via the Collect&Go app. In July 2011, Colruyt was the first supermarket chain with a smart phone application to place orders. During the past financial year, Collect&Go tested a number of other formulas, such as a drive-thru collection point for employees of the head office in Halle.

Colruyt Mobile

Colruyt Mobile is the GMS service with reloadable Colruyt cards. The service has already built up a strong customer base since its introduction in November 2011. The service distinguishes itself from other service providers with its transparent range of services, a well-functioning help desk and the lowest prices for profiles with an average use (76 % of the market). The mobile telephone operator has a tool that compares the customer's monthly consumption with 800 tariff plans in Belgium. In this manner, Colruyt Mobile guarantees the lowest prices up to 200 telephone minutes, 200 text messages and 200 MB internet use per month. If the tariff plan of a competitor is cheaper, Colruyt Mobile will refund the difference in telephone minutes.



www.collectandgo.be

The complete Colruyt range of food products (also fresh products, meat and deep-frozen) and a selection of its non-food products. Place orders (on-line 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 (butcher's shop)

After ordering on-line, the customer can pick up his meat order as from the next day at the store butcher's shop. A very popular site during the 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 and Bio-Planet

The OKay neighbourhood stores and the specialised Bio-Planet stores realised an 11,0 % turnover increase in the past financial year to EUR 530,8 million.

1.2.1 OKay



IDENTIKIT

- **Year of inception:**
1998
- **Combined revenue OKay and Bio-Planet:**
EUR 530,8 million (+ 11,0 %)
- **Number of stores:**
88 (including 1 OKay Compact)
- **Store surface area:**
400 to 650 m²
- **Number of OKay employees in FTE:**
1.191 (+ 106)
- **Baseline:**
Save time, money and effort
- **URL:**
<http://okay.colruytgroup.be>

Customers can do their shopping at OKay quickly, cheaply and conveniently. Convenience for the customer is the main focus. This is why the neighbourhood stores are located in the village or town centre. Thus customers do not have to travel long distances to do their shopping and they can avoid traffic jams. The long opening hours and easily accessible parking areas increase the accessibility and the convenience.

The compact neighbourhood stores (400 to 650 m²) are structured logically and the product range is offered in a clear and accessible manner. OKay succeeds in offering a well-balanced mix of A-brands, store brands and discount brands on a compact surface area. In addition to an extensive range of fresh products, OKay also offers a varied range of ready-made meals. Together, these represent an important part of the revenue.

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



This year, the first OKay Compact opened its doors in Elsene. With its store in Elsene, OKay is checking out the city market. OKay Compact is a small neighbourhood store in the centre of the city. The store caters to customers that do their shopping for today and tomorrow on foot or by bike.

Developments

OKay continues to realise strong growth figures. OKay opened seven new stores in the past financial year: Gent, Gavere, Eernegem, Thorembais, Zomergem, Saint-Georges and Putte. In addition, four stores were renovated and enlarged to 650 m²: Hulshout, Rebecq, Vichte and Nazareth. In total, the store surface was expanded by 5709 m². OKay had 88 stores at the end of the financial year.

As a result of the opening of new stores and sales growth at the existing stores, the OKay stores achieved a highly satisfactory increase in revenue of 10,5 % in the past financial year. The introduction of the customer card contributed to this increase in revenue. The growth at the existing stores was mainly realised as a result of the inflow of new customers. In times of economic crisis, customers go in search of lowest price formulas such as OKay. As a result, the average sales per customer were maintained.

By remaining very efficient with costs, OKay succeeds in ensuring that its profitability increases in line with its turnover growth.

OKay confirmed its reputation as constant grower and OKay was awarded the title of Golden Ambassador by the financial-economic journal Trends for the second year in a row.

The plans to build a distribution centre for OKay on the industrial estate in Lot (Beersel) are being further elaborated.

Outlook

The store formula aims to open eight to ten new stores and renovate a number of existing stores in the financial year 2013-2014. In order to realise this growth, OKay also plans to recruit another 150 employees this year. OKay envisages a potential of around 180 stores in Belgium in the future.

OKay is also looking into expansion opportunities for the OKay Compact store formula.

1.2.2 Bio-Planet



- **Year of inception:**
2001
- **Number of stores:**
8
- **Store surface area:**
400 to 750 m²
- **Number of employees in FTE:**
188 (+33)
- **Baseline:**
Conscious Enjoyment
- **URL:**
www.bioplanet.be

IDENTIKIT

Bio-Planet is a supermarket chain where customers can find everything that they can also find in other supermarkets but then guaranteed biological and ecological. The product range consists of over 7.300 biological and ecological products. Fresh products are a spear point and account for an important part of the turnover. This concerns meat, veggie products and cheese from the self-service counter and vegetables, fruit and dairy products from the fresh market.

With its bio product range and hospitality, Bio-Planet seeks to inspire people to enjoy life in a conscientious and healthy manner.

Respect for the environment is a central focal point at Bio-Planet. By working in a sustainable manner, the retailer reduces its impact on the environment.

In order to reach as large as possible potential customer base, a conscious choice has been made to locate Bio-Planet stores in the outskirts of larger cities. Customers who do not have a Bio-Planet nearby, can order more than 3.500 of our products on-line and collect their products at a Colruyt or OKay store of their choice within four days.



Developments

The Belgian bio-market has experienced a gradual, constant growth in recent years and has a market share of 1,9 %. According to VLAM, around 18 % of Belgian families are frequent bio-buyers. In 2013, 7 % more was spent on biological products than in 2011. In spite of the economic crisis, more and more customers are making a conscious choice for biological food. As a result, Bio-Planet sales have increased strongly in the past financial year. Bio-Planet's market share has risen every year since its establishment and at a faster rate than the bio-market as a whole.

The eighth Bio-Planet store opened its doors along the A12 in Wilrijk on 12 December 2012. Bio-Planet renovated the existing building in a sustainable and energy-efficient manner and used as many ecological techniques and materials as possible.

Outlook

Bio-Planet is planning to open new stores in Lier and Nossegem (Zaventem) in the coming financial year. Bio-Planet Lier will open a new store mid-2013 in a building that previously housed an O'Cool store. Bio-Planet Nossegem will open its doors in the fall. The store is being built using the same ecological materials and techniques as were used in the Bio-Planet store in Leuven, the very first low-energy store in Belgium. The expertise and experience that were gained with the construction of this first store is being expanded in Nossegem. Bio-Planet envisages a potential of around 30 stores in Belgium in the future.

Bio-Planet will introduce the Bio-Planet sticker in the coming financial year in order to strengthen the ties with its customers. The sticker functions like a customer card but is easier and more environmentally friendly. Customers can stick the sticker on to a recyclable card or on personal effects that they always carry with them. The sticker is personal and enables Bio-Planet to gain insight into the purchasing behaviour of its customers. The bio-store can thus offer more targeted customer benefits.

Bio-Planet will also continue to focus on the B2B market in the coming year. In view of the growing demand, Bio-Planet aims to supply companies, day-care centres, schools and governments with bio-products and thus make bio more accessible. To this end, Bio-Planet works together with the Group's existing B2B customers.

7 new OKay stores in 2012-2013

10,5 % turnover increase

8 unique bio-stores

7.300 bio-products and eco-products

1.3 Food retail Colruyt France



IDENTIKIT

- **Year of inception:**
1996 (acquisition)
- **Turnover :**
EUR 226,3 million (+16,6 %)
- **Number of stores:**
62
- **Average store surface area:**
1.000 m²
- **Number of employees in FTE:**
1.100 (+222)
- **Baseline:**
All major brands at the lowest price
- **URL:**
www.codifrance.fr

In the east and north east of France, Codifrance operates the integrated local Colruyt supermarkets. Colruyt profiles itself as a local neighbourhood store with regional and fresh products, a complete range of wine and cheese products and friendly personnel. Other trump cards are the well-organised product range and the traditional butcher's shop in which craftsmanship is a central focal point. In addition to national brands, Colruyt also offers lowest price products such as Everyday Selection (premier prix) and an extensive range of store brand products. With 1.400 store brand products of Belle France and Les Délices de Belle France, the supermarket chain specifically targets the French market.

The Colruyt concept in France has been tailored to the French market. Already since 2009, the store formula has guaranteed the lowest prices for all national brands and for comparable products.

Developments

Consumer confidence continues to decrease in France. The second largest economy in Europe stagnated for the second year in a row. The economic crisis has clearly affected France and has resulted in a noticeable increase in unemployment in the second half of 2012 and the beginning of 2013. The volumes sold in the very competitive French retail market thus also decreased in this financial year.

The social-economic and the tax climate in France also play an important role. Taxes and measures imposed by the Hollande administration are having an impact on both companies and consumers, and are actually having a more paralysing effect on the country's economic growth.

In spite of these difficult conditions, the integrated stores still succeeded in realising a 17 % increase in turnover. On a comparative basis, the Colruyt supermarkets grew by 7,9 % while the market stagnated. Colruyt continues to implement its expansion policy. Five new stores were opened in the past financial year. This resulted in an additional store surface of 3.165 m². The total number of Colruyt stores amounted to 62 at the end of the financial year, with a total store surface of 60.170 m². Five stores have a Collect&Go collection point. Customers pick up the shopping that they have ordered on-line at these collection points. An average Collect&Go customer spends twice as much as a conventional Colruyt customer.

Five Coccinelle neighbourhood stores, which were still grouped under food retail France last year, were grouped under the wholesale activities. The aim is to convert these stores into independent stores.

As a result of the expansion policy in combination with the intense price competition and pressure on margins, Codifrance has still not been able to show a positive profit contribution. However, Codifrance is convinced that it will be able to reap the benefits of the current expansion in the near future. It believes that it will already be able to realise a positive operational cash flow by 2015. In addition, the company is working hard on increasing the turnover per m² by attracting new customers and increasing the number of visits to the store of existing customers.



Codifrance realises around half of its turnover through the sale of national brands. Colruyt continues to stimulate the sale of those brands, but it also observes that the demand for a well-balanced own store brand strategy is continuing to grow due to the economic crisis. Codifrance aims to realise a higher margin by capitalising on this trend.

The market research agency Nielsen also confirmed this year that Colruyt offers the lowest prices for national brands on the French market.

The first traditional fresh bakery was opened in Colruyt Mathay. The bakery forms part of the new generation of stores. Colruyt intends to open at least five new traditional bakeries by the end of 2013. The aim is that the traditional bakeries become as strong a trump card as the traditional butcher's shops.

Codifrance has fully 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. Codifrance is now focusing on the further optimisation of transport in order to lower costs.

Outlook

Colruyt aims to further profile itself in the areas of service and fresh products. The retailer hopes to realise more than half of its turnover from fresh products in the future. Codifrance intends to open around 10 Collect&Go collection points in 2013.

Colruyt will build the pilot store for the new generation of stores in the second half of 2014. As from the second half of 2013, Colruyt will implement elements of the new generation of Colruyt stores in the construction of new stores.

Colruyt will continue to invest in its lowest prices strategy and expansion policy. This is paying off: new customers are being attracted and the turnover per m² continues to grow. It continues to be the aim to open integrated stores in "le Grand-Est" of France, from the Luxembourg border to south of Lyon. Colruyt plans to open five to ten new stores a year in the coming years with an average surface area of 1.000 m² to 750 m² per store. Colruyt envisages five new stores and three renovations in the coming financial year resulting in a total additional store surface of 8.648 m². Colruyt also intends to open three new filling stations, of which one through an acquisition.

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. DreamLand and DreamBaby realised a 2,8 % increase in revenues to EUR 241,4 million in the financial year 2012-2013.

1.4.1 DreamLand



IDENTIKIT

- **Year of inception:**
1994: acquisition of Droomland, renamed DreamLand in 2002
- **Combined revenue DreamLand and DreamBaby:**
EUR 241,4 million (+2,8 %)
- **Number of employees in FTE:**
955 (+ 42) (DreamLand and DreamBaby)
- **Number of stores:**
38 in Belgium, 2 in France
- **Average store surface area:**
1,600 m²
- **Baseline:**
The widest choice, nowhere else cheaper
- **URL:**
www.dreamland.be/webshop

DreamLand targets children between the ages of 0 and 14 as well as their families. The toy specialist focusses on their needs and wishes and their complete living environment.

The product range consists of 74.281 articles and caters to the desires and demands of various age groups. In addition to toys, school supplies, gifts and seasonal articles, there is also a wide range of multi-media products and games. DreamLand also has children's and youngster's rooms and nice things to decorate a room with, as well as beauty products. The toy specialist closely monitors the newest trends in the market and always includes the latest new licences and brands in its

product range. DreamLand has even developed into the biggest seller of brand book bags and rucksacks.

DreamLand aims to always offer the lowest price in the region. With its refund guarantee, customers can count on paying the lowest price. In addition to the in-store sales, on-line sales are becoming more and more important. DreamLand has a unique position in the e-tail market thanks to Colruyt Group's extensive distribution network. Customers can order products on-line and can collect these products at one of the over 300 Colruyt and OKay stores.

DreamLand also distinguishes itself from the competition by means of a consequent and thorough quality control of its product range. The toy specialist carries out all sorts of mechanical and chemical tests in its laboratories in order to ensure that all products comply with DreamLand's own strict quality and safety requirements.

The toy specialist also fulfils a coaching role. In workshops, parents learn how they can provide guidance to their children in a well-balanced manner in the different stages of their lives. For example, during the workshops Let's Bike and Let's Read, parents receive useful tips and tricks on how to teach their children to bicycle and to read. DreamLand taught around 4.480 children how to ride a bicycle in various locations in 2013. DreamLand organises these workshops in cooperation with Colruyt Group Academy.

Developments

DreamLand opened new third-generation stores in Tongeren en Leuven during the past financial year. DreamLand also continues to invest in the restyling of older stores. For instance, the stores in Kuurne, Roeselare and Gent were remodelled. At the end of the financial year, there were 38 stores in Belgium and two stores in the North of France. DreamLand is increasingly tailoring its French stores to French culture and is thus seeing an increase in revenues. For instance, it now



offers specific school supplies that are required by French schools.

DreamLand's revenues in this financial year were affected by the economic crisis as a result of which consumers have less to spend. In addition, the bad weather also had a negative impact on seasonal products, such as outdoor toys, swimming pools and other seasonal goods. Furthermore, the strategy to establish stand-alone DreamBaby stores also impacted DreamLand's results. Where possible existing DreamBaby departments were removed from DreamLand stores and housed in separate DreamBaby flag stores. Taking into account all of these elements, DreamLand can still look back at solid sales figures for the past financial year. It even scored better than the market in the most important product ranges. DreamLand's market share in toys amounted to nearly 19 % at the end of the financial year.

DreamLand tailors its product range better and better to the hobbies and living environment of children and young people. For instance, the new stores have a book shop with a reading area and DreamLand now also offers a new range of bed, bath and beauty products. DreamLand is also working hard on its on-line positioning. It has successfully enlarged its on-line product range with product categories that were formerly only available in the store. In addition,

DreamLand is also expanding the on-line experience for children. Children can now also play games on-line or download colouring pictures.

The customer survey held by the external market research agency IPSOS shows that customers know that DreamLand monitors prices and offers the lowest price. DreamLand scored positively for the third year in a row on prices and price perception.

Outlook

DreamLand intends to further expand its network of stores. The opening of two stores that is planned for the coming financial year forms part of the toy specialist's expansion strategy. DreamLand aims to eventually grow to around 60 stores in Belgium.

74.281
articles

19 %
market share in the sale of toys

1.4.2 DreamBaby



IDENTIKIT

- **Year of inception:**
2001
- **Number of stores:**
11
- **Average store surface area:**
650 m²
- **Baseline:**
It's great to be a mom
- **URL:**
www.dreambaby.be

Colruyt Group's baby specialist helps pregnant women get a good start as mothers. DreamBaby offers products and services from the beginning of the pregnancy up to two-year-olds. Future mothers will find a complete product range for their babies and themselves.

The baby specialist distinguishes itself with its baby gift lists. Customers can manage their lists both off-line and on-line and determine where and when they wish to collect these articles. Family members and friends can also order articles both in the store and at home. This unique service is supported by an extensive network of around 265 collection points.

DreamBaby has 11 flag stores in Belgium and it also has 17 departments in DreamLand stores.

Developments

The baby department in the DreamLand store in Bruges was relocated to a stand-alone DreamBaby store during the past financial year. Customers will not only find a more targeted product range but they will also enjoy a more relaxing atmosphere. They will receive an even better service and personal advice from highly specialised personnel. DreamBaby intends to remove additional baby departments out of DreamLand stores

The average value of a baby gift list in a DreamBaby store is EUR 2.000.

in the future and to house these departments in independent DreamBaby stores. Each time, the baby specialist sees that this results in a clear increase in sales and is thus convinced of the added value of having its own flag stores.

DreamBaby is strengthening the relationship with its customers by communicating with its customers and inspiring them in a fun and interesting way through social media such as Facebook. The DreamBaby community has nearly 35.000 fans on Facebook and thus the store is the group's most popular store formula on-line. The baby specialist stimulates conversations through fun and interesting posts about the sometimes difficult choices that you have to make as a future mother. And successfully. Fans react to these posts spontaneously and often. In addition, there are also competitions. For instance, 'Win a Baby Room' attracted almost 10.000 new fans.

Outlook

DreamBaby plans to open seven new stores in the coming financial year. The baby specialist aims to have around 20 stores in Belgium by 2014. The ultimate target is 35 stores in total.

DreamBaby offers 2.000 products on-line for babies and young parents. These products are delivered within five days at a Colruyt, DreamLand or DreamBaby store.



1.4.3 ColliShop



IDENTIKIT

- **Year of inception:**
1983
- **Activity:**
web store with 20.000 non-food products for the lowest price.
- **Categories:**
Terrace & Garden, Toys, Gaming & Multimedia, Sport, Travel & Leisure, Cooking & Dining, Bed & Bath, Wellness & Care, Home & Storage and Outlet.
- **Collection points:**
in over 300 Colruyt and Okay stores.
- **URL:**
www.collishop.be

Developments

ColliShop positions itself as an on-line store that guarantees all services, customer service and warranties. During the financial year, the on-line retailer simplified its catalogue and webshop in order to be able to serve its customers even better. The product range consists of eight product categories.

ColliShop also organises workshops, both internal for its employees and external for customers. The webshop capitalises on various trends in society. For instance, there are introductory sewing courses and workshops on making clothes. For its workshops, the on-line store works together with Colruyt Group Academy, experts and manufacturers. The revenue and contribution of the ColliShop sales are included in the retail activities.

On-line sales

Almost 80 % of the orders are placed on-line. The remaining orders are placed by telephone to a ColliShop point of sale in a Colruyt store and in the ColliShop showroom in Halle. ColliShop invests a lot to further stimulate the internet sales.

At all times during the purchasing process, the customer can easily switch between the three purchasing channels as the webshop, store and catalogue supplement each other perfectly. Customers can gain inspiration, compare, ask advice and place an order directly on-line, via the telephone or in the store. They can collect the products that they have ordered in a store of their own choice.

Outlook

ColliShop plans to launch a new technological sales platform in the fall of 2013 to further improve the performance of the webshop. This platform will contain extra features that will help the customer to find the right product faster and simpler.



ColliShop Professional

ColliShop Professional will replace the former services ColliShop b2b, DreamLand b2b and DreamBaby b2b as from this financial year. This new brand simplifies the communication with professional customers such as entrepreneurs, companies and organisations. In addition, a new logo and its own house style have increased the recognisability.

ColliShop Professional also offers an exclusive B2B product range in addition to the retail product range. Customers can choose from over 30.000 ColliShop, DreamLand and DreamBaby products and excellent wines. Furthermore, there are also personalised gift cards and loyalty campaigns. Professional customers can have a customised savings campaign set up, complete with automated point registration and a personalised webshop.

The revenue and contribution of the ColliShop Professional activities are included in the wholesale segment.



1.5 Logistics and production

1.5.1 Logistics

Through our computerised and customised distribution system our trucks make deliveries daily from the distribution centres in Halle, Ghislenghien and Lot, to all our stores in Belgium. Nearly 660 drivers make over 218.000 trips each year. They drive almost 31 million kilometres for this. However, by increasing the sustainability of our transport, we also save many kilometres and thus fuel and emissions.

For instance, we optimise the loading percentage of the trucks and we organise the logistics and transport planning as efficiently as possible by not only making deliveries during the day but also early in the morning, in the evenings and at night. In addition, we also make use of other means of transport (train, boat, air planes, etc.) and we experiment with cleaner fuels.

Colruyt Group invests constantly in computerisation of its installations in order to accommodate the growth of the company. For instance, a new space-saving and efficient installation was taken into use this financial year for preparing non-food orders. And a new line was installed for sorting regional beer in the return centre for empty goods in Ghislenghien. The new line sorts 35.000 bottles per hour or three times more than the previous installations.

The one-touch concept for the delivery of goods will be rolled out in the Colruyt stores as from April. This principle reduces the number of operations in the distribution centre and in the stores resulting in a considerable improvement of the efficiency and the ergonomics. Goods are delivered in new, special boxes or on half pallets that can be placed directly on the shop shelf and so no longer have to be placed on the shelves manually.

Colruyt Group submitted an application for a building permit for a distribution centre on the boundary of Ollignies (Lessines) and Ghislenghien (Ath) in the province Henegouwen. The commencement of the construction is planned for August 2013, so that the distribution centre will be fully operational as from the spring of 2015. 350 employees will be able to work there directly. (More information about the new distribution centre can be found on page 85).

OKay and Bio-Planet will receive a new distribution centre in the fall of 2015 in an existing logistic building belonging to the group on the site in Lot. Thanks to this new distribution centre, both formulas can continue to grow and develop their own identity.

Colruyt will participate in the second edition of the PIEK project in the fall of 2013. Quiet deliveries in the



early morning or late evening are tested for about one year. The objective of this project is to make the mobility in peak hours in cities and municipalities more sustainable and safer. In addition, Colruyt can spread its deliveries to the points of sale better over the whole day and can make more efficient use of the available logistic resources. In order to reduce noise nuisance for the local residents when the trucks are being unloaded Colruyt has invested EUR 2 million in training programmes for drivers, covered unloading stations and quiet equipment, such as trans-pallets and trucks. By engaging in the PIEK project for a second time, Colruyt hopes to create more support among governments for quiet deliveries spread out over the day and night. More cities and more parties are involved in the second edition of the PIEK project.

1.5.2 Production

Colruyt Group has its own production units (wine bottling, coffee roasting, cheese processing, rice packaging and meat processing facilities) at various sites in and around Halle. The group saves costs by bottling, roasting and packaging itself and is thus also able to guarantee an optimal quality. The own production also offers the group extra possibilities to distinguish itself from its competitors. For instance, in this manner the group can easily cater to regional preferences.

The high-tech coffee roasting and wine bottling facilities started production for various internal customers in the past financial year. For instance, wine party boxes are now being produced for Spar. The coffee roasting facility roasts and packages coffee for Pro à Pro, the French specialist in food service. Two types of coffee (17 articles) have been developed for the French market and the Pro à Pro customers by our master coffee roasters. The Colruyt Group will also soon start to roast coffee for the hotels, restaurants and cafés that are supplied by the Belgian foodservice division.

Investments were made in the cheese processing facility to improve the quality of the final product. The rind removing machine and the machine for detecting leaky packaging increase the efficiency and accuracy. In addition, the division also started making use of ultrasonic joining and cutting. Moreover, the new machines make the work lighter, safer and more hygienic.

1.6 Vlevico

Vlevico (VLees, Vlande, COLruyt) is the Colruyt Group meat processing company and provides employment to 850 permanent employees. The company has a production unit for fresh meat that processes, cuts and packages beef, veal and pork. Vlevico also has a division for preparing meat products (vol-au-vent, stews, meatballs in tomato sauce, etc.), salads and charcuterie are produced, sliced and packaged. The site in Wommelgem supplies chicken and chicken products. The company also has supporting services such as purchasing, quality and product development. Vlevico delivers fresh meat, meat products, salads, charcuterie and deep-frozen meat to the Belgian Colruyt and OKay stores. These stores have been equipped with traditional butcher's shops and self-service butcher's departments with fresh and pre-packed meat.

Vlevico closely monitors the quality of all of its products throughout the whole chain. In this manner, it delivers products that comply with all the quality requirements in the field of taste, health, food safety and sustainability. It is for this reason that the meat processing company works almost exclusively with meat originating from animals that were born, raised and butchered in Belgium. This takes place in accordance with strict rules and specifications. These rules and specifications contain the conditions that breeders and suppliers have to satisfy in order to qualify as a meat supplier. All these measures ensure that the Colruyt Group supermarkets are constantly supplied with safe high quality meat, without having to depend on other parties.

There is a shortage of butchers in Belgium. In order to make the training to become a butcher and the profession itself more attractive, there are various partnerships with schools. The group also works together with the butchers' schools such as Elishout in Anderlecht and Ter Groene Poorte in Bruges. It provides training material, organises visits to companies and enables students to gain experience on the job through apprenticeships and work placements. Colruyt also organises the event Meatland for student butchers and their teachers. The initiative focusses on pride and craftsmanship and thus seeks to make students enthusiastic for a job at the company. In addition, Colruyt also cooperates with educational institutions for adults. For example, people who have been employed for a long time can follow a re-training course via the VDAB. Vlevico will start with the construction of a new

production unit in Halle mid-2013. The additional space will enable the meat processing company to accommodate the increasing demand of the OKay and Colruyt stores and to also cater better to market trends and needs.

Ergonomics and sustainability are both very important for the production company. For instance, the transport of the to be cut up carcasses is fully automated. Employees can determine how high they wish to hang the meat in order to cut it.

Vlevico pays a lot of attention to energy consumption and sustainability. The meat processing company ranks among the best in Europe in the area of energy consumption per kilogram. Furthermore, Vlevico has also started with the construction of an installation to make use of recycled water in the production processes. The installation will be operational in the fall of 2013.

1.7 Technics and real estate (T&I)

As an internal one-stop-shop, Technics & Real Estate (Technics & Immo, T&I) is a supporting partner for all of the store formulas and corporate services. T&I is responsible for all the technical aspects of buildings, machinery, installations, vehicles, environment, etc. The 1200 employees of T&I, including technicians, architects and engineers, offer a complete service: from research, design, purchase, construction and installation to maintenance, operation and repair. T&I is active throughout Belgium, Luxembourg and France.

T&I is specialised in energy and has built up know-how with the production of sustainable energy from wind, the sun and waste. It is also researching the buffer capacity of hydrogen to store excess green electricity. As the production of wind and solar energy fluctuates strongly, a smart buffer can ensure that the energy supply is geared better to the demand. Furthermore, T&I is also researching how it can make use of green hydrogen for forklift trucks and trans-pallets and it is also pioneering with trucks on CNG (natural gas) and with a bi-fuel engine (diesel and CNG).

T&I is making existing buildings more energy efficient. T&I draws up reduction plans based on the water, gas, electricity and compressed air consumption of buildings. During the financial year, T&I has succeeded in cooling

fresh products store areas and the butcher's shop even more efficiently. As a result the energy consumption of the cooling installations in the Colruyt and OKay stores has been reduced by nearly 5 %. In this manner, Colruyt Group has reduced its total energy consumption by 1 % causing the CO₂ emission to also decrease by 12,6 tons. All of the installations in the Colruyt and OKay stores that were opened before 2011 will be renovated in the coming year.

T&I also applies environmentally-friendly and sustainable techniques, materials and processes in the construction of new stores. T&I has already built a number of low-energy stores that record positive measurement results and it also makes use of elements from these stores in other new construction projects. The cooling areas in the newest stores make use of a dynamic remote controlled energy-efficient cooling system that can be adjusted continuously. With their outstanding cooling and ventilation systems and high insulation values, recent stores already comply with the stricter European energy laws that will come into force in 2020.

Furthermore, T&I is also working on the preparation and gradual roll out of the new generation of stores in Belgium and France. At present, DreamLand already has ten new generation stores. Colruyt Belgium will test its first fourth-generation store in the fall of 2013 and Colruyt France will build the pilot store of its new generation stores mid-2014.

52
vans and cars on CNG



T&I has also drawn up a plan to disconnect the corporate services from the public energy network in the event of electricity shortages. The group can then provide electricity to its distribution and production centres and its offices through its own emergency generators. In this manner, the public energy network can be unburdened. With the development of this emergency plan, Colruyt Group also complies with the government's request.

The ecological character of the production site for coffee and wine in Ghislenghien has also been strengthened in the past financial year. Recently, the group has started to use groundwater in the production process.

The concept of the ecological landscape office that T&I built in Haasrode in the previous financial year has been further fine-tuned and developed. The fresh and modern style of the new office building is applied in all the group's new construction and renovation activities.

Approximately 450 drivers of service vehicles and vans signed a courtesy charter in November that was drawn up by the drivers and the employer. With the charter, they wish to contribute to safe and courteous driving.

2. Wholesale & Foodservice

2.1 Wholesale

The wholesale activities in Belgium and France comprise:

- *the deliveries to the independent storekeepers affiliated with licence holder Spar Retail;*
- *the deliveries to the stores of the independent purchasing combination Alvo;*
- *the deliveries to the 136 independent clients and independent Mini Market stores of which Spar Retail is the brand owner;*
- *the B2B activities and deliveries to affiliated stores in France.*

The combined revenue of this activity over the past financial year amounted to EUR 751,1 million (+ 9,8 %). The comparable revenue growth amounted to 3,7 %.

2.1.1 Spar Retail



IDENTIKIT

- **Year of inception:**
2003: Spar Retail, licence holder of the Spar formula in Belgium.
1932: DESPAR, the present Spar International.
- **Revenue:**
EUR 559,8 million (+ 11,7 %)
- **Number of affiliated stores:**
224
- **Store surface area:**
200 to 1.200 m²
- **Number of employees in FTE:**
997 (+ 124)
- **Baseline:**
My Spar, pleasant and delicious.
- **URL:**
www.sparretail.be

Spar aims to be a congenial local neighbourhood store with a focus on fresh products, a professional approach, personal service and a passion for good food. 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). The independent storekeepers have competitive prices, sell mainly fresh products and national brands and place their own accents that make their store unique.

The sustainable growth of the Spar stores has been achieved thanks to the independent storekeeper system and the resources that Spar Retail offers to the independent storekeepers. The win-win relationship between Spar Retail and its independent entrepreneurs is based on a joint commitment and cooperation, but also on the specific consultation model. As Spar believes in two-directional communication to increase the involvement and sense of initiative of the independent storekeepers. The engagements and the various consultation platforms form the framework of



the relationship between Spar Retail, its independent storekeepers, their personnel and the consumer.

Developments

Spar Retail's revenue rose by 11,7 % in the past financial year to EUR 559,8 million. This increase can mainly be attributed to the transfer of the own Spar supermarkets from the retail activities to the wholesale activities pending the independent operation of these stores. Excluding this transfer, Spar Retail's comparable revenue rose by 5,64 %.

It was thus a strong financial year for Spar Retail. Six new stores were opened, 11 stores were restructured of which five were expanded. This year again, Spar Retail was the strongest grower of all Belgian retailers with regard to sales per m². Spar Retail's market share (1) remained stable at 3,35 %, a good performance in a highly competitive market in which new players have also entered. It is striking that Spar Retail achieved this result with nine less stores than last year and a store surface area of 115.549 m². There were 224 points of sale at the end of the financial year.

Spar Retail adjusts its prices daily, so that customers can always count on competitive prices. During the past financial year, Spar Retail communicated extensively about its strongly improved price positioning with weekly advertisements in the national papers and posters in the stores, in which the storekeepers announce highly competitive promotions. In this manner, the independent

storekeepers' organisation aims to bring the customer's perception more in line with reality. In the summer report of the market research agency GfK Belgium, these efforts translated themselves into a better score for price positioning.

During this financial year, Spar Retail ended in third place overall in the independent market survey of the cooperation between suppliers and retailers. This survey was carried out by The Advantage Group, a specialist in B2B communication.

Spar Retail has made a conscious choice to convert the integrated Spar stores into independent stores. The management of the 12 stores that the Spar operated itself until recently will be transferred to independent storekeepers. Spar Retail is therefore constantly looking for motivated, skilled candidate independent storekeepers with a passion for entrepreneurship, both within and outside of Colruyt Group. The licence holder for the Spar formula in Belgium launched a campaign for this 'Become your own boss' and the training programme Entrepreneurs' School.

Extra resources are provided to Independent Spar storekeepers so that they can develop themselves, organise their stores more efficiently and work even more productively. Computerised stock management has been rolled out and work simplification methods are offered. For instance, there are three work simplification coaches and a work simplification process has been started in the fresh department of the distribution centre. In addition, Spar Retail offers financial and technical support via the Starter's Kit to new independent storekeepers who wish

(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)

to start their own store. A company advisor helps them to realise sustainable growth. The precondition is that the candidate entrepreneurs have the right spirit and capacities to create a successful store.

The construction of a new distribution centre and office building was started in the past financial year. The centre will open in September 2014 and the office will open in October 2014 on a 98.000 m² site in the industrial zone Mechelen-South. The order picking of fruit and vegetables will be computerised in the coming financial year.

Over 90 Spar Retail truck drivers signed a courtesy charter. This charter contains 10 engagements on the part of the drivers and 10 on the part of the company. The company wishes thus to contribute to safer and more courteous driving.

Outlook

Spar Retail has great confidence in the future of local neighbourhood stores and is making an effort to enable its organisation to grow at an accelerated rate. Seven new independent Spar stores will be established in the seven stores that the Colruyt Group acquired from the deep-frozen chain O'Cool.

Spar will continue to focus on 'eating well' in combination with fresh products and national brands and competitive prices in the coming financial year. This will be supported further via various marketing campaigns.

More and more Spar stores are being equipped with narrow casting. National and local commercial messages and also information for customers will be displayed in the stores on audio-visual displays. The channel will also be used for internal briefings.

The intranet application SPARweb will be further expanded. Independent storekeepers and their personnel can exchange ideas and experiences and ask each other's opinions via this internal communication platform. The objective: to position Spar better in the market together through cross-fertilisation between independent storekeepers and personnel.



Mini-market

Spar Retail has developed the concept Mini Market for independent clients. This concerns stores with a store surface of between 70 and 300 m². Storekeepers who opt for this formula link their name to the Mini Market sign and follow their own policy with regard to pricing. 25 Mini Market stores have already switched to the Spar formulas or other formulas in the F3 sector. With the conversion of the smaller stores to the Mini Market concept, they are given their own positioning.

5,64 %
comparable revenue
increase Spar Retail, with
nine fewer stores than
last year.

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 12.331 affiliated stores in 35 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 he follows its own course, independent of Spar Retail.

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. 50 Alvo members and their 77 supermarkets are supplied

via the Alvocol distribution centre in Bornem and the Spar distribution centre in Heist-op-den-Berg. Colruyt Group and Alvo hope to further expand their successful cooperation in the future.

2.1.3 Supplying independent stores in France



IDENTIKIT

- **Year of inception:**
1996 (Coccinelle and CocciMarket)
2003 (Panier Sympa)
- **Range of operations:**
whole of France
- **260 affiliated Panier Sympa, CocciMarket and Coccinelle stores**
- **680 independent customers**
(without a formula)
- **Average store surface area:**
100 - 400 m²
- **Number of employees in FTE:**
219 (+ 20)
- **URL:**
www.coccimarket.fr

This activity is responsible for deliveries to the affiliated store formulas Coccinelle, CocciMarket and Panier Sympa. These store formulas are supported in the area of pricing, marketing, communication, etc. In addition, there are around 680 independent storekeepers without a formula to whom only deliveries are made.

Developments

Five Coccinelle neighbourhood stores that were still grouped under food retail France in the last financial year, were grouped under the wholesale activities. The aim is to convert these stores into independent stores. Codifrance has decided to keep two stores in 2013 in order to test a new concept for independent storekeepers.

Around 50 Coccinelle and CocciMarket stores will be converted into the new concept in the course of the financial year. This restyling will take place in consultation with the purchasing group Francap. In addition, the commercial team continues to focus on opening additional neighbourhood stores operated by independent storekeepers based on the new store model.

Excluding the integrated Coccinelle stores, the delivery to independent stores realised a 4,3 % increase in revenue which resulted in a positive contribution.

Outlook

Codifrance expects to achieve a 4,5 % increase in revenue by opening new independent stores. It also continues to work on improving profitability. In a very competitive market with fierce price pressure and higher transport costs, the company is limiting its radius of action and concentrating on the departments in which the wholesaler is already active. The company is also working on improving the cost efficiency of its logistic operations in the coming financial year in order to realise cost savings.

2.2 Foodservice

The foodservice activity comprises Collivery and Foodinvest in Belgium and Pro à Pro in France. The combined revenue amounted to EUR 624,5 million (+ 4,2 %) in the past financial year.

2.2.1 Foodservice in Belgium



IDENTIKIT

- **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, wholesalers, retirement homes, hospitals and hotels, restaurants and cafés.
- **Products:** dry goods, fresh, deep-frozen
- **Range of operations:** whole of Belgium
- **Logistics:** 2 distribution centres, 4 hubs, 95 trucks/light vans
- **Number of employees in FTE:** 372 (- 9)
- **URL:** www.collivery.be
www.foodinvest.com

Collivery and Foodinvest (which was acquired in 2010) are Belgian foodservice companies. As food distributors, they provide for the delivery to professionals in the broad market of eating out. On the one hand, these professionals are active in the commercial restaurant business and cafeterias with a hot kitchen in government institutions, the education sector (schools, boarding schools, universities) and in the healthcare sector (nursing homes and hospitals and CMWs), etc. On the other hand, this also concerns B2B customers without a hot kitchen such as wholesalers, day care

centres and small and medium-sized companies.

In addition, Foodinvest and Collivery supply ingredients to catering companies to prepare meals. Private individuals are also customers, such as self-employed entrepreneurs and professionals.

Collivery and Foodinvest offer a complete foodservice and an 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.

Developments

The revenue of the foodservice decreased slightly in the past financial year. This was mainly due to the fact that the production and sale of poultry was transferred to the production units in the Colruyt Group. Without this transfer, the Belgian foodservice branch was able to maintain its turnover in a still difficult market climate.

Foodservice has rolled out a strategic plan with a clear customer segmentation. There is a tailored product range and a specific price policy for every customer segment. Over 80 % of the B2B customers orders through the internet since the launch of the new B2B website.

Collivery, Foodinvest and Pro à Pro run on the same software platform since this financial year. A considerable cost savings has been realised by using the same software.

Collivery launched a new customer website, following the example of Foodinvest and Pro à Pro, during this financial year. In this manner, it can accommodate the increasing number of on-line orders of the B2B customers and can thus cater better to the different customer segments. As was the case with Foodinvest, the product range is divided into 12 segments, such as education, day-care centres and hotels. Customer can thus find what they are looking for much faster.

Outlook

The Belgian foodservice branch wishes to further increase its market share in the coming financial year and realise a significant increase in revenue. To this end, it plans to standardise the working of its sales team and have the sales team actively approach a number of specific customer segments.

The synergies between the Belgian and French foodservice on the one hand and between the Belgian foodservice and the retail activities on the other hand are going to be capitalised on further in the future. Foodinvest, Collivery and Pro à Pro already work together on the commercial field to realise better purchasing conditions and optimise the product range. The development of their own store brand policy is also part of this. A new commercial name and a joint website will be introduced in the fall of 2013 for all of the foodservice activities in Belgium.



2.2.2 Foodservice in France



IDENTIKIT

- **Year of inception:**
2001 (acquisition)
- **Customers:**
42.000 in catering, cafeterias, hotels, restaurants and cafés, and wholesalers.
- **Products:**
dry goods, fresh, deep-frozen
- **Range of operations:**
whole of France
- **Logistics:**
18 distribution centres, 12 transshipment platforms and 350 trucks
- **Number of employees in FTE:**
1.499 (+ 84), among whom 200 sales and 100 tele-sales persons
- **Baseline:**
Le goût de l'engagement
- **URL**
www.proapro.com

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

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 French overseas territories Guadeloupe, Martinique, Ile de la Réunion and French Guyana.

Developments

Pro à Pro booked higher sales figures (+ 6,5 %) for the second year in a row in a stagnating market. The 'restauration sociale' performs slightly better in times of economic crisis than the 'restauration commerciale'.

Pro à Pro concluded a 5-year contract with Sodexo during this financial year. The French foodservice branch will deliver 82.000 tons of products to 3.800 Sodexo customers in France every year. The contract started in April 2013 and is good for a turnover of EUR 190 million a year.

Pro à Pro was prominently present at the Sirha in Lyon. The company had one stand of its own and one stand with the purchasing combination Unifrais at the world's

largest food fair. During the fair, Pro à Pro strengthened the ties with its customers. Around 1.000 customers visited the two stands.

Together with its own purchasing combination, Unifrais, Pro à Pro focuses on enlarging its product range of fresh products. Today, Pro à Pro realises one third of its turnover with fresh products.

The first two Pro à Pro Cash & Drive-stores were opened in Dole and Chalette. These were previously Codi Cash stores. Caterers, hotels, restaurants and cafés cannot only shop but also pick up their orders at the Pro à Pro Cash & Drive.

Pro à Pro expanded the distribution centre in Somain (Valenciennes) with 5.400 m² and also invested considerably in vehicles. The distribution centres in Montauban, Rungis and the island of Réunion are 100 % operational.

Pro à Pro sells its soft French cheeses via various store formulas of the group and hopes to be able to increase the synergies in the future. For instance, the foodservice company delivers about a dozen articles to the Belgian Colruyt stores and sometimes complete dishes as well. The Belgian store formula aims to become the main supplier of cheeses in the future.

Outlook

Pro à Pro expects to realise a significant increase in revenue again in 2013. In addition, the foodservice company is working hard on optimising its logistic processes in order to increase its service level and lower its costs. Pro à Pro expects to be able to reap the benefits of this in the coming financial year.

2.2.3 Export



The past financial year was a record year for the export activities of Colruyt Group. Total revenues increased again from EUR 28 million to EUR 34 million.

Colex is Colliery's export division. Colex exported 7.000 food products and 23.000 non-food products to various continents per container or air plane. The group's export division provides an all-in service, including custom's forms and permits. The focus lies on supplying retail products to retailers, wholesalers and supermarkets in Africa. In addition, Colex wishes to develop more foodservice in the future, also on other continents.

Export remains a very profitable activity with, moreover, still a lot of potential. Therefore, Colruyt Group wishes to further expand Colex in the coming years.

In France, Pro à Pro Export carries out the export activities. The operational management of Colex and the French export division has been grouped together since the previous financial year. Both formulas exchange knowledge and experience in this manner. It is eventually the intention to evolve into one export activity at a group level.



3. Other activities

This segment comprises all non-retail activities of the group and realised a 9,0 % increase in revenues in the past financial year to EUR 750,5 million.

3.1 DATS 24

IDENTIKIT



- **Year of inception:**
1972
- **Revenue:**
EUR 690,3 million (+ 14,6 %)
- **Number of petrol stations:**
91 in Belgium, 36 in France
- **Number of employees in FTE:**
33
- **URL:**
www.dats24.be

Since 1972, DATS 24 (Discount Automatic Tanking Service) offers quality fuels from the large petroleum suppliers at very competitive prices. The fuel supplier stands for a smart fuel supply thanks to its well-thought out strategy for engine fuels.

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. The fuel supplier promotes budget-friendly and environmentally-friendly driving by providing eco tips. For instance, customers can pump up their tyres for free at the filling stations, as a car drives much more economic and safer with the correct tyre pressure.

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. Professional 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.

The location of the filling stations is also in line with the smart concept. Where the opportunity arises, new

filling stations are located next to an existing store of the group (70% of the stations). Customers can thus do their shopping and fill up their tanks at the same location, so that they can save time and kilometres. In order to increase its market penetration, DATS 24 also invests successfully in stand-alone filling stations, separate from a store.

DATS 24 is pioneering with natural gas for vehicles (CNG or Compressed Natural Gas). Vehicles that run on natural gas not only produce 95 % less fine particles than vehicles that run on diesel, the CO₂ emissions are also considerably lower. The price of natural gas is on average 30 to 40 % lower than the price of diesel. Moreover, a clear shift can be observed in the market from vehicles powered by electricity to vehicles powered by natural gas. DATS 24 now has 4 CNG filling stations. Colruyt Group also promotes this type of fuel itself by including service vehicles that run on CNG in its vehicle fleet. Colruyt Group has around 50 passenger cars on CNG and ten vans and one truck.

Developments

In the past financial year, DATS 24 realised a strong growth in revenue of 14,6 % to EUR 690,3 million. This growth was due to a slight increase in the official fuel prices and a considerable increase in volume. The number of litres sold also increased due to the opening of new filling stations. On the other hand, customers continued to make a conscious choice for the very low prices at DATS 24 in difficult economic times.

DATS 24 sold three times as much kilograms of natural gas in the past financial year compared to the previous financial year.

In total, there are now 91 filling stations in operation in Belgium and 36 in France. After a difficult financial year in 2011/2012, with only one new opening, DATS 24 succeeded in opening four new filling stations and expanding two filling stations in the past financial year. In France, five new DATS 24 filling stations were opened at Colruyt sites, of which three were acquisitions.

DATS 24 invested in various environmentally-friendly measures at the filling stations which have increased the convenience for the customer and the safety.

Outlook

DATS 24 foresees in total 150 filling stations in Belgium in the future, spread evenly over the country. The fuel supplier aims to open eight new filling stations in the coming financial year, of which a number with CNG pumps. Furthermore, additional existing filling stations will be equipped with CNG so that, in total, there will be an additional 11 CNG stations. Six new filling stations will be opened in France, of which three from the acquisition of existing stores with a filling station.

DATS 24 intends to restyle its website this coming financial year. With, among others, an application with which customers can find the nearest station, and a registration point for pumps that do not work properly, the new site guarantees an even better service on the short term. In order to increase the convenience for customers, DATS 24 is also investing in new payment terminals that can be adjusted remotely.

On the long term, the fuel supplier regards CNG as a transition fuel, awaiting the switch to more renewable energy sources. For instance, DATS 24 is looking into the possibility to offer bio-gas as a fuel in a number of years and hydrogen in the longer term.



DATS 24 in France

In France, DATS 24 follows the general course of DATS 24 in Belgium, with a few own accents here and there. The filling stations in France are above all an extra service that the Colruyt stores provide to their customers. In France, DATS 24 filling stations are always located in the vicinity of a store. DATS 24 does not yet offer CNG in France. Therefore, France is slightly different with regard to products, but the concept remains the same: filling up smartly for very low prices.

3.2 Symeta



IDENTIKIT

- **Year of inception:**
2011, Merger of Druco (1979), Mitto (2010), De-materialisation & Internal Printing (2011)
- **Activity:**
print and document management
- **Location of production units:**
Halle and Sint-Pieters-Leeuw
- **Revenue:**
EUR 13,7 million (- 7,5 %) externally and EUR 35,5 million intra-group
- **Number of employees in FTE:**
281 (-6)
- **Baseline:**
Smart Print + Doc solutions
- **URL:**
www.symeta.be

Symeta combines a wide range of print and document management services and aims to be a reliable guide in the complex business communication market. Symeta customers are constantly looking for ways to communicate more efficiently. More and more customer information is becoming available to organisations and there are more and more ways to reach customers. In this over supply, Symeta keeps the communication as efficient and relevant as possible. On the one hand, Symeta works for internal customers

within Colruyt Group as a corporate partner. On the other hand, it is more and more active in the external market. As a young business unit, Symeta is continuing to expand its customer portfolio with convincing cases. The print and document manager is strong in tailor-made solutions for large-scale offset printing and de-materialisation as well as highly personalised communication.

Symeta identifies one major challenge in today's market: to help its customers to make use of the available customer information in segmented and personalised marketing communication. A good example of personalise communication is, for example, the section 'Selection for you' that forms part of the Colruyt folder.

Developments

In the past financial year, Symeta focussed mainly on the efficient use of its production sites.

The print and document manager also further computerised its production processes including an additional HP Indigo colour printing press that combines the quality of offset printing with the flexibility of digital printing.

Symeta started a positioning exercise in the past financial year together with the internal communication agency Premedia and the Corporate Marketing service. The aim of this exercise is to be able to cater better to the changing needs of Colruyt Group. Since the group is going through the transition from a sales-driven organisation to a marketing-driven organisation.

Finally, the company also participates in BCom, a central platform that the group has set up for the exchange of digital communication with its customers and suppliers.

Symeta's task consists mainly of the de-materialisation of documents such as scanning external invoices and orders slips. The electronic documents can be accessed via an internal portal site.

For its future growth, Symeta wishes to cater to its customer's needs even better. In a consolidating printing market, that is characterised by a further decrease in large volume work, the print and document manager will focus more and more on relevant communication and digital technologies.

3.3 Renewable energy - WE Power

Colruyt Group has been investing considerably in renewable energy for many years. WE-Power groups all of the projects of the group regarding sustainable energy production on-shore. In addition, the group also participates in a number of off-shore wind parks. Since 2011, the group has been generating more electricity than it consumes via all of these projects.

3.3.1 WE-Power

The activities of WE-Power consist of the production and supply of sustainable energy in Colruyt Group. WE-Power has expanded from a corporate services department within the group to an independent business activity for internal use. WE-Power defined its mission statement more clearly in the past financial year: 'We deliver well-balanced sustainable energy to our partners'. First of all, this comprises all initiatives to arrive at an as efficient as possible use of energy. Of course, prevention comes first. In order to ensure a stable energy production as well, WE-Power makes use of various forms of energy and a wide range of technologies.

3.3.1.1 Energy production

Wind energy

At present, WE-Power has four wind turbines onshore: one in Ghislenghien, one in Halle and two in Ieper. Two additional turbines will be taken into use on the site of the distribution centre in Halle in the fall of 2013. Colruyt Group also has submitted an application for three wind turbines, together with Ecopower, a supplier of green energy. Two of these turbines are planned on the site in Beersel, the third will be located in Sint-Pieters-Leeuw.

Solar energy

When building or renovating stores and business premises, WE-Power systematically looks into whether solar panels are technically and economically feasible. The installations are always tailored to the size of the object (store, office building or distribution centre) so that a minimum amount of electricity has to be delivered back to the public grid. The maintenance and monitoring of the solar panels was further expanded during the past financial year.

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 no longer suitable for sale and meat scraps. This has taken place externally already for many years.

Combined Heat and Power (CHP)

Colruyt Group plans the installation of combined heat and power (CHP) facilities at the locations that have a relevant demand for heating. In a CHP power station, electricity and heat are produced at the same time using gas. An engine powers a generator for the production of electricity and the heat that is released is used for heating. As a result of this cogeneration, the energy in the fuel is used more efficiently. This means that less fuel is required than in the event of a separate production of heat and electricity.

This system is mainly interesting for locations with a sufficiently large demand for heating, such as the meat processing company Vleviso and the distribution centre Dassenveld. There is a constant demand for heating and warm water for cleaning the containers. CHP feasibility

studies have been carried for these locations. A CHP facility is also planned in the future head office of Spar in Mechelen.

3.3.1.2 Energy supplier

WE-Power has taken all necessary preparatory measures in the past financial year to start as the energy supplier of internal partners in July 2013. WE-Power is a legally certified energy supplier and is technically equipped to supply energy and now also has access to the wholesale market.

For example, this has the advantage that the green electricity that is generated by the Colruyt Group wind turbines in Ieper remains within the group. Before this, this first had to be sold to an external energy supplier who then sold the electricity to the Colruyt store. In the coming year, 10 % of the energy that WE Power offers to its partners will originate from its own production onshore. The group buys the other 90 % of green electricity on the wholesale market. However, WE-Power aims to supply 100 % of the energy from its own energy production in the future.



Colruyt Group has been monitoring its energy consumption for years. With this detailed knowledge, we can estimate and forecast our energy consumption optimally which leads to lower energy costs (reducing the 'imbalance').

3.3.1.3 Smart grid

As an energy producer and supplier, Colruyt Group is actively working on local integration and 'smart grid' applications. In a smart grid, the production of and the demand for energy are geared to each other to a maximum extent. For example, already now, Colruyt Group is gearing the cooling capacity of the deep-freezers to the general energy demand in the distribution centres. It is the ambition to take this a step further and to gear demand and production to each other to the greatest extent possible.

In the search for the optimal gearing of demand and supply to each other, we are also looking into the possibility to temporarily store electricity that has been produced. In this context, we are involved in a hydrogen project at one of the distribution centres.

3.3.2 Offshore wind parks

In addition to the WE-Power project, Colruyt Group also invested in two wind parks off the Belgian coast: Belwind, which was started at the end of 2010, and the future wind turbine park Northwind. With these investments, Colruyt Group has fulfilled a pioneering role in offshore wind energy, where various Belgian suppliers played an important role.

With its 55 turbines and a total capacity of 165 MW, Belwind is the largest renewable electricity power plant in Belgium. The wind park on the Bligh-sandbank in the North Sea has now completed its second year of production in line with the expectations. The French company Alstom also started installing a test turbine of 6 MW in the concession zone of the Belwind park in the past financial year.

The funding of Northwind was finalised in the past financial year. The cable work onshore has been completed and the offshore work has been started. A large part of the components for Northwind are delivered or installed by Belgian companies. Northwind will be operational in the summer of 2014 and will be able to provide green electricity to 250.000 families with its 72 turbines of each three megawatt.

The seventh and last concession for a wind park on the Lodewijkbank (the former Bank Without a Name) has been awarded to the combination Mermaid. In view of the size of the park (470 MW), the decision was taken in joint consultation to divide the concession between Mermaid and Northwester 2, in which Colruyt Group holds a participation.

As of the end of the financial year, Colruyt group has invested over EUR 150 million in offshore. The group wants to further expand the expertise that it has built up with external partners in the holding Parkwind that it established for this purpose. The participations of Colruyt Group in Belwind and Northwind have been transferred to the Parkwind holding, in which the group has a participation of 60,2 %. Parkwind owns 66,7 % of the shares of Northwind and 78,2 % of the shares of Belwind. As a result, the group holds an indirect interest of 40 % in Northwind and 47 % in Belwind. In addition, the Colruyt family (via their holding Dham) and the Flemish government (ParticipatieMaatschappij Vlaanderen) are also participating in Parkwind. Parkwind is an industrial company specialised in the development, tendering, financing, construction and operation of offshore wind parks, in which they are also reference shareholders.

4. Corporate activities

The corporate activities comprise all corporate services, including Business Processes and Systems, Central Administration, Finance, Environment, Human Resources & Organisation, Corporate Marketing, Communication, Real Estate and Expansion. All of the Belgian corporate services are linked to their counterparts in the foreign branches.

4.1 Business Processes and Systems

Business Processes & Systems (BP&S) is responsible for qualitative and efficient business processes, flows of information and communication systems. In the field of IT and process optimisation, BP&S provides support to all departments and companies of the group. To this end, a wide range of profiles work within BP&S and the department also takes advantage of rapid technological developments and the specific needs of the company.

BP&S organised its services and functions according to new working principles during the past financial year. This transition ensured the stability and availability of the systems. This is at a very high level in spite of many challenges and new technologies. BP&S also drew up a complete policy framework regarding how it can be employed within Colruyt Group. In addition, the department continues to work on improving its cost efficiency and it invests in innovation and improving quality. BP&S continues to focus on work simplification. In the past year, it made use of the services of a work simplification coach who closely examined each department.

BP&S has 880 employees in Belgium and 55 in France. Its own IT branch in the Indian city Hyderabad has 240 employees and celebrated its fifth anniversary in 2012. Together with the Belgian colleagues, they provide for the operation and support of the systems and they also work on projects for the group.

For the flexible employment of professional IT personnel in projects and constantly bringing in new expertise, BP&S also works together with external partners such as Tata Consultancy Services (TCS) in India. Furthermore, Colruyt continues to work together with Antwerp University on innovative research and development

concepts and it also tests new software development methods together with the university. This collaboration has already resulted in a number of realisations that the group uses in its daily operations.

A new data centre was built during this financial year. A second one will be built in 2015. This relocation will accommodate the growth of the IT park. This park is becoming larger and larger due to the growth of the company and the number of IT applications. These new data centres in combination with the revision of administrative processes have resulted in many advantages. Colruyt Group can now guarantee the availability of IT even better, further reduce its energy consumption and capitalise better on the strong developments in technology. The new data centres form part of the group's disaster recovery plan.

4.2 Marketing and communication

4.2.1 Corporate marketing

In addition to the elaboration of Colruyt Group's marketing strategy, Corporate Marketing also manages the operational marketing of the Colruyt Group brand, sub-brands such as Colruyt Group Academy and Colibri Foundation for education, as well as own brands such as Boni Selection and Everyday Selection. Corporate Marketing also supports the group's retail activities. For instance, around twenty employees provide support to the marketing activities of the various store formulas, also in France.

During this financial year, Corporate Marketing also worked on the market positioning of Colruyt Group as a corporate brand with a clear brand architecture. The company's values and culture are a central focal point in this. The new logo and the new house style are the first visible results.

4.2.2 Premedia

The internal communication agency Premedia, translates the marketing strategy of Colruyt Group and its various business units into communication strategies. With its over 300 employees, Premedia is one of the largest communication agencies in Belgium.

The communication agency is a partner for its clients in everything that has to do with media and communication and it is also an expert at this: print, audio, video and on-line channels for internal and external use. This includes folders, mailings, the personnel magazine, the annual report, packaging, 360° campaigns, webshops, apps, social hubs and the video journal LINK.

Premedia also guarantees accurate cross-channel communication: conveying the right message at the right moment to the right person via various communication channels. Around 10.000 internal orders were processed in the past financial year.

Premedia entered into a more intensive cooperation with external communication agencies in the past financial year. In this manner, it remains well informed with regard to the most recent developments in the market and increases its expertise. Due to this expertise, Premedia is in an even better position to support the internal partners of Colruyt Group with innovative solutions.

Two new departments were also established in the past financial year. In the communication department, the marketing strategy is translated into a communications strategy. The conceptual department creatively searches for concepts throughout the various communication channels.



Premedia took a new platform for e-mail marketing into use. The new mail system contributes to the switch from mass communication to personalised communication. The labels can now send personalised mails to their customers in a controllable manner.

In the past financial year, Permedia provided new info screens to the Colruyt stores, which could be controlled digitally from the corporate services. The screens are located at the checkout, the butcher's shop, the fresh market and the deep-frozen and non-food departments. The customers receive information about the various initiatives and realisations of Colruyt Group via the screens. For example, customers can read how Colruyt can offer the lowest price and how the group invests in green energy. Also campaigns and how products can be used such as recipes can be shared in this manner. With this new system, messages can be adapted per region and per store.

4.3 Human Resources and Organisation

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

The Social Secretariat carries out the complete payroll processing for around 22.000 employees in Belgium. The Prevention & Medical Service provides expert advice with regard to job safety, well-being and medical issues. Social Relations is responsible for the communication and negotiations with the social partners for its account

and HR support facilitates telephone services, typing and translation work in the group.

The Selection, Orientation and Recruitment division processed 152.357 CVs and letters, held 10.270 interviews and provided assistance with the recruitment of 2.634 employees in the financial year 2012-2013. In 2013, another 2.500 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 objective of these projects is, on the one hand, to embed the common values, and, on the other hand to prepare the group for future challenges. This always with respect for the uniqueness of each individual. Both departments also provide the daily support in personnel affairs for all departments of the group.

Employee and Team Development also manages all of the group training and educational programmes, including 230 personal growth training sessions (2.846 participants). There are not only training programmes for personnel but also for customers and partners, which are grouped together in the Colruyt Group Academy. Three months after the workshops were launched, already more than 2,500 people have registered for interesting workshops.



The biggest challenge for the whole department Human Resources and Organisation consists of building up a living organisation with people who are empowered. Always with the aim to achieve a healthy balance between the people and the organisation.

A new section was added to the intranet in the past financial year: 'Me in the organisation'. In this section, employees will be able to find all the information and documents in connection with their personal employment situation. Employees will also find news releases about the group and the retail sector on the internal portal site. In this manner, Colruyt Group wishes to strengthen the group feeling and the involvement of the employees.

The Z inspiration sessions with guest speakers were further expanded in the past financial year. The sessions started in the past financial year and their aim was to increase the external focus of the employees.

The Human Resources & Organisation department has elaborated a new strategic plan for the next five years. The transformation programme C-People includes a number of large IT projects. In order to further support the personnel policy, a new HR IT platform will also be introduced. At the end of this year, the roll out will start for the training and education activities and recruiting. After which, it will be the payroll administration and the complete personnel administration's turn. One of the spear points of C-People is talent management. The group wants to look into how it can better define and use the talents of its employees. In addition, Human Resources & Organisation will also focus on coaching, leadership and change management. The department will also continue to elaborate and communicate the personnel policy of Colruyt Group.

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 supports the group directorate, the individual business units and the operational activities and services with financial reporting and forecasting.

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

The company structure was further simplified in the past financial year, also as a result of a number of mergers and the liquidation of subsidiaries in the group. In addition, all of the group's green energy production (solar panels and wind turbines onshore) were centralised in WE-Power. The group's offshore participations in Belwind and Northwind were transferred to Parkwind. In order to optimise the group's working capital various initiatives have been launched regarding stock and supplier management.

The Finance department continues to work on the improvement of its working methods thanks to the switch to an electric document system. The department is also preparing the implementation of an integrated software package. In connection with this, business processes were documented during the past financial year.

As from 1 April 2013, Marc Hofman, until then CEO of the stock-listed Ter Beke Group, will become the new CFO of Colruyt Group. Hofman has a lot of experience as an auditor and financial director. Hofman will succeed Wim Biesemans, who will become full-time CEO of Parkwind. The NV Parkwind groups together all of Colruyt Group's offshore investments in wind energy since September 2012.

5. Annexes

5.1 Activities

5.1.1 Realised investments

(In million EUR)	2012/2013	2011/2012
<i>I. Retail</i>	<i>200,1</i>	<i>198,3</i>
Colruyt stores	80,8	93,5
OKay and Bio-Planet	11,1	7,4
DreamLand and DreamBaby	8,1	5,8
Integrated stores in France	23,3	23,0
Other and real estate	76,8	68,6
<i>II. Wholesale and foodservice</i>	<i>19,5</i>	<i>28,8</i>
Wholesale	6,3	7,4
Foodservice	10,6	17,0
Real estate	2,6	4,4
<i>III. Other activities</i>	<i>8,4</i>	<i>38,6</i>
<i>IV. Non-allocated corporate activities</i>	<i>20,4</i>	<i>32,5</i>
Total Group consolidated	248,5	298,2

Excluding possible acquisitions of participations, Colruyt Group expects to realise an investment programme of a maximum of EUR 375 million for the financial year 2013/2014. The majority of this is earmarked for the construction or renovation of stores and distribution centres in Belgium and France as well as for investments in green energy. The increase in the expected investments is mainly attributable to the construction of the Spar Retail head office and distribution centre in Mechelen and the Colruyt distribution centre in Ollignies.

5.1.2 Distribution centres and administrative buildings

	m ²	number
Production/distributions centres		
Belgium (1)	470.714	20
France		
Foodretail	25.651	2
Deliveries to independent storekeepers	25.000	1
Foodservice	91.982	13
Redistribution platforms	16.169	22
Administrative buildings (office floor space) in Belgium	124.628	23 sites (1)

(1) includes Symeta and Vlevico.

5.1.3 Integrated Colruyt Group stores

	12/13	11/12	10/11	09/10
BELGIUM + LUXEMBOURG				
<i>Colruyt</i>				
• number of stores (1)	227 (2)	221	217	214
Of which leased externally	22	22	21	28
• m ²	349.025	343.003	325.281	316.601
<i>OKay</i>				
• number of stores	88	80	74	66
Of which leased externally	11	11	10	9
• m ²	49.415	43.706	39.074	33.501
<i>Bio-Planet</i>				
• number of stores	8	7	7	6
Of which leased externally	3	3	3	3
• m ²	6.099	5.200	5.200	4.400
<i>DreamLand</i>				
• number of stores	38	35	34	29
Of which leased externally	13	12	13	13
• m ²	71.766	67.646	62.942	58.216
<i>DreamBaby</i>				
• number of stores	11	9	6	6
Of which leased externally	6	4	4	4
• m ²	6.565	5.446	3.446	3.446
FRANCE (3)				
<i>Colruyt (4)</i>				
• number of stores	62	58	47	41
Of which leased externally	4	5	4	4
• m ²	60.170	56.929	44.610	38.640
<i>Coccinelle (5)</i>				
• number of stores	0	6	7	7
• m ²	0	3.053	3.452	3.452
<i>DreamLand (6)</i>				
• number of stores	2	2	2	1
• m ²	3.953	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) Three Colruyt stores were closed on 31/03/2013 due to renovations (4 on 31/03/2012). Therefore, they are not included in the total. However, our store in Luxembourg is included in this total.

(3) For France, this concerns the situation as at the closing date of the financial year on 31/12.

(4) All Codimarché points of sale have been converted into Colruyt stores in the past financial year.

(5) The five remaining Coccinelle stores (2.781m²) have been transferred to the wholesale segment during the past period under review.

(6) The stores in France are leased externally.

5.2 Personnel

5.2.1 Job creation

Breakdown per segment	Number of employees			In full-time equivalents		
	31.03.13 (1) (2)	31.03.12 (1) (2)	Difference compared to the previous year	31.03.13	31.03.12	Difference compared to the previous year
Retail	20.362	19.903	+ 459	19.019	18.419	+ 600
Wholesale & Foodservice	2.928	2.750	+ 178 (3)	2.868	2.668	+ 200 (3)
Other activities	344	461	- 117 (4)	329	443	- 114 (4)
Corporate (not allocated)	2.141	2.091	+ 50	2.071	2.025	+ 46
Group Total	25.775	25.205	+570	24.287	23.555	+732
- Belgium	22.378	21.985	+ 393	21.164	20.757	+407
- France (2)	3.116	2.949	+167	2.843	2.528	+315
- Other countries	281	271	+10	280	270	+10

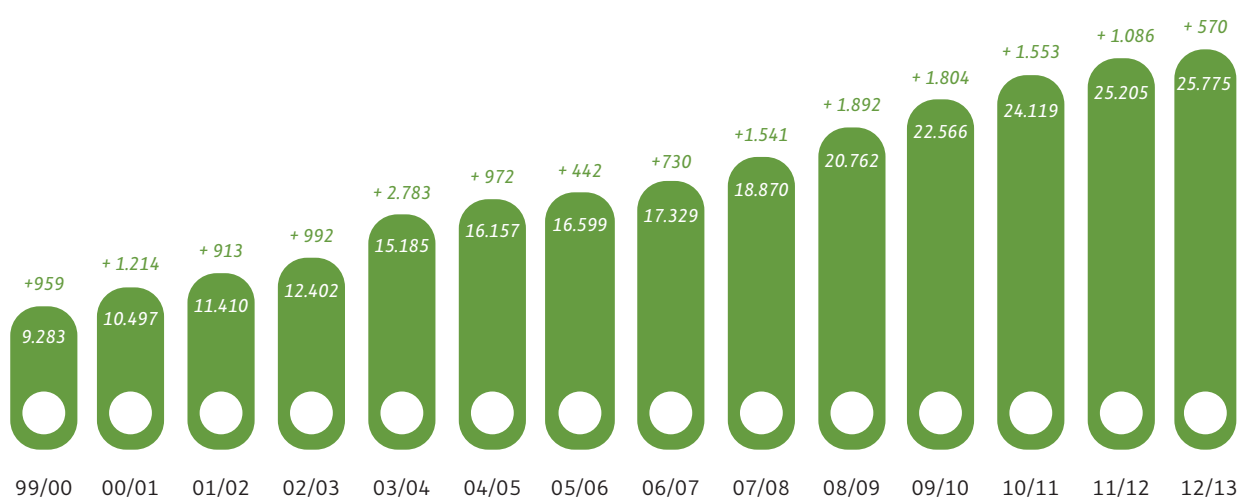
(1) These figures do not take into account the working students who are employed in the weekends or during school holidays. (4.556 on 31/03/2013 and 4.014 on 31/03/2012)

(2) For France, the number of employees are taken into account on the closing date as of 31 December. On 31 March 2013 France employed 3.246 employees (or 2985,1 in full-time equivalents).

(3) Increase due to the transfer of the activities of own supermarkets (Belgium) and own Coccinelle stores (France) from retail to wholesale.

(4) Decrease due to sale out of the group of the engineering activities (intrion).

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

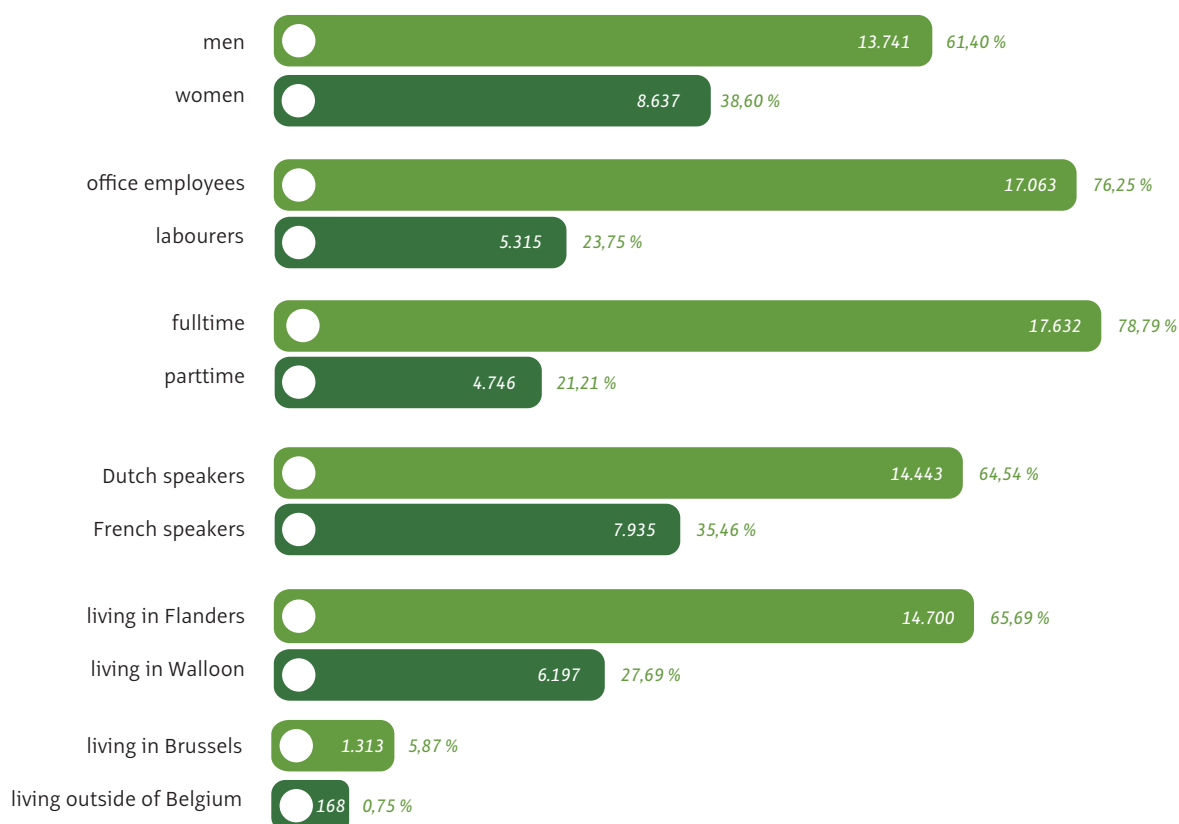


5.2.3 Nationalities

At the end of the financial year, the workforce in Belgium consisted of 79 nationalities among which 118 Dutch, 152 French and 185 Italian employees and 60 employees from other European countries. In addition, 419 employees are African nationals, 99 are Asian nationals and 17 are American nationals.

5.2.4 Number of employees in Belgium on 31 March

The number of employees in Belgium on 31 March 2013 amounted to 22.378, of which:



5.2.5 Salary costs and net salary in Belgium

The total annual payroll costs in Belgium for Colruyt Group amount to EUR 952,97 million, consisting of EUR 222,18 million in employer's contributions for NOSS and other statutory insurance and EUR 730,79 in gross wages and salaries. Of the EUR 730,79 million gross wages, an amount of EUR 83,51 million is paid to social security and EUR 141,07 million is paid in

withholding tax. The employees ultimately receive a net amount of EUR 506,21 million or 53,12 % of the total employer's payroll costs. In the financial year 2012/2013, Colruyt Group paid and amount of EUR 291,71 million to social security, being EUR 208,20 million in employer's contributions and EUR 83,51 million in employees' contributions.

Total salary costs (in million EUR)	952,97	(100 %)
Employer's contributions and insurance	222,18	(23,31 %)
Gross wages or salaries	730,79	(76,69 %)
Employees' contributions	83,51	(8,76 %)
Withholding tax on salaries	141,07	(14,80 %)
Net wages or salaries	506,21	(53,12 %)

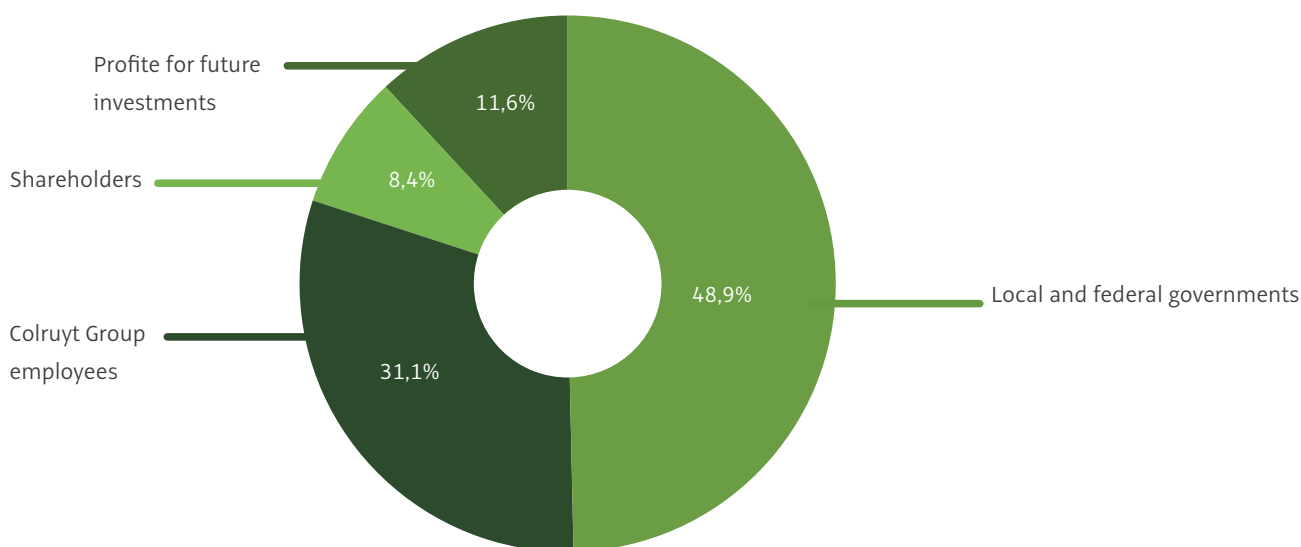
5.2.6 Contributions paid to the Belgian treasury in relation to the added value

In the past financial year, all of the Belgian companies of Colruyt Group combined have paid an amount of EUR 860,60 million in social, fiscal and product-related taxes to the Belgian treasury. In addition, the net payment of VAT (the difference between payable and deductible VAT) paid to the fiscal government amounted to EUR 288,09 million.

	In million EUR
Social Security	291,71
Withholding tax on salaries	141,07
Corporation tax on profits	153,10
Product-related taxes (customs, excise duties)	244,41
Withholding tax on income from moveable assets	13,97
Withholding tax on income from property	7,38
Registration rights, provincial and municipal taxes and other federal taxes	8,96
Total	860,60

These taxes are the result of the added value created by the group. The net added value (1) generated by the Colruyt Group in Belgium amounted to EUR 1,76 billion. Of this amount, 48,9 % is paid in taxes to the various local and federal governments, 31,1 % is paid to employees for services rendered, 8,4 % is paid out to shareholders and the remaining 11,6 % is reinvested in the group in order to finance future projects.

Distribution of the net added value generated by Colruyt Group in Belgium:



(1) The excises duties that have been paid are already included in the amount of added value and are therefore excluded from the basis that serves to express the contribution to the treasury in percentages.

5.2.7 Financial involvement

5.2.7.1 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 employee participation in the capital and in the profit of the companies. The Collective Labour Agreement has already been 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 non-recurrent results-linked benefits. The benefits of the CAO 90 can only be paid out in cash.

A change has occurred in the legislative framework due to a government decision as a result of which a solidarity contribution of 13,07 % was withheld from the result bonuses for the first time in 2013.

- A profit participation of EUR 9,35 million (61 % in cash and 39 % in shares) will be paid out for the financial year 2012/2013, 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 16,67 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 26,02 million.

Overview of the profit participation since the financial year 2001/2002

Year	Amount of profit participation In million EUR (1)	Total employees	Cash		Shares		
			In million EUR	Number of employees	In million EUR	Number of shares	Number of employees
From 2001 to 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	19.605			
2011 - 2012	8,97	20.877	5,55	13.797	3,42	97.196	7.080
	15,62		15,62				
	24,59		21,17				
2012-2013	9,35	21.203	5,66	13.807	3,69	83.556	7.396
	16,67 (2)		16,67				
	26,02		22,33				
TOTAL	227,91		143,60		84,31	2.786.631	

(1) The above-mentioned payments concern gross amounts from which the following withholdings will be deducted when these amounts are paid to the employees: Profit participation: 13,07 % employee's contribution social security and withholding tax when opting for cash and 15 % solidarity contribution when opting for shares results-linked bonus (CAO90): 13,07 % employee's contribution social security

(2) Employer's contributions social security (EUR 5,50 million in 12/13 and EUR 5,16 million in 11/12) also have to be paid on the results-linked bonus (CAO90).

5.2.7.2 Capital increase reserved for the personnel

In order to allow the employees to share in the growth of the company, we stimulate our employees to participate in the capital since 1987. Via an annual capital increase reserved for the personnel, 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 2012, 2.276 employees subscribed for 332.725 shares, which represents a capital contribution of EUR 10,05 million. Since 1987, the employees of the Colruyt Group have already subscribed to (recalculated) 19.994.774 shares in their own company or in their parent company for a total amount of EUR 157,57 million.

	Amount in million EUR	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
2012	10,05	332.725
TOTAL	157,57	19.994.774

5.2.8 Key figures over five years

(in million EUR)	2012/13	2011/12	2010/11	2009/10	2008/09
Revenue	8.311,6	7.847,6	7.280,1	6.752,6	6.261,1
Retail	6.309,4	5.996,7	5.613,5	5.212	4.879,1
Wholesale and foodservice	1.380,1	1.290,6	1.263,4	1.212,3	1.082,1
Other	750,5	686,3	548,0	464	453,1
Inter-segment	-128,4	-126,1	-144,8	-135,6	-153,2
Gross profit	2.106,3	2.008,6	1.867,5	1.699,1	1.546,8
Operating cash flow (EBITDA)	699,8	681,4	621,1	600,0	547,4
EBITDA margin	8,4 %	8,7 %	8,5 %	8,9 %	8,7 %
Profit before taxes	515,1	485,2	472,2	469,9	430,2
EBIT-marge	6,2 %	6,2 %	6,5 %	7,0 %	6,9 %
Profit before taxes	502,5	488,8	477,7	475,3	431,2
Taxes	148,9	145,9	139,7	145,8	126,8
Net profit (share of the group)	353,7	342,9	338,0	329,5	304,4
Net profit margin	4,3 %	4,4 %	4,6 %	4,9 %	4,9 %
Cash flow (share of the group)	538,4	539,1	486,8	459,5	421,4
Balance sheet total as of 31/03	3.443,3	3.167,0	3.017,3	2.632,4	2.362,1
Weighted average number of issued shares	156.217.581	157.391.224	158.032.176	157.716.025	160.168.595
Number of outstanding shares	164.852.849	168.520.124	168.294.930	167.579.345	167.072.450
Earnings per share (EPS)	2,26	2,18	2,14	2,09	1,9
Dividend per share	1,00	0,95	0,92	0,896	0,808
Dividend yield (gross dividend/share price)	2,65 %	3,15 %	2,48 %	2,46 %	2,34 %
Investments	248,5	298,2	301,8	318,2	230,6
ROCE	27,1 %	23,5 %	25,1 %	30,4 %	32,2 %
Market capitalisation at the end of the financial year	6.218,25	5.079,2	6.253,84	6.108,27	5.766,3
Number of employees	25.775	25.205	24.119	22.566	20.762
Number of employees in FTE	24.287	23.555	22.588	21.149	19.464
Number of integrated stores	436	418	394	372	352
Store surface integrated stores in m²	546.993	528.936	487.958	461.763	431.146

04

Corporate governance

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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 2013
Representatives of the Principal Shareholders, Non-Executive Directors:	François GILLET - Chief Investment Officer and Member of Executive Committee at SA Sofina	X		2016
	ANIMA NV Director for which acts as permanent representative: Jef Colruyt			2016
	HERBECO NV for which acts as permanent representative: Piet Colruyt	X		2013
	FARIK NV for which acts as permanent representative: Frans Colruyt			2013
	Wim COLRUYT		X	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			

1.1.2 Auditor

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

All mandated persons are eligible and available for re-appointment. The Board of Directors proposes that each of the mandated persons be granted a new four-year mandate to expire after the General Assembly in 2017.

1.1.3 Mandates

Appointment and reappointment of directors:

The following mandates will expire after the General Assembly of 25 September 2013:

- The mandate of Frans Colruyt;
- The mandate of NV HERBECO, for which Piet Colruyt acts as permanent representative;
- The mandate of NV FARIK, for which Frans Colruyt acts as permanent representative;
- The mandate of Astrid De Lathauwer (previously permanent representative of the BVBA UNITEL) as independent director.

Reappointment of auditor

The mandate of the auditor CVBA KLYNVELD PEAT MARWICK GOERDELER, Company auditors represented by Ludo RUYSEN [00949] expires after the General Assembly of 2013. The Board of Directors proposes to reappoint the auditor CVBA KLYNVELD PEAT MARWICK GOERDELER, Company auditors represented by Ludo RUYSEN [00949], for a period of three years, therefore until after the General Assembly of 2016.

1.1.4 Honorary Director

Leo DESCHUYTENEER

1.2 Directorate

1.2.1 Colruyt Group Directorate

Jef COLRUYT	Director Chairman and COO Services
Frans COLRUYT	COO Retail
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
Wim BIESEMANS (3)	Chief Financial Officer
Koen DeMAESSCHALCK	Human Resources and Organisation Manager
Peter VANBELLINGEN	Business Processes & Systems Manager
Koen BAETENS	Real Estate, Technology & Energy Manager

Bart DE SCHUTTER	Sales Manager Colruyt Centre West
Christian BOURG	Sales Manager Colruyt South East
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
Erik 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
Gilles POINSOT	Integrated Stores Manager GMS
Anthony MEILLER	Affiliated Stores Manager GMS
Pascal DUBOIS	Operational Manager RHD
Jean-Claude LEROY	Purchasing Manager RHD
Claude COCHET (2)	Export Manager DomTom

1.2.2 Colruyt Group Future Board

Jef COLRUYT	Director Chairman and COO Services
Frans COLRUYT	COO Retail

1.2.2.1 Corporate Services, Symeta, DATS24 and WE-Power

Wim BIESEMANS (3)	Chief Financial Officer
Koen DEMAESSCHALCK	Human Resources and Organisation Manager
Wim MERTENS (1)	Deputy Manager Social Relations and Administration
Peter VANBELLINGEN	Business Processes & Systems Manager
Philip D'HOOGHE	Manager of Symeta
Koen BAETENS	Real Estate, Technology & Energy Manager
Filip VAN LANDEGHEM	Deputy Manager Real Estate and DATS24

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 Colruyt West
Rudi DEWULF	Sales Manager Colruyt Centre Nord

1.2.3 Changes in the Directorate and the Future Board

Reporting period 2012/2013

(1) After a career of more than 29 years at Colruyt Group, of which 18 as a manager, Tony VERLINDEN has left the group to start working as an independent consultant. He will be succeeded by Wim MERTENS.
 (2) After a career of 34 years, of which 12 year as manager at Colruyt France, Claude COCHET retired on 1 January 2013. He will be succeeded by Philippe TILLON.

Recent changes after 31 March 2013

(3) As of 1 April 2013, Marc HOFMAN has been appointed Chief Financial Officer (CFO) of Colruyt Group, thus succeeding Wim BIESEMANS who has become Chief Executive Officer (CEO) of the holding Parkwind (development of offshore wind parks) in which the group participates and which was established at the end of March 2012.

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 applied as from the 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 on the various competencies that are present, this composition is optimal for an efficient functioning of this committee.
- 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 this 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 share ownership 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 now statutory rules for the appointment of the directors and the renewal of their mandates. 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 present, 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 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/financial info](http://www.colruytgroup.com/financial%20info).

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 an 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.

The members of the Remuneration Committee receive no special remuneration as members of this 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 activities within the group and the Chief Financial Officer, the Human Resources Manager, the Technology, Real Estate and Energy 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 activities 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 Directorate.

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

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

Ent. 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/financialinfo. 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 15 June 2012, 17 September 2012, 16 November 2012 and 22 March 2013. 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.

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

The Audit Committee has also requested offer letters from various candidates regarding the auditor's position with the Colruyt Group for the next three years. The candidates were heard at an extra meeting which took place on 12 December 2012.

After this hearing of the various candidates, the Audit Committee presented its conclusion and proposal to the Board of Directors.

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

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 05 June 2012, 16 November 2012 and 21 March 2013. 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 remuneration of the CEO (Jef Colruyt) and of the COO Retail, Frans Colruyt) was also discussed by the Committee.

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 14 June 2013.

The Compensation and Benefits team of the Human Resources & 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

The Board of Directors held four regular meetings during this financial year: in June 2012, September 2012, November 2012 and March 2013. The first three meetings each took up one and a half days and the main points were the discussion and development of the services provided by the various banners and the group's trading activities. The meeting in March 2013 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 addition, the Board of Directors held to extra meetings on 25 April and 5 June 2012 to discuss the strategy regarding the participations in the offshore windmill parks.

With the participation of the family holding Dham NV (together with Participatie Maatschappij Vlaanderen PMV [Participation Company Flanders]) in the capital of Parkwind NV, Jef Colruyt, Frans Colruyt, Piet Colruyt (Herbeco NV) and Wim Colruyt have notified that a possible conflict of interest could exist.

The Board took the unanimous decision to apply article 523 of the Company Code but that the planned operation can be classified as a normal transaction that takes place under conditions that usually apply in the market for similar transactions and that thus article 524 was not applicable. The persons in question have thus not participated in the consultation regarding the choice of the new shareholders and the evaluation of the newly created shares. The transaction in question can be described as follows:

Colruyt Group transferred its participations in Northwind NV (66,7 %) and Belwind NV (37,3 %) to Parkwind NV in September 2012. Moreover, the capital of Parkwind NV was strengthened via a regular capital increase fully subscribed by Dham and PMV. As a result, the interest of Colruyt Group in Parkwind was diluted from 100 % to 78,6 % (Etn. Fr. Colruyt NV 53,28 % and WE-Power NV 25,33 %). Colruyt Group realised a net consolidated result of EUR 4,2 million as are result of this dilution.

Finally, the participation of Dham and PMV in Belwind NV was transferred to Parkwind NV at the end of March 2013 by means of a contribution in kind with a capital increase. As a result, the participation of Parkwind in Belwind rose from 37,3 % to 78,2 %. The interest of Colruyt Group in Parkwind NV was thus diluted a second time, from 78,61 % to 60,13 % (Etn. Fr. Colruyt NV 40,74 % and WE-Power NV 19,39 %). This dilution also resulted in a gain of EUR 3,0 million in the consolidation of Colruyt Group.

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 evaluated the manner in which they work together in the Board itself, as well as the interaction with the Audit Committee and the Remuneration Committee. The functioning of the Board in the light of the mission and corporate values of the group was also an important item on the agenda.

The criteria that were applied in the evaluation process were: individual competencies of the directors, efficiency and effectiveness of the decision-making process as well as information and communication between the members of the Board.

The directors met with the members of the Directorate to hold a consultation on the strategic themes for one whole day. The insights gained provide inspiration and input for the future meetings of the Board. The directors intend to hold such evaluation sessions and to discuss the strategic themes together with the Directorate periodically.

All directors were present at each meeting.

2.2.4 Remuneration Report for the financial year 2012 - 2013

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

The Remuneration Committee has 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.

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 that 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, is applying a number of principles which apply to all members of the group in Belgium (1).

For instance, all of these employees receive a profit participation as stipulated in the Act on the participation in the profit and capital of the company of 2001, as well as a bonus related to non-recurring results as stipulated in the Act of 21 December 2007.

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.

(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.

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

The Remuneration Committee has analysed whether the remuneration of the members of the Board of Directors and the Directorate is in line with the market. From this analysis, it appeared that a change in the remuneration mix of the Chairman of the Board of Directors and the Chairman of the Directorate was required. Therefore, it was decided in mutual consultation to change the relation between the remuneration for these two responsibilities, following independent market studies for both roles. The total amount of the combined remuneration has remained stable.

Board of Directors

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

The remuneration of the Chairman has been reduced by 25 % in comparison to the previous financial year. The relation between the remuneration for the responsibility of Chairman of the Board of Directors and Chairman of the Directorate was changed as explained above.

The members of the Board of Directors received the following remuneration in 2012/2013:

	Remuneration received in 2012/2013 (1)	Bonuses financial year 2012/2013
Anima (2)	EUR 269.467	EUR 1.002.810
Herbeco	EUR 89.820	EUR 844.473
Farik	EUR 89.820	EUR 844.473
François Gillet (3)	EUR 89.820	EUR 844.473
Jef Colruyt	EUR 89.820	
Frans Colruyt	EUR 89.820	
Wim Colruyt	EUR 89.820	
Willy Delvaux (BVBA Delvaux Transfer, independent director)	EUR 89.820	
Astrid De Lathauwer (BVBA Unitel, independent director)	EUR 89.820	

(1) Gross amounts on an annual basis

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

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

Profit appropriation

It will be proposed to the General Assembly of Shareholders of 25 September 2013 to allocate EUR 3.536.229,89 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. These bonuses are not linked to the individual performance of the directors. There is also no promise or contractual obligation to allocate bonuses. Therefore, these bonuses do not constitute variable remuneration. These bonuses represent 1 % of the net profit of the financial year 2012-2013 and are allocated to ensure the stability in the Board of Directors of the company. These bonuses represent 0,0569 % of the market value of the company on 31 March 2013.

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.

Directorate

The salary package of the Chairman of the Directorate has been adjusted in line with the market practice for a CEO based on two independent external market studies. The variability of the remuneration has thus been reduced from 100 % of the base salary at an on-target level to 85 % of the base salary. The relation between the remuneration for the responsibility of Chairman of the Board of Directors and Chairman of the Directorate was changed as explained above.

The variable remuneration of the other members of the Directorate amounts to

- 75% of the base salary for the COO of the retail activities
- and half of the base salary for the other members of the Directorate.

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.

No significant adjustments of the remuneration policy are expected in the next two financial years in comparison to the financial year under review.

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.

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

- Participation in the mission and vision creation of the group
- Determining and implementing strategy
- Development of potential
- Supporting and stimulating the corporate culture
- Other qualitative criteria such as the working atmosphere, staff turnover, team building, the employees' readiness to serve, prevention policy regarding accidents at work, etc.

The Chairman of the Directorate has the possibility to award an extra bonus in addition to these amounts in the event of an exceptional performance of one or several directors.

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 2012-2013:

Base salary	EUR 540.864
Variable remuneration in cash	EUR 580.123
Contributions paid for group insurance	EUR 67.989
Other components	EUR 9.540

The remuneration of the CEO thus lies between the median remuneration of the CEO of BEL 20 company and the remuneration of the CEO of BEL mid-cap (source: De Tijd, Vlerick, 12/12/2012).

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. To this end, article 13 of the Articles of Association was amended. 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 2012-2013:

Base salary	EUR 2.120.865
Variable remuneration in cash	EUR 1.701.866
Contributions paid for group insurance	EUR 290.406
Other components	EUR 33.540

These figures show gross amounts on an annual basis. In comparison to the previous year, one director is no longer included in the information and two have been added. The remuneration of Frans Colruyt has been included in this information since 1 May 2012. The variable remuneration of Wim Biesemans for his services as CFO for the group during the financial year 2012-2013 has also been included in the figures. 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 706 shares. The value of these shares is included in the above calculation.

The Board of Directors has opted not to allocate 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 adjustments have been made, other than those already stated, 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 regarding severance pay.

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 in 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 systems 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 systems and internal control systems.

2.3.2 Components of the risk management systems 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" and "entrepreneurship" risks and risk management are dealt with consciously when weighing possibilities and taking decisions. In this context, we also refer to section 01 of this annual report in which 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,
- a culture of cost efficiency,
- 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 themes 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 2013.

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 and 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 acquisitions 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 systems 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 vehicles. 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.

Competition

A number of specific control measures have been developed and implemented in order to monitor the group's compliance with regulations regarding competition.

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.

Risks in connection with bribery and corruption

Given the business model, the group is exposed to risks in connection with bribery and corruption, mainly in connection with purchasing. The most important pillar to control this risk is the corporate culture and values such as set out above in paragraph 2.3.2.1. In addition, specific internal control measures have been set up such as the ethical charter that has to be signed by each procurement officer of the group when entering the company's employment, the screening of suppliers in high risk countries, the job rotation of procurement officers, the division of tasks regarding the various steps in the purchasing process and centralisation and applying the four-eyes principle with regard to outgoing payments. The group's employment regulations also specify the codes of conduct that the employees must respect.

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 decisions 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 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 principle 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 EBITA,
- 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 systems and internal control systems through the Audit Committee (see also section 4 paragraph 2.2.1 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 an 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

11/09/2013	Registration date for deposition of shares for participation in the annual General Assembly of Shareholders
25/09/2013 (16:00 uur)	General Assembly of Shareholders for the 2012/2013 financial year
27/09/2013	Dividend (coupon 3) ex- date (detaching of the coupons)
01/10/2013	record date (centralisation of the coupons)
02/10/2013	Payment
11/10/2013	Certificates in connection with the exemption or reduction of withholding tax on dividends must be in our possession
14/10/2013	Extraordinary General Assembly Capital increase Etn. Fr. Colruyt NV reserved for personnel of Colruyt Group (Section 609 of the Belgian Company Code)
26/11/2013 (5:45 pm)	Publication of the semi-annual information on the 2013/2014 financial year
27/11/2013	Informative meeting with financial analysts
28/01/2014 (5:45 pm)	Publication of sales after the end of the third quarter 2013/2014
23/06/2014 (5:45 pm)	Publication of the result of the 2013/2014 financial year
24/06/2014	Providing information to financial analysts
30/07/2014 (5:45 pm)	Publication of sales after the end of the first quarter 2014/2015
31/07/2014	Publication annual report 2013/2014 financial year on our website
24/09/2014 (4:00 pm)	Annual General Assembly of Shareholders for the 2013/2014 financial year

3.1 Dividends of the Financial Year 2012/2013 (1)

The Board of Directors proposes to pay a gross dividend of EUR 1,00 to shares of Etn. Fr. Colruyt NV participating in the profits of the 2012/2013 financial year. Etn. Fr. Colruyt.

Of the gross dividend of EUR 1,00 shareholders will receive a net amount of EUR 0,75 after deduction of the 25 % withholding tax on movables.

With the Programme Act of 27/12/2012 (Belgian Official Gazette 31/12/2013) the tax rate of the withholding tax on movables for dividends on all types of shares, that are allocated or made payable as from 01/01/2013, has been set at 25 %. Consequently, the advantages connected with VVPR strips have ceased to exist as a result of which the holders of the aforementioned VVPR strips can no longer enjoy a lower withholding on the dividends. The capital increases reserved for members of the personnel of Colruyt Group have always involved the issue of such VVPR strips since 1995. As the VVPR strips no longer have any financial value, the Board of Directors of the Colruyt Group is considering instructing the financial institutions to cancel these strips.

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 11 October 2013.

The dividend of the financial year 2012/2013 will be made available for payment as from 3 October 2013 against the exchange of coupon number 3 at the counters of the financial institutions. BNP Paribas Fortis Bank will act as the principal paying agent of the dividends.

The Colruyt share has already been split several times since the stock market flotation in 1976. The last split took place on 15 October 2010, whereby the share was divided by five. Since 15 October 2010, only the shares and strips with the respective ISIN codes BE0974256852 and BE0005637112 are listed on Euronext Brussels. 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 from before the last split of 15 October 2010 (with coupon 13 and following attached) must first be exchanged for new de-materialised securities. Shareholders can submit physical coupons of expired dividends to their usual financial institution.

(1) Subject to approval by the General Assembly of 25 September 2013.

Information Colruyt share

Stock exchange listing

Euronext Brussels (since 1976)
Member of Bel20-index

Share ticker

COLR

ISIN-code

BE0974256852

COLR
LISTED
NYSE
EURONEXT

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 ●

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

	2012/2013 (1)	2011/2012
<i>Number of shares</i>		
Ordinary shares	155.465.925 (2)	159.465.925
With VVPR advantage	9.386.924	9.054.199
Total	164.852.849	168.520.124
Profit-sharing shares	164.852.849	168.520.124
Treasury shares	8.350.868	12.447.336
Shares owned by subsidiaries	0	0
Balance	156.501.981	156.072.788
<i>Data per share (in EUR)</i>		
Gross dividend	1,00	0,95
Net dividend/ordinary share	0,75	0,7125
Profit (Share of the Group)	2,26	2,18
Basis for calculation (weighted average on 31/03) (3)	156.217.581 shares	157.391.224 shares
<i>Share price in Brussels (in EUR)</i>		
Share price on 31/03	37,72	30,14
Highest price of the year (closing price)	38,49	39,97
Lowest price of the year (closing price)	29,46	27,215
Stock exchange value on 31/03	6.218,25	5.079,20

(1) Situation on 01/06/2013

(2) Following a decision of the Board of Directors, the company has had 4 million of its own shares cancelled on 21/12/2012.

(3) 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 again made use of the authorisation granted to it. 92.762 treasury shares were purchased, amounting to a total investment of EUR 2,73 million.

In accordance with an authorisation of the Extraordinary General Assembly of 16/10/2009, the Board of Directors also took the decision on 21 December 2012 to have in total four million treasury shares cancelled.

On 31 March 2013, Etn. Fr. Colruyt N.V. owned 8.350.868 of its own shares. This represents 5,07 % of the total number of shares issued (164.852.849).

Of those shares, 83.556 shares will be given to employees who wish to receive their participation in the 2012/2013 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 2013 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 dividend rights connected to the shares or certificates that are held by Etn. Fr. Colruyt have been suspended and are expired for the period that they are held. Consequently no dividends are paid and the voting rights connected to these shares have also been suspended.

Overview of the purchase of treasury shares

	2012/2013
Treasury shares in our possession 31/03/2012	+ 12.355.249
Granted to employees for the 2011/2012 participation in profits on 30/09/2012	- 97.143
Cancelled on 21/12/2012	- 4.000.000
Purchased in 2012/2013	+ 92.762
Total treasury shares on 31/03/2013	8.350.868

3.4 Structure of the shareownership of Etn. Fr. Colruyt N.V. according to the last transparency notification of 20/12/2012

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 the Colruyt Group on 20 December 2012.

The company has no knowledge of other agreements between shareholders.

The statutory thresholds per bracket of 5 % apply.

Transparency Notification of 20/12/2012

1. Colruyt Family and relatives

	Number	%
1. Stichting Administratiekantoor Cozin	0	0,00
2. Colruyt Family	9.587.117	5,82
3. N.V. Korys	1.000	0,00
4. N.V. H.I.M.	17.039.783	10,34
5. N.V. D.I.M.	17.042.500	10,34
6. N.V. H.I.M. TWEE	0	0,00
7. N.V. H.I.M. DRIE	17.013.150	10,32
8. N.V. D.H.A.M.	16.950.000	10,28
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	78.351.730	47,53

2. Colruyt Group

Etn. Fr. Colruyt N.V. (treasury shares purchased)	8.350.868	5,07
TOTAL COLRUYT GROUP	8.350.868	5,07

3. Sofina Group

N.V. SOFINA	8.750.000	5,31
TOTAL SOFINA GROUP	8.750.000	5,31

TOTAL COLRUYT FAMILY, COLRUYT GROUP AND SOFINA GROUP ACTING BY MUTUAL AGREEMENT	95.452.598	57,90
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Denominator: 164.852.849 (situation on 21/12/2012)

This denominator takes into account the cancellation of 4 million treasury shares as decided by the Board of Directors on 21 December 2012 and the creation of 332.725 shares following the capital increase reserved for employees of Colruyt Group.

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 Pro 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).
- On 18 December 2012, Sofina N.V. transferred its Colruyt shares to its 100 % subsidiary Rebelco N.V.

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 27 August 2012 on behalf of all parties acting by mutual agreement. On 27 August 2012, the number of shares involved in the mutual agreement amounted to 99.554.921 or 59,076 % 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



Etn. Fr. Colruyt N.V. has been selected to be included in the Ethibel EXCELLENCE investment register as from 7 September 2012. The fact that Colruyt has been selected by the Forum Ethibel (www.forumethibel.org) demonstrates that the company scores above average in its sector in the field of corporate sustainability.

Forum ETHIBEL is an independent European organisation that evaluates various companies with regard to corporate social responsibility (CSR) and socially responsible investing (SRI). This organisation has set European standards that are supported widely throughout society.

Ethibel EXCELLENCE is a quality mark for investment funds that invest exclusively in companies that score above average in their sector in all domains with regard to corporate social responsibility.

05

Financial Report

Consolidated financial
statements and notes

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1. Consolidated income statement

	Note	2012/13	2011/12
(in million EUR)			
Revenue	8.3	8.311,6	7.847,6
Cost of goods sold	8.3	(6.205,3)	(5.839,0)
Gross profit	8.3	2.106,3	2.008,6
Other operating income	8.4	71,7	62,4
Services and miscellaneous goods	8.5	(380,2)	(357,5)
Employee benefit expenses	8.6	(1.062,0)	(1.001,9)
Amortisation, depreciation and impairment of non-current assets		(184,7)	(196,2)
Provisions and write-offs of current assets		(9,0)	(5,3)
Other operating expenses	8.4	(27,0)	(24,9)
Operating profit before financing costs (EBIT)		515,1	485,2
Finance income	8.7	10,4	8,8
Finance costs	8.7	(23,5)	(5,8)
Net financial result	8.7	(13,1)	2,9
Share in results of investments accounted for by using the equity method	8.12, 8.13	0,5	0,7
Profit before tax		502,5	488,8
Income tax expense	8.8	(148,9)	(145,9)
Profit for the financial year		353,6	342,9
Attributable to:			
Non-controlling interests		(0,1)	-
Owners of the parent		353,7	342,9
Earnings per share (EPS) – basic and diluted (in EUR)	8.22	2,26	2,18

2. Consolidated statement of comprehensive income

	Note	2012/13	2011/12
(in million EUR)			
Profit for the financial year		353,6	342,9
Actuarial profit/(loss) on long-term employee benefits	8.17, 8.24	(8,9)	(0,6)
Profit/(loss) from currency translation of foreign entities		0,4	(0,3)
Share in other comprehensive income of investments accounted for by using the equity method		0,9	(11,6)
Other comprehensive income for the financial year		(7,6)	(12,5)
Total comprehensive income for the financial year		346,0	330,4
Attributable to:			
Non-controlling interests		(0,1)	-
Owners of the parent		346,1	330,4

All components of the above statement of comprehensive income are presented net of tax.

3. Consolidated statement of financial position

	Note	31.03.13	31.03.12
(in million EUR)			
Goodwill	8.9	89,6	95,0
Intangible assets	8.10	51,6	88,4
Property, plant and equipment	8.11	1.535,1	1.501,8
Investments in associates	8.12	0,3	29,0
Investments in joint ventures	8.13	119,0	-
Financial assets	8.14	35,7	45,6
Deferred tax assets	8.17	10,3	9,5
Other receivables	8.19	20,3	19,8
Total non-current assets		1.861,9	1.789,0
Inventories	8.18	550,4	565,6
Trade receivables	8.19	469,4	443,3
Current income tax receivable		3,0	1,9
Other receivables	8.19	27,0	26,5
Financial assets	8.14	25,0	25,4
Cash and cash equivalents	8.20	503,9	308,3
Assets held for sale	8.16	2,7	7,1
Total current assets		1.581,4	1.378,0
TOTAL ASSETS		3.443,3	3.167,0
Share capital		249,2	239,1
Reserves and retained earnings		1.542,0	1.345,6
Total equity attributable to owners of the Parent		1.791,2	1.584,8
Non-controlling interests		1,7	32,5
Total equity	8.21	1.792,9	1.617,3
Provisions	8.23	16,0	12,4
Employee benefits	8.24	51,3	34,3
Deferred tax liabilities	8.17	57,3	81,7
Interest-bearing loans, borrowings and other liabilities	8.25, 8.26	29,1	29,2
Total non-current liabilities		153,7	157,7
Bank overdrafts	8.20	-	0,7
Interest-bearing loans and borrowings	8.25	3,1	4,3
Trade payables	8.26	967,4	889,2
Current income tax payable		64,5	59,2
Employee benefits and other liabilities	8.26	461,7	432,1
Liabilities held for sale	8.16	-	6,6
Total current liabilities		1.496,7	1.392,1
Total liabilities		1.650,4	1.549,7
TOTAL EQUITY AND LIABILITIES		3.443,3	3.167,0

4. Consolidated statement of changes in equity

equity

		Attributable to the owners of the Parent						
	Note	Share capital	Treasury shares	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
(in million EUR)								
At 1 April 2012		239,1	(384,6)	4,1	1.726,0	1.584,7	32,5	1.617,3
Result for the financial year		-	-	-	353,7	353,7	(0,1)	353,6
Profit for the financial year		-	-	-	353,7	353,7	(0,1)	353,6
Other comprehensive income		-	-	(7,6)	-	(7,6)	-	(7,6)
Actuarial profit/ (loss) after tax on long term employee benefits		-	-	(8,9)	-	(8,9)	-	(8,9)
Profit/ (loss) from currency translation of foreign entities		-	-	0,4	-	0,4	-	0,4
Share in other comprehensive income of investments accounted for by using the equity method		-	-	0,9	-	0,9	-	0,9
Transactions with owners								
of the Parent		10,1	121,9	1,9	(273,4)	(139,6)	(30,7)	(170,3)
Capital increase	8.21	10,1	-	1,7	-	11,8	-	11,8
Treasury shares purchased		-	(2,7)	(0,1)	-	(2,8)	-	(2,8)
Treasury shares distributed to employees as profit sharing	8.21	-	3,0	0,3	-	3,3	-	3,3
Cancellation of treasury shares		-	121,6	-	(121,6)	-	-	-
Dividend to shareholders	8.21	-	-	-	(151,8)	(151,8)	-	(151,8)
Non-controlling interests resulting from foundation of a new company		-	-	-	-	-	1,2	1,2
Non-controlling interests resulting from loss of control		-	-	-	-	-	(31,9)	(31,9)
At 31 March 2013		249,2	(262,7)	(1,6)	1.806,3	1.791,2	1,7	1.792,9
At 1 April 2011								
		233,0	(305,1)	15,8	1.531,5	1.475,2	13,6	1.488,8
Result for the financial year		-	-	-	342,9	342,9	-	342,9
Profit for the financial year		-	-	-	342,9	342,9	-	342,9
Other comprehensive income		-	-	(12,5)	-	(12,5)	-	(12,5)
Actuarial profit/ (loss) after tax on long term employee benefits		-	-	(0,6)	-	(0,6)	-	(0,6)
Profit/ (loss) from currency translation of foreign entities		-	-	(0,3)	-	(0,3)	-	(0,3)
Share in other comprehensive income of investments accounted for by using the equity method		-	-	(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	8.21	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	8.21	-	3,1	(0,8)	-	2,3	-	2,3
Dividend to shareholders	8.21	-	-	-	(148,4)	(148,4)	-	(148,4)
Non-controlling interests resulting from gain of control		-	-	-	-	-	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 results related to the actuarial calculations of long term employee benefits, currency translation differences related to foreign operations, Colruyt Group's share in other comprehensive income of investments accounted for by using the equity method, the benefits on capital increases subscribed by employees and the result on treasury shares distributed to employees as part of the profit sharing scheme.

5. Consolidated cash flow statement

	Note	2012/13	2011/12
(in million EUR)			
Operating activities:			
Profit for the financial year		353,6	342,9
Adjustments for:			
Amortisation, depreciation and impairment of non-current assets		184,7	196,2
Interest income and expenses		(1,9)	(2,9)
Income tax expense		148,9	145,9
Other (1)		15,1	6,8
Cash flow from operating activities before changes in working capital and provisions		700,4	688,9
Decrease/(increase) in trade and other receivables		(30,4)	(4,3)
Decrease/(increase) in inventories		13,1	(28,0)
(Decrease)/increase in trade and other payables		111,4	13,8
(Decrease)/increase in provisions		6,0	0,3
Interest paid		(3,3)	(1,5)
Interest received		7,4	5,1
Dividends received		-	0,1
Income tax paid		(149,6)	(133,5)
Cash flow from operating activities		655,0	541,0
Investing activities:			
Purchase of property, plant and equipment and intangible assets		(248,5)	(300,7)
Business combinations (net of cash and cash equivalents acquired) and business disposals (net of cash and cash equivalents disposed)		(11,9)	(2,2)
Loss of control of subsidiaries		(47,2)	-
(Increase in investment in)/proceeds from capital reimbursement of associates and joint ventures	8.12, 8.13	(12,0)	(13,7)
(Purchase)/sales of financial assets	8.14	(4,7)	(3,0)
(Payment of)/proceeds from repayment of loans granted		(0,9)	0,9
Proceeds from sale of property, plant and equipment and intangible assets		15,7	15,1
Cash flow from investing activities		(309,5)	(303,6)
Financing activities:			
Proceeds from the issue of share capital	8.21	10,1	6,2
Proceeds from capital increase by non-controlling interests		-	19,0
Purchase of treasury shares		(2,7)	(82,6)
New/(Repayment of) borrowings		(1,4)	(1,2)
Payments of finance lease liabilities	8.25	(3,0)	(7,6)
Dividends paid		(152,2)	(148,2)
Cash flow from financing activities		(149,2)	(214,4)
Net increase/(decrease) of cash and cash equivalents		196,3	22,9
Net cash and cash equivalents at 1 April		307,6	284,3
Effect of changes in foreign currency rates		-	0,3
Net cash and cash equivalents at 31 March	8.20	503,9	307,6

(1) The category "Other" includes amongst others loss/(gain) on the sale of property, plant and equipment and intangible assets, loss/(gain) on the sale of current assets, share in the results of investments accounted for by using the equity method, employee benefits in the context of share-based payments and capital increases reserved for employees and losses/(gains) on investments.

6. Certification of responsible persons

Jef Colruyt, Director-Chairman of Etn. Fr. Colruyt N.V. and Wim Biesemans, CFO (2012/2013) 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 2011/12 and 2012/13, 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 (2012/2013)
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 Etn. Fr. Colruyt NV/SA on the consolidated financial statements for the year ended 31 March 2013

In accordance with the legal requirements, we report to you on the performance of our mandate of statutory auditor. This report includes our report on the consolidated financial statements for the year ended 31 March 2013, as defined below, as well as our report on other legal and regulatory requirements.

Report on the consolidated financial statements - unqualified opinion

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 financial statements comprise the consolidated statement of financial position as at 31 March 2013, the consolidated income statement and statement 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) 3,443,3 and the consolidated statement of comprehensive income shows a profit for the year of EUR (million) 346,0.

Board of directors' responsibility for the preparation of the consolidated financial statements

The board of directors 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.

Statutory auditor's responsibility

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. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 the statutory auditor's 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, the statutory auditor considers 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 accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the consolidated financial statements. We have obtained from the company's officials and the board of directors the explanations and information necessary for performing our audit.

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises, a Belgian civil
CVBA/SCRL and a member firm of the KPMG network of independent
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International"), a Swiss entity.

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Ondernemingsnummer - Numéro
d'entreprise 0419122548
RPR Brussel - RPM Bruxelles



**FREE TRANSLATION OF UNQUALIFIED STATUTORY AUDITOR'S
REPORT ORIGINALLY PREPARED IN DUTCH**

*Statutory auditor's report to the general meeting of Etn. Fr. Colruyt NV/SA
on the consolidated financial statements for the year ended 31 March 2013*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified opinion.

Unqualified opinion

In our opinion, the consolidated financial statements give a true and fair view of the group's equity and consolidated financial position as at 31 March 2013 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.

Report on other legal and regulatory requirements

The board of directors is responsible for the preparation and the content of the annual report on the consolidated financial statements.

In the framework of our mandate our responsibility is, in all material aspects, to verify compliance with certain legal and regulatory requirements. On this basis, we provide the following additional comment which does not modify our opinion on the consolidated financial statements:

- The annual report on the consolidated financial statements (more in particular Part 4 and Part 5 of the Annual Report) includes the information required by law, is consistent, in all material aspects, with the consolidated financial statements and does not present any material inconsistencies with the information that we became aware of during the performance of our mandate. 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 2013

KPMG Réviseurs d'Entreprises / Bedrijfsrevisoren
Statutory Auditor
represented by



Ludo Ruysen
Réviseur d'Entreprises / Bedrijfsrevisor

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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 2012/13 financial year which closed on 31 March 2013 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 2012/13 financial year were authorised for issue by the Board of Directors on 21 June 2013, subject to approval of the statutory non-consolidated financial statements by the shareholders during the Annual Shareholders' Meeting on 25 September 2013. 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 and 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 (note 8.23. *Provisions*), for employee benefits (note 8.24. *Non-current employee benefits* and 8.26. *Trade payables, employee benefits and other liabilities*), for deferred taxes (note 8.17. *Deferred tax assets and liabilities*), for goodwill (note 8.9. *Goodwill*) and financial assets (note 8.14 *Investments*).

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 2013.

The following (amended) standards and interpretations are applicable for Colruyt Group since 1 April 2012:

- IFRS 7, 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. This amendment has not impacted the annual accounts of Colruyt Group.

Colruyt Group did not early adopt following standards and interpretations which were published at the moment of authorisation of the consolidated financial statements:

- 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. 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. This amendment is not applicable to Colruyt Group.

- 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. The possible impact of this Standard has not yet been determined. 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 2014). 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.Colruyt Group does not expect significant impacts on the consolidated financial statements.
- IFRS 10 (Amendment), Consolidated financial statements (effective for annual periods starting on or after 1 January 2014). These amendments of October 2012 concern the obligation to consolidate for investment entities. These amendments will not have an impact on the consolidated financial statements. This amendment is not yet endorsed by the EU.
- IFRS 11, Joint arrangements (effective for annual periods starting on or after 1 January 2014). 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.

Colruyt Group does not expect significant impacts on the consolidated financial statements.

- IFRS 12, Disclosure of interests in other entities (effective for annual periods starting on or after 1 January 2014). 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. The Standard will not have an impact on the accounting treatment; only on the disclosures to the financial statements.
- 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. The Standard will not have a significant impact on the consolidated financial statements of Colruyt Group.
- IAS 1 (Amendment), Presentation of financial statements – Presentation of items of other comprehensive income (effective 1 January 2013). The amendments of July 2012 require additional disclosures in respect of comprehensive income, i.e. a 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 only has an impact on the presentation of items of other comprehensive income in the financial statements of Colruyt Group.

- IAS 12, Income taxes (effective for annual periods starting on or after 1 January 2013) 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.
- 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. The revised Standard will not have a significant impact on the consolidated financial statements.
- IAS 27 (Amendment), Separate financial statements (effective for annual periods starting on or after 1 January 2014). The requirements of this Standard, with previous title 'Consolidated and separate financial statements', regarding consolidated financial statements, were 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.
- IAS 28 (Amendment), Investments in associates and joint ventures (effective for annual periods starting on or after 1 January 2014). 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.
- 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. Colruyt Group is not expecting an impact from this amendment on its financial statements.

- Improvements to IFRS (2009–2011) (published May 2012). These improvements are minor amendments to existing standards: IFRS 1 First-time Adoption of International Financial Reporting Standards, IAS 1 Presentation of Financial Statements, IAS 16 Property, Plant and Equipment, IAS 32 Financial Instruments: Presentation and IAS 34 Interim Financial Reporting.

These improvements will have no material impact on the consolidated financial statements of Colruyt Group.

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.

Non-controlling interests in subsidiaries are identified separately from the Colruyt Group’s equity. The interest of non-controlling shareholders is initially measured at fair value or at the non-controlling interests’ proportionate share of the fair value of the acquiree’s identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests’ share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling

interests having a deficit balance.

Changes in Colruyt Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of Colruyt Group’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary.

When Colruyt Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

b. Investments in associates

Investments in associates are those entities in which Colruyt Group has significant influence on the financial and operational policies but which it does not control or jointly control.

These investments 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 associate’s 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 or joint ventures 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. Business combinations

Acquisitions of subsidiaries or businesses are accounted for using the acquisition method. The consideration for each business combination is measured at the aggregate of the fair values (at the date of acquisition) of assets transferred liabilities incurred or assumed, and equity instruments issued by Colruyt Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired

entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest was disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 (2008) are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with *IAS 12 Income Taxes* and *IAS 19 Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with *IFRS 2 Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with *IFRS 5 Non-current Assets Held for Sale and Discontinued Operations*, are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, Colruyt Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see paragraph below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date Colruyt Group obtains complete information about facts and circumstances that existed as of the acquisition date – and is subject to a maximum of one year.

f. 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 other comprehensive income, under 'Profit/ (loss) from currency translation of foreign entities' in 'Other reserves'.

On the disposal of a foreign operation (i.e. a disposal of Colruyt Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to Colruyt Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences is reattributed to non-controlling interests and is not recognised in profit or loss. For all other partial disposals (i.e. of associates or jointly controlled entities not involving a change of accounting basis), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

g. 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 transactions in foreign currency 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

Goodwill resulting from business combinations is recognised as an asset as from the date control is gained (the acquisition date). Colruyt Group measures goodwill 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.

For investments in associates, the goodwill is included within the carrying amount of the investment in the associated company.

Goodwill is not amortised but is reviewed for impairment. Impairment is tested annually and more frequently if there are indications for impairment.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of CGUs) in accordance with IAS 36 Impairment of Assets.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other groups of assets.

These tests consist in comparing the carrying amount of the assets (or CGUs) with their recoverable amount. The recoverable amount of an asset (CGU) is the higher of its fair value less costs to sell and its value in use (see also point g. relating to impairments).

An impairment loss recognised for goodwill is never reversed in a subsequent period.

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.

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 of intangible assets on acquisition, they will be amortised over a period of 3 to 5 years, as any other intangible asset.

c. Property, plant and equipment

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.

In certain circumstances obligations could exist to restore items of property, plant and equipment in their original state. The costs relating to this restoration are recognised as part of the cost of property, plant and equipment.

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. 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 20 year
- IT 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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under 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. The corresponding liability to the lessor is included in the statement of financial position as a finance lease liability.

When ownership is almost 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.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss. Contingent lease payments

are recognised as expenses in the period in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent lease payments arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of lease expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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. Such financial assets are measured at amortised cost using the effective interest method, after deductions for impairments. Impairment losses on receivables are recognised in profit or loss if the carrying amount exceeds the net realisable value.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. For a sale to be highly probable, management should be committed to a plan to sell the asset (or disposal group), an active program to locate a buyer and complete the plan to sell should be initiated, and the asset (or disposal group) should be actively marketed at a price which is reasonable in relation to its current fair value, and the sale should be expected to be completed within one year from the date of classification.

A discontinued operation is a component of an entity which the entity has disposed of or which is classified as held for sale, which represents a separate major line of business or geographical area of operations and which can be distinguished operationally and for financial reporting purposes.

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. Depreciation of such assets is discontinued as from their classification as held for sale. Comparative balance sheet information for prior periods is not restated to reflect the new classification in the statement of financial position.

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.

Goodwill, intangible assets with indefinite useful lives and intangible assets not available for use are tested for

impairment at least annually (irrespective of indications of impairment existing or not).

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.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. 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. 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.

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 for the first time as held for sale are recognised in profit or loss.

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.

Rebates and incentives that Colruyt Group receives from its suppliers, mainly for promotions in stores, joint publicity, introductions of new products and volume incentives, are included in the inventory cost and are recognised in profit or loss as and when the product is sold, except when it relates to a repayment of specific, additional and identifiable costs which Colruyt Group has incurred in order to sell the supplier's product. In that case they are immediately recognised as a decrease of the respective costs incurred. The estimation of such supplier rebates is predominantly based on real turnover figures of the related period, but requires in certain cases the use of assumptions and estimations in respect of specific purchasing or sales levels.

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 installments 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

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 before reporting date.

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.

I. 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 only has non-derivative financial liabilities.

Financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The financial liabilities of Colruyt Group measured at amortised cost comprise '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.

Colruyt Group grants customer loyalty programmes whereby customers receive discounts on future purchases. Part of the fair value of the discounts are accrued for and recognised as revenue when the discount is used.

Retail

Sale of products in retail is recognised when the consideration is received, and at the moment the goods are delivered at the clients who ordered through internet and telephone.

Revenue from the sale of gift cards and gift certificates

is recognised when the gift card or gift certificate is redeemed by the customer.

Wholesale and foodservice

Sale of products in the segment 'wholesale and foodservice' are normally recognised upon delivery to or pick-up by the 'wholesale and foodservice' customer.

Revenue from services rendered

Revenue from services rendered is recognised by reference to the stage of completion of the transaction at balance sheet date; this stage of completion is based on judgement of already executed activities.

Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease.

Dividend income and interest income

Dividends are recognised in profit or loss when the shareholder's right to receive payment is established. Interest income is recognised based on the effective interest method.

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.

Interest expenses are recognised based on the effective interest method.

All other finance costs are recognised when incurred. The unwinding of the discount on non-current provisions is recognised as a finance cost.

p. Income 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 enacted substantially 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 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 banners 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 (only the previous financial year) 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.

As the investment in Parkwind 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'.

The assets of the operating segments include mainly goodwill, intangible assets, property, plant and equipment, inventories and trade receivables. Non-allocated assets include investments, cash and cash equivalents, interest-bearing receivables, VAT receivables, tax assets, investments in associates and investments in joint ventures 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, 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 item amortisation, depreciation and impairment of assets is the most significant one and is 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 2012/13	Wholesale and Foodservice 2012/13	Other activities 2012/13	Operating segments 2012/13
(in million EUR)				
Revenue	6.309,4	1.380,1	750,5	8.440,0
Operating cash flow (EBITDA)	613,3	35,9	24,5	673,7
Operating profit (EBIT)	478,2	18,6	12,2	509,0
Share in results of investments accounted for by using the equity method	-	-	0,4	0,4
Segment assets	2.010,9	474,3	256,7	2.741,9
Of which investments accounted for by using the equity method	-	-	119,0	119,0
Of which assets held for sale	2,0	-	0,7	2,7
Segment liabilities	1.119,8	223,5	69,7	1.413,0
Of which liabilities held for sale	-	-	-	-
Capital expenditure	200,1	19,5	8,4	228,0
Depreciation, amortisation and impairment of non-current assets	135,1	17,3	12,3	164,7
Number of staff employed (FTE) at reporting date	19.019	2.868	329	22.216

	Operating segments 2012/13	Transactions between operating segments 2012/13	Un- allocated 2012/13	Consolidated 2012/13
(in million EUR)				
Revenue	8.440,0	(128,4)	-	8.311,6
Operating cash flow (EBITDA)	673,7	(0,1)	26,2	699,8
Operating profit (EBIT)	509,0	(0,1)	6,2	515,1
Share in results of investments accounted for by using the equity method	0,4	-	0,1	0,5
Net financial result			(13,1)	(13,1)
Income tax expense			(148,9)	(148,9)
Profit for the financial year				353,6
Attributable to:				
Non-controlling interests				(0,1)
Owners of the parent				353,7
Total assets	2.741,9	(59,5)	760,9	3.443,3
Total liabilities	1.413,0	(59,5)	296,9	1.650,4
Capital expenditure	228,0	(4,5)	25,0	248,5
Depreciation, amortisation and impairment of non-current assets	164,7	-	20,0	184,7
Number of staff employed (FTE) at reporting date	22.216	-	2.071	24.287

	Retail 2011/12	Wholesale and Foodservice 2011/12	Other activities 2011/12	Operating segments 2011/12
(in million EUR)				
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 in results of investments accounted for by using the equity method	-	-	0,8	0,8
Segment assets	1.965,2	450,8	242,7	2.658,8
Of which investments accounted for by using the equity method	8,3	-	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
Depreciation, amortisation and impairment of non-current assets	127,7	15,2	35,4	178,3
Number of staff employed (FTE) at 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 million EUR)				
Revenue	7.973,7	(126,1)	-	7.847,6
Operating cash flow (EBITDA)	652,3	-	29,1	681,4
Operating profit (EBIT)	474,1	-	11,1	485,2
Share in results of investments accounted for by using the equity method	0,8	-	-	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				-
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
Depreciation, amortisation and impairment of non-current assets	178,3	-	18,0	196,2
Number of staff employed (FTE) at 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 its 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:

Location of the Company and of a lot of its subsidiaries.

These entities perform business as well as corporate activities.

France:

Location 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, India and Hong Kong. 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	
	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12
(in million EUR)								
Revenue	7.362,4	6.990,8	936,5	839,9	12,7	16,9	8.311,6	7.847,6
Geographical assets	1.468,5	1.489,6	197,3	185,2	10,5	10,3	1.676,3	1.685,1
Capital expenditure	215,0	251,5	33,4	42,5	0,1	4,2	248,5	298,2
Number of staff employed (FTE) at reporting date	21.164	20.758	2.843	2.528	280	270	24.287	23.555

8.3 Revenue and gross profit

	2012/13	2011/12
(in million EUR)		
Revenue	8.311,6	7.847,6
Cost of goods sold	(6.205,3)	(5.839,0)
Gross profit	2.106,3	2.008,6
<i>As % of revenue</i>	25,3%	25,6%

8.3.1 Revenue by cash generating unit

	2012/13	2011/12
(in million EUR)		
Colruyt Stores Belgium	5.232,3	4.973,2
Okay and Bio-Planet Belgium	530,8	478,4
DreamLand Belgium and France and DreamBaby	241,4	234,9
Food retail stores France (1)	226,3	194,2
Other supermarkets Belgium (1)	-	40,1
Transactions with other operating segments	78,6	75,8
Retail	6.309,4	5.996,7
Wholesale (1)	751,1	684,1
Foodservice	624,5	599,4
Transactions with other operating segments	4,5	7,1
Wholesale and Foodservice	1.380,1	1.290,6
DATS24 Belgium and France	690,3	602,5
Printing and document management solutions	13,7	14,8
Engineering activities (2)	0,2	21,9
Alternative energy (3)	0,9	4,0
Transactions with other operating segments	45,4	43,2
Other activities	750,5	686,3
Total operating segments	8.440,0	7.973,7
Transactions with operating segments	(128,4)	(126,1)
Consolidated	8.311,6	7.847,6

(1) The Spar supermarkets (Belgium) and Coccinelle stores (France) which are managed by the group itself (whether or not temporarily) have been included under Wholesale as from 1 April 2012.

(2) The Intrion activity was sold during the current financial year and no longer contributes to the results of Colruyt Group.

(3) From the financial year 2012/13 onwards green power certificates are included under other operating income.

8.4 Other operating income and expenses

	2012/13	2011/12
(in million EUR)		
Rental and rental-related income	8,1	7,3
Gains from the disposal of non-current assets	6,1	6,4
Remuneration for services rendered	36,9	33,4
Other	20,6	15,3
Total other operating income	71,7	62,4

Remuneration for services rendered include amongst others services rendered to third parties, subsidies and commissions received, revenue from waste recycling and income originating from dispute settlements.

The increase in "Other" is mainly due to the dilutive effect on Parkwind N.V. for an amount of EUR 7,2 million.

	2012/13	2011/12
(in million EUR)		
Operating taxes	12,8	12,2
Property withholding tax	7,4	6,6
Losses on disposal of non-current assets	4,3	4,7
Other	2,5	1,4
Total other operating expenses	27,0	24,9

8.5 Services and miscellaneous goods

	2012/13	2011/12
(in million EUR)		
Rental and rental-related charges (immovables)	25,8	24,7
Rental and rental-related charges (movables)	20,2	19,0
Maintenance and major repairs	57,6	55,2
Utilities	31,5	31,0
Transport costs	115,2	108,3
Fees	24,3	17,9
Telecommunication, postal, administrative and ICT costs	56,0	50,6
Insurance costs	5,8	5,5
Formation and training expenses	8,3	8,5
Other	35,5	36,8
Total services and miscellaneous goods	380,2	357,5

8.6 Employee benefits expenses

	2012/13	2011/12
(in million EUR)		
Wages and salaries	795,6	757,7
Social security contributions	205,2	192,0
Contributions to defined contribution plans	10,9	8,6
Early retirement and other pension related costs	4,5	2,6
Profit-sharing schemes for employees	31,5	29,7
Subscription discount on capital increase for personnel	1,7	1,0
Consultants and interim personnel	26,1	26,6
Other personnel costs	49,3	43,4
Compensatory amounts	(62,8)	(59,8)
Total employee benefits expenses	1.062,0	1.001,9
Number of employees in FTE at reporting date	24.287	23.555

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. Since 1 January 2012, the regime of early retirement has been legally replaced by the system of unemployment with company compensation. This regime of unemployment with company compensation 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 Labour 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 Companies Code. For the last capital increase, 2.276 employees subscribed to 332.725 shares, which represents a capital contribution of EUR 10,1 million. The discount granted was EUR 1,7 million. This discount is recognised as an employee benefit.

	2012/13	2011/12
Number of shares subscribed	332.725	225.194
Discount per share (in EUR)	5,0	4,6
Total discount (in million EUR)	1,7	1.0

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

	2012/13	2011/12
(in million EUR)		
Interest income on impaired customer loans	0,5	0,4
Interest income on unimpaired customer loans and receivables	2,0	2,4
Dividends received	-	0,1
Interest income on current bank deposits	3,7	2,1
Interest income on fixed-income securities held for trading	0,8	0,8
Change in fair value of financial assets held for trading	1,6	1,1
Net gain on disposal of financial assets held for trading	0,6	0,7
Exchange gains	0,7	0,4
Other	0,5	0,8
Total finance income	10,4	8,8
Interest expense on non-current and current loans	1,1	0,4
Interest expense on leasing liabilities	1,1	0,4
Change in fair value of financial assets held for trading	1,3	1,4
Impairment on equity securities available for sale	15,3	-
Loss on disposal of financial assets held for trading	0,6	0,4
Unwinding of the discount on non-current provisions	2,4	2,0
Exchange losses	0,7	1,1
Other	1,0	0,1
Total finance costs	23,5	5,8
Net financial result	(13,1)	2,9

8.7.2 Finance income and finance costs recognised in other comprehensive income (equity)

	2012/13	2011/12
(in million EUR)		
Share in the other comprehensive income of associates	6,3	-
Total finance income	6,3	-
Share in the other comprehensive income of associates	(5,4)	(11,6)
Profit/ (loss) from currency translation of foreign entities	0,4	(0,3)
Total finance costs	(5,0)	(11,9)
Net financial result recognised in other comprehensive income	1,3	(11,9)

The share in the other comprehensive income of investments accounted for by using the equity method for the current accounting period includes mainly changes to the fair value of derivative financial instruments.

8.8 Income tax expense

	2012/13	2011/12
(in million EUR)		
A) Effective tax rate		
Profit before tax (excluding share of results of investments accounted for by using the equity method)	502,0	488,1
Income tax	148,9	145,9
Effective tax rate	29,66%	29,90%

B) Reconciliation between the effective tax rate and the applicable tax rate (1)	33,98%	33,99%
Profit before tax (excluding share of results of investments accounted for by using the equity method)	502,0	488,1
Income tax expense (based on applicable tax rate)	170,6	165,9
(Non-taxable income)/non tax-deductible expenses	6,7	1,4
Permanent differences	3,7	3,4
Impact of specific tax regulations	0,4	(0,3)
Impact of tax deductions (2)	(27,6)	(28,5)
Taxes on dividend income	(4,3)	4,3
Changes in tax rate	(0,2)	(0,1)
Other	(0,4)	(0,2)
Income tax expense	148,9	145,9
Effective tax rate	29,66%	29,90%

C) Income tax expense recognised in profit or loss		
Current year taxes	153,8	142,9
Deferred taxes	(4,8)	3,3
Adjustments relating to prior years	(0,1)	(0,3)
Total income tax	148,9	145,9

(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: 29,22%, The Netherlands: 25,00%, India: 33,99% and Hong Kong: 16,50%).

(2) Includes the impact of amongst others the deduction for definitively taxed income, the deduction for risk capital, the deduction for offsetable losses and the increased deduction for investment.

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 -4,2 million, of which EUR -4,0 million relates to actuarial gains and losses in relation to pension liabilities (EUR -0,1 million for the financial year 2011/12); more information can be found in note 8.17. *Deferred tax assets and liabilities*. Furthermore, EUR -0,2 million relates to the share of Colruyt Group in the other comprehensive income of investments accounted for by using the equity method (EUR -2,2 million for the financial year 2011/12).

8.9 Goodwill

The recognised goodwill only relates to goodwill arising from the acquisition of complete business entities. The goodwill paid for the acquisition of individual points of sale after 1 April 2005, the point in time at which Colruyt group migrated to IFRS, has been reclassified during this financial year from the category 'goodwill' to the category 'intangible assets' and this for an amount of EUR 5,4 million.

In accordance with the other principles for financial reporting described in note 8.1.4, 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.

The impairment test of goodwill recognised as a result of a business combination, consists in comparing the recoverable amount of the cash generating unit with its net book value, including goodwill. An impairment is accounted for when the net book value is higher than the recoverable amount.

The recoverable amount of each business unit is the value in use or, if higher, the fair value less costs to sell. 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. Given 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 the current period the following components were used in the model: Risk Free Interest 3,0%, Market Risk Premium 6,85% and an 'unlevered' Beta between 0,6 and 0,8. For Colruyt Group this resulted in a weighted average cost of capital for the two main operating segments between 7% and 8,5%. The discount rates are reviewed at least annually.

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 for the next five years:

- operating segment 'Retail': between 3% and 6,5%;
- operating segment 'Wholesale and Foodservice': between 3,5% and 8,5%;
- operating segment 'Other activities': maximal growth of 3%.

To determine the terminal value using discounted cash flows, the Gordon growth model was used. The share of the discounted terminal value is in the range between 65 and 90% of the calculated value in use. For the main activities, the calculated discounted residual value is lower than 75% of the calculated value in use.

Management is of the opinion that the assumptions as described above, used for calculating the value in use, provide the best estimation of future developments. When using a growth percentage for the calculation of 0% instead of 1%, the calculated value in use is hardly affected. As a result the conclusions regarding the impairment test on all cash generating units remained unchanged.

Goodwill by cash generating unit can be presented as follows:

	2012/13	2011/12
(in million EUR)		
Colruyt Stores Belgium	44,7	44,8
Food retail stores France	0,3	4,4
Other supermarkets Belgium	-	1,2
Retail	45,0	50,5
Wholesale	8,0	7,0
Foodservice	35,0	35,9
Wholesale and Foodservice	43,0	42,9
Printing and document management solutions	1,6	1,6
Other activities	1,6	1,6
Consolidated	89,6	95,0

The changes in goodwill can be explained as follows:

	Gross book value 2012/13	Depreciation and impairment losses 2012/13	Net book value 2012/13	Gross book value 2011/12	Depreciation and impairment losses 2011/12	Net book value 2011/12
(in million EUR)						
At 1 April	117,5	(22,5)	95,0	116,9	(21,7)	95,2
Sales/liquidation of sales points	-	-	-	(0,3)	-	(0,3)
Acquisition of sales points	-	-	-	2,6	-	2,6
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)
Reclassification individual points of sale	(5,4)	-	(5,4)	-	-	-
At 31 March	112,1	(22,5)	89,6	117,5	(22,5)	95,0

Points of sale acquired after 1 April 2005 are reclassified in the statement of financial position from the category 'goodwill' to the category 'intangible assets' and this for an amount of EUR 5,4 million. This reclassification only applies to points of sale acquired since the point in time of the group's IFRS conversion and predominantly applies to the cash generating unit 'Food retail stores France'.

In the previous reporting period an impairment of EUR 0,8 million was accounted for on the cash generating

unit 'alternative energy' (operational segment 'Other activities'), given the goodwill was insufficiently covered by the discounted value of the expected future cash flows. Also in the previous reporting period, some of the assets and liabilities of the 'Engineering' activity, included within the operational segment 'Other activities', were reclassified as held for sale. The valuation performed in accordance with IFRS 5 'Non-current assets held for sale and discontinued operations' resulted in an impairment of EUR 1,2 million. The remaining goodwill at the end of the previous reporting period was presented as held for

sale (EUR 0,3 million). Early April 2012 the activities of the automation company Intrion N.V. were transferred to its management. The goodwill on FEMA SAS (EUR 0,2 million) was reduced to zero during the previous reporting period given this entity was sold to an external party.

8.10 Intangible assets

	Developed intangible assets	Concessions, software, licences and similar rights	Points of sale	Intangible assets under development and other intangible assets	Total
(in million EUR)					
Acquisition value:					
<i>At 1 April 2012</i>	4,5	108,6	-	10,1	123,2
Acquired through business combinations	-	5,4	-	-	5,4
Acquisitions	-	5,5	1,8	9,1	16,4
Sales and disposals	(0,5)	(10,2)	(0,5)	(0,4)	(11,6)
Classification as held for sale	-	-	(0,2)	-	(0,2)
Discontinued operations	(2,2)	-	-	(0,2)	(2,4)
Changes in consolidation method	-	(50,9)	-	-	(50,9)
Other	0,1	3,1	5,4	(3,0)	5,6
<i>At 31 March 2013</i>	1,9	61,5	6,5	15,6	85,5
Amortisations:					
<i>At 1 April 2012</i>	(4,4)	(30,2)	-	(0,2)	(34,9)
Amortisations	(0,1)	(9,2)	-	-	(9,3)
Sales and disposals	0,5	7,6	-	0,1	8,2
Discontinued operations	2,2	-	-	0,2	2,4
Other	(0,1)	-	-	(0,1)	(0,2)
<i>At 31 March 2013</i>	(1,9)	(31,8)	-	-	(33,7)
Impairment:					
<i>At 1 April 2012</i>	-	-	-	-	-
Impairment	-	(3,0)	(0,2)	(0,2)	(3,4)
Disposals	-	3,0	-	-	3,0
Classification as held for sale	-	-	0,1	-	0,1
Other	-	-	0,1	-	0,1
<i>At 31 March 2013</i>	-	-	-	(0,2)	(0,2)
Net carrying amount at 31 March 2013	-	29,7	6,5	15,4	51,6

	Developed intangible assets	Concessions, software, licences and similar rights	Points of sale	Intangible assets under development and other intangible assets	Total
(in million EUR)					
Acquisition value:					
<i>At 1 April 2011</i>	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
<i>At 31 March 2012</i>	4,5	108,6	-	10,1	123,2
Amortisations:					
<i>At 1 April 2011</i>	(4,7)	(24,1)	-	(0,2)	(29,0)
Amortisations	(0,2)	(7,5)	-	-	(7,7)
Sales and disposals	0,2	0,8	-	-	1,0
Classification as held for sale	0,5	0,4	-	-	0,9
Other	(0,1)	0,1	-	-	(0,1)
<i>At 31 March 2012</i>	(4,4)	(30,2)	-	(0,2)	(34,9)
Impairment:					
<i>At 1 April 2011</i>	-	-	-	-	-
Impairment	-	(1,8)	-	-	(1,8)
Disposals	-	1,8	-	-	1,8
<i>At 31 March 2012</i>	-	-	-	-	-
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 29,7 million (compared to EUR 27,5 million in the previous 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 13,1 million (compared to EUR 9,8 million in the previous period).

In the previous reporting period the intangible assets included a EUR 50,9 million licence within the entity Northwind N.V., related to the operation of wind turbines at sea. During the current financial period, Colruyt Group contributed its investment in Northwind N.V. into the recently created entity Parkwind N.V. From this financial year onwards this entity is included in the consolidation as a joint venture.

As mentioned in note 8.9 *Goodwill*, from this financial year onwards the surplus paid for the acquisition of individual points of sale after 1 April 2005 is presented under the category 'intangible assets' as 'Points of sale'.

An impairment was accounted for on intangible assets for a total amount EUR 3,4 million. This impairment mainly relates to software, software in development and a point of sale. The impairment cost is included in the income statement in the line item 'Amortisation, depreciation and impairment of non-current assets' within the operating segments 'Retail' and 'Wholesale and Foodservice'.

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 million EUR)							
Acquisition value:							
<i>At 1 April 2012</i>	1.644,4	442,3	429,7	43,9	95,2	49,8	2.705,3
Acquisitions through business combinations	1,8	-	-	-	-	-	1,8
Acquisitions	105,7	38,8	34,5	1,6	8,7	44,4	233,7
Contribution by third parties	1,2	-	-	-	-	-	1,2
Sales and disposals	(45,4)	(61,9)	(87,9)	(1,3)	(5,9)	(1,1)	(203,5)
Discontinued operations	-	(0,2)	(0,1)	-	-	-	(0,3)
Changes in consolidation method	-	-	-	-	-	(16,4)	(16,4)
Classification as held for sale	(1,1)	(2,7)	-	-	-	-	(3,8)
Transfers to other asset categories	16,1	16,1	(15,1)	(2,2)	7,8	(22,7)	-
Currency translation differences	(0,1)	(0,1)	-	-	-	-	(0,2)
<i>At 31 March 2013</i>	1.722,6	432,3	361,1	42,0	105,8	54,0	2.717,8
Depreciation:							
<i>At 1 April 2012</i>	(534,5)	(287,7)	(309,5)	(12,6)	(41,3)	-	(1.185,7)
Depreciation	(82,8)	(37,9)	(41,4)	(1,5)	(6,3)	-	(169,9)
Sales and disposals	37,2	60,0	86,5	1,2	4,7	-	189,6
Discontinued operations	-	0,2	-	-	-	-	0,2
Classification as held for sale	0,1	1,6	-	-	-	-	1,7
Transfers to other asset categories	1,0	(9,9)	10,0	0,5	(1,7)	-	-
<i>At 31 March 2013</i>	(579,0)	(273,7)	(254,4)	(12,4)	(44,6)	-	(1.164,1)
Impairment:							
<i>At 1 April 2012</i>	(4,6)	-	(0,1)	-	(13,1)	-	(17,8)
Impairment	(1,6)	(0,5)	-	-	-	-	(2,1)
Sales and disposals	-	-	0,1	-	0,4	-	0,5
Transfers to other asset categories	0,3	0,5	-	-	-	-	0,8
<i>At 31 March 2013</i>	(5,9)	-	-	-	(12,7)	-	(18,6)
Net carrying amount at 31 March 2013	1.137,7	158,6	106,7	29,6	48,5	54,0	1.535,1

	Land and buildings	Plant and machinery and equipment	Furniture and vehicles	Leased assets	Other property, plant & equipment	Assets under construction	Total
(in million EUR)							
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	-	-	-	-	-	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)	-	(3,1)	(0,7)	(61,6)
Classification as held for sale	(1,4)	(1,7)	(3,1)	-	-	-	(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)	-	-	-	(0,2)	(0,5)
At 31 March 2012	1.644,4	442,3	429,7	43,9	95,2	49,8	2.705,3
Depreciation:							
At 1 April 2011	(470,5)	(264,7)	(291,7)	(12,9)	(33,1)	-	(1.073,0)
Depreciation	(77,6)	(36,3)	(42,5)	(1,8)	(8,4)	-	(166,7)
Sales and disposals	7,9	17,1	24,0	-	1,4	-	50,4
Classification as held for sale	0,1	1,3	2,2	-	-	-	3,6
Transfers to other asset categories	5,6	(5,2)	(1,4)	2,1	(1,1)	-	(0,1)
At 31 March 2012	(534,5)	(287,7)	(309,5)	(12,6)	(41,3)	-	(1.185,7)
Impairment:							
At 1 April 2011	(0,2)	-	-	-	-	-	(0,3)
Impairment	(4,6)	-	(0,1)	-	(13,1)	-	(17,7)
Reversal of impairment	0,2	-	-	-	-	-	0,2
At 31 March 2012	(4,6)	-	(0,1)	-	(13,1)	-	(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 7,5 million (compared to EUR 21,4 million in the previous period) (note 8.25 *Interest-bearing loans and borrowings*). In addition Colruyt Group provided collateral for a net carrying amount of EUR 100,8 million, for which there is no longer a related liability.

The change in consolidation method relates to Northwind N.V., which was fully consolidated last year but was contributed during this financial year to the joint venture Parkwind N.V. and is now included in consolidation by using the equity method.

The line item 'Leased assets' consists mainly of land and buildings. The net carrying amount for the current period decreased to EUR 29,6 million. Last year the net carrying amount had increased by EUR 19,7 million due to the acquisition 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 million EUR)							
At 31 March 2012	(4,6)	(0,7)	(0,1)	-	-	-	(5,4)
At 31 March 2013	(3,6)	(1,2)	-	-	-	-	(4,8)

Profit or loss in relation to grants amounted to EUR 0,6 million (EUR 0,6 million in the previous reporting period).

8.12 Investments in associates

	2012/13	2011/12
(in million EUR)		
Net carrying amount at 1 April	29,0	26,5
Acquisitions/capital increases	-	5,8
Share in the profit or loss of the period	0,1	0,7
Share in the other comprehensive income for the period	-	(11,6)
Goodwill recognised on new business combinations	-	7,9
Impairment	-	(0,4)
Classification to joint ventures	(28,8)	-
Net carrying amount at 31 March	0,3	29,0

The investments in associates for the reporting period 2011/12 relate to the non-stock quoted entities Coopernic S.C.R.L. (20%), Belwind N.V. (37,27%) and Xenarjo C.V.B.A. (24,99%).

As from the financial year 2012/13 on, the investment in Belwind N.V. was contributed into Parkwind N.V., which

is disclosed in note 8.13. *Investments in joint ventures*. Therefore, for this financial year 2012/13 investments in associates only relate to Coopernic S.C.R.L.(20%) and Xenarjo C.V.B.A. (24,99%).

The key figures for these associates are:

	Assets	Liabilities	Equity	Revenue	Net result
2012/2013					
(in million EUR)					
Coopernic S.C.R.L.	49,8	48,7	1,1	2,9	0,1
Xenarjo C.V.B.A.	2,9	2,4	0,5	0,7	0,3
2011/2012					
(in million EUR)					
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	-	(0,2)

The figures stated represent 100% of each company.

8.13 Investments in joint ventures - accounted for by using the equity method

	Shareholding percentage	
	2012/13	2011/12
Parkwind N.V. Leuven, Belgium	60,13%	100,00%

Parkwind N.V. is considered a joint venture given that Colruyt Group shares its control with other parties. Consequently this investment is from now on integrated in the consolidated financial statements of the group using the equity method.

Parkwind N.V.'s financials can be summarised as follows (at 100 %):

	2012/13	2011/12
(in million EUR)		
Non-current assets	179,0	63,2
Current assets	50,7	-
Non-current liabilities	-	-
Current liabilities	6,3	-
Profit of the year	0,5	-

8.14 Financial assets

8.14.1 Non-current financial assets

	31.03.13	31.03.12
(in million EUR)		
Equity securities available for sale	35,7	45,6
Total	35,7	45,6

The non-current financial assets have changed as follows:

	2012/13	2011/12
(in million EUR)		
At 1 April	45,6	43,0
Acquisitions	5,6	3,7
Disposals	-	(1,0)
Impairment	(15,3)	(0,1)
Capital decreases	(0,2)	-
At 31 March	35,7	45,6

This line item consists mainly of the investment in the Baltic Retail Group IKI and investments in the holding companies Sofindev II S.A., Sofindev III S.A. and Vendis Capital N.V.

During the reporting period the group increased its investments in portfolio companies by EUR 5,4 million, whereas an impairment of EUR 15,3 million was recorded in respect of the Baltic retailgroup IKI.

8.14.2 Current financial assets

	31.03.13	31.03.12
(in million EUR)		
Financial assets held for trading	8,4	8,3
Fixed-income securities	16,4	17,1
Other current financial assets	0,2	-
Total	25,0	25,4

The current financial assets have changed as follows:

	2012/13	2011/12
(in million EUR)		
At 1 April	25,4	25,1
Acquisitions	8,9	9,0
Disposals (held to maturity investments)	(9,8)	(8,4)
Fair value adjustments recognised in profit or loss	0,3	(0,3)
Other	0,2	-
At 31 March	25,0	25,4

Current investments are primarily investments held by Locré S.A., the Luxembourg reinsurance company (EUR 24,2 million for the current reporting period). The investments that are presented as current assets are valued at their closing price on 31 March 2013. Changes in the fair value are recognised in profit or loss.

The return on fixed interest rate instruments ranges between 2,3% and 5,8% with an average return of 4,0%.

The acquired instruments have terms between 4 and 30 years with an average of 10 years.

More information regarding risk management for investments can be found in note 8.27. *Risk management*. The adjustment to fair value of the current financial assets as at 31 March 2013 resulted in a gain of EUR 0,3 million for the current financial period (compared to a net loss EUR 0,3 million for the financial year 2011/12).

8.15 Business combinations

The effect of acquisitions on Colruyt Group's assets and liabilities calculated at the date of acquisition are as follows:

	Included in consolidation 2012/13	Adjustments 2012/13	At acquisition date 2012/13	Included in consolidation 2011/12	Adjustments 2011/12	At acquisition date 2011/12
(in million EUR)						
Intangible assets	5,4	5,4	-	-	-	-
Property, plant and equipment	1,8	1,4	0,4	1,7	1,4	0,3
Total non-current assets	7,2	6,8	0,4	1,7	1,4	0,3
Cash and cash equivalents	0,1	-	0,1	0,1	-	0,1
Total current assets	0,1	-	0,1	0,2	-	0,2
TOTAL ASSETS	7,3	6,8	0,5	1,9	1,4	0,5
Provisions	(0,2)	-	(0,2)	-	-	-
Deferred tax liabilities	-	-	-	(0,6)	(0,3)	(0,3)
Interest-bearing liabilities	(0,3)	-	(0,3)	(0,1)	-	(0,1)
Total non-current liabilities	(0,5)	-	(0,5)	(0,6)	(0,3)	(0,3)
Total current liabilities	-	-	-	(0,1)	-	(0,1)
TOTAL LIABILITIES	(0,5)	-	(0,5)	(0,7)	(0,3)	(0,4)
Net identifiable assets and liabilities	6,8	6,8	-	1,2	1,1	0,1
Share of Colruyt Group in net identifiable assets and liabilities						
	6,8			1,2		
Total cost of business combinations of the financial year	(6,8)			(1,2)		
Goodwill resulting from business combinations and additional investments in associates						
	-			-		
Consideration (paid)/received for business combinations of the current financial year	(6,8)			(1,2)		
Consideration (paid)/received for business combinations of previous financial years	-			(1,1)		
Cash acquired/(disposed of)	0,1			0,1		
Net cash outflow	(6,7)			(2,2)		

De business combinations of the financial year 2012/13 relate to the acquisition of Leis S.A. on the one hand and to the takeover of 10 stores of the frozen food retailer O'Cool. Through the business combination with Leis S.A. Colruyt Group became the owner of a plot of land and building that will be used for expansion of the existing retail activity in Marche-en-Famenne.

This entity is added to 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 takeover of the 10 O'Cool-stores allows Colruyt Group to accelerate the growth of the different store concepts. They will be transformed into various stores of the Colruyt Group.

The 2011/12 business combination related to the acquisition of Gillard et Toussaint S.P.R.L. for which the name was changed into Immo Ciney S.P.R.L.

8.16 Disposal groups classified as held for sale and disposal of subsidiaries

8.16.1 Disposal groups classified held for sale

During 2012-2013 a decision was made to classify certain assets of the segment 'Other activities' as held for sale. Measurement in accordance with *IFRS 5 'Non-current assets held for sale and discontinued operations'* resulted in an impairment loss of EUR 0,5 million. This impairment loss was presented in the line item Property, plant & equipment within the statement of financial position (note 8.11 *Property, plant & equipment*).

In addition, a non-current asset (with a carrying value of EUR 1,3 million) belonging to the operational segment 'Retail', was presented as held for sale. The asset is available for immediate sale in its current condition. Measurement in accordance with IFRS 5 did not result in any impairment loss.

Finally, an individual point of sale and building in France (within the segment 'Retail') was classified as held for sale. This has resulted in an impairment loss of EUR 0,5 million. This loss is fully included within the intangible assets and property, plant & equipment (notes 8.10

Intangible assets and 8.11 Property, plant & equipment).

As a result of these transactions the following assets and liabilities were classified as available for sale (after elimination of intra group items):

	2012/13	2011/12
(in million EUR)		
Total non-current assets	2,7	3,1
Total current assets	-	4,0
TOTAL ASSETS	2,7	7,1
Total non-current liabilities	-	0,3
Total current liabilities	-	6,3
TOTAL LIABILITIES	-	6,6

8.16.2 Disposal of subsidiaries

On 2 April 2012 Colruyt Group reached an agreement with the management of Intrion N.V. regarding the sale of the activities of this company. The net amount of the identifiable assets and liabilities included in this transaction amounted to EUR -1,0 million and was already included last year under the line item 'held for sale'.

A loss of EUR 1,2 million was accounted for on this transaction in the previous reporting period and included under the category 'other operating expenses' of the income statement.

8.17 Deferred tax assets and liabilities

Deferred tax assets and liabilities can be detailed as follows:

8.17.1 Net carrying amount

	Assets		Liabilities		Balance	
	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12
(in million EUR)						
Intangible assets	1,3	1,0	(1,4)	(19,2)	(0,1)	(18,2)
Property, plant and equipment	1,3	1,4	(71,4)	(74,4)	(70,1)	(73,0)
Inventories	0,8	1,0	-	-	0,8	1,0
Receivables	2,4	2,5	(0,3)	(1,5)	2,1	1,0
Provisions associated with employee benefits	15,2	9,7	-	-	15,2	9,7
Other provisions	0,9	0,8	(10,9)	(13,9)	(10,0)	(13,1)
Other payables	2,1	1,7	(0,9)	(1,0)	1,2	0,7
Tax losses carry-forward, deductible items and reclaimable tax paid	46,1	42,8	(0,3)	(0,3)	45,8	42,5
Tax assets/(liabilities)	70,1	61,0	(85,2)	(110,3)	(15,1)	(49,3)
Unrecognised tax assets/liabilities	(36,2)	(28,6)	4,3	5,7	(31,9)	(22,9)
Offsetting tax assets/liabilities	(23,6)	(22,9)	23,6	22,9	-	-
Net deferred tax assets/(liabilities)	10,3	9,5	(57,3)	(81,7)	(47,0)	(72,2)

8.17.2 Change in net carrying amount

	Assets		Liabilities		Balance	
	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12
(in million EUR)						
Net carrying amount at 1 April	9,5	21,9	(81,7)	(90,3)	(72,2)	(68,4)
Increase/(decrease) recognised in profit or loss	(2,4)	(12,5)	7,2	9,2	4,8	(3,3)
Changes recognised in other comprehensive income	4,2	0,1	-	-	4,2	0,1
Acquired through business combinations (1)	-	-	-	(0,6)	-	(0,6)
Changes in consolidation method	(1,0)	-	17,2	-	16,2	-
Net carrying amount at 31 March	10,3	9,5	(57,3)	(81,7)	(47,0)	(72,2)

(1) Amounts are presented by nature, while note 8.15. Business combinations presents the net position for all business combinations.

On 31 March 2013 Colruyt Group did not recognise deferred tax assets for an amount of EUR 31,8 million (compared to EUR 22,9 million on 31 March 2012). This amount relates to temporary differences as well as tax losses and unused tax credits carried forward for a total amount of EUR 80,0 million of which EUR 75,4 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.

Within Colruyt Group there is no fixed policy in respect of dividend distributions by subsidiaries to the mother company. Had such a policy been in place then an additional tax liability would have had to be accounted for of EUR 28,2 million for the financial year 2012/13 (EUR 20,5 million for the financial year 11/12) as tax charge on dividends of subsidiaries not yet distributed. Considering the amount of available reserves at the level of the mother company, no dividend payments by subsidiaries are foreseen. Given this context it was decided to reverse the deferred tax liability of EUR 4,3 million (accounted for during the previous financial year).

As from assessment year 2014 and within large companies, capital gains on shares are taxable at 0,412%. For the investments held within the group, the tax debt calculated on the difference between the carrying value of the investments and the equity of the subsidiaries would result in EUR 3,0 million. No deferred tax liabilities are accounted for as no fixed policy nor intention exists within the group in respect of share transfers.

8.18 Inventories

	31.03.13	31.03.12
(in million EUR)		
Raw and ancillary materials, goods in process and finished goods	22,7	25,4
Merchandise	515,6	526,0
Prepayments	12,1	14,2
Total inventories	550,4	565,6

Inventories are presented net of accumulated impairment losses. The accumulated impairment for merchandise amounted to EUR 6,2 million for the current financial year compared to EUR 4,4 million last year.

The amount of inventories recognised as an expense in the income statement of 2012/13 amounts to EUR 6.205,3 million and was presented as 'Cost of goods sold'. Last year this expense was EUR 5.839,0 million.

8.19 Trade and other receivables

8.19.1 Other non-current receivables

	31.03.13	31.03.12
(in million EUR)		
Loans granted to customers	6,3	2,9
Loans granted to associates	-	13,4
Loans granted to joint ventures	11,9	-
Other interest-bearing receivables	2,1	3,6
Total other non-current receivables	20,3	19,8

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 2013 these impairment losses amount to EUR 0,8 million (compared to EUR 1,1 million at 31 March 2012). These loans are usually granted for a period of 10 years and bear a variable interest rate.

Colruyt Group granted a loan to Belwind N.V. which is now part of the joint venture Parkwind N.V. for an amount of EUR 11,9 million. It is a subordinated interest-bearing loan which is partly guaranteed by collaterals. The contractual arrangement provides the possibility for Belwind N.V. to increase the amount of the loan by maximum EUR 5,6 million towards Colruyt Group.

'Other interest-bearing receivables' consist for EUR 1,5 million of receivables related to the sale of Intrion N.V.

UAB Palink (IKI) repaid its loan of EUR 2,6 million during the current financial year.

The aging of the other non-current receivables can be detailed as follows:

	31.03.13	31.03.12
(in million EUR)		
Due between 1 - 5 years	10,1	9,7
Due > 5 years	10,2	10,1
Total	20,3	19,8

8.19.2 Current trade and other receivables

	31.03.13	31.03.12
(in million EUR)		
Trade receivables	469,0	442,9
Cash guarantees	0,4	0,4
Total trade receivables	469,4	443,3
Refundable VAT	1,8	2,8
Prepaid expenses	10,7	10,3
Loans granted to customers that expire within 1 year	0,9	0,7
Cash guarantees	1,6	2,0
Interest receivable	3,0	2,2
Other receivables	9,0	8,5
Total other current receivables	27,0	26,5

Trade receivables

Trade receivables are presented net of impairment allowance. The impairment allowance amounts to EUR 13,4 million on 31 March 2013 (compared to EUR 12,9 million on 31 March 2012).

Other receivables

Other receivables are presented net of impairment allowance. The impairment allowance amounts to EUR 3,1 million on 31 March 2013 (compared to EUR 1,2 million on 31 March 2012).

The aging of trade receivables is as follows:

	31.03.13		31.03.12	
	Gross	Impairment	Gross	Impairment
(in million EUR)				
Not past due	417,8	-	239,0	-
Past due between 1 and 6 months	47,5	(3,2)	201,2	(1,9)
Past due for more than 6 months	17,1	(10,2)	15,5	(10,9)
Total	482,4	(13,4)	455,8	(12,9)

The movement in impairment allowance on trade and other receivables is as follows:

	Impairment trade receivables		Impairment other receivables	
	2012/13	2011/12	2012/13	2011/12
(in million EUR)				
At 1 April	(12,9)	(9,6)	(1,2)	(2,4)
Addition	(6,8)	(7,3)	(2,0)	(0,3)
Reversal/use	6,3	4,1	0,1	1,5
At 31 March	(13,4)	(12,9)	(3,1)	(1,2)

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.

8.20 Cash and cash equivalents

	31.03.13	31.03.12
(in million EUR)		
Current bank deposits (with an original term of 3 months or less)	322,0	103,4
Cash and cash equivalents	181,9	204,9
Total assets	503,9	308,3
Bank overdrafts	-	0,7
Total liabilities	-	0,7
Net cash and cash equivalents	503,9	307,6

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 44,3%. 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.

8.21 Equity

8.21.1 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'

8.21.2 Capital

As a result of the resolution of the Extraordinary General Shareholder's Meeting on 11 October 2012, the capital was increased by 332.725 shares with VVPR tax benefits reserved for employees of Colruyt Group; the related capital increase amounted to EUR 10,1 million.

The Company's share capital on 31 March 2013 amounted to EUR 249.2 million divided into 155.465.925 fully paid up ordinary shares without par value and 9.386.924 shares with VVPR tax benefits and without par value. All shares except treasury shares participate in the profits.

8.21.3 Treasury shares

Treasury shares are included at the cost of the treasury shares purchased. On 31 March 2013 Colruyt Group held 8.350.868 treasury shares; this represents 5,07% of the shares issued at the reporting date. For many years, the Extraordinary General Shareholder's Meeting 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 moment of purchase is dependent, amongst other things, on the share price evolution. Between 1 April 2013 and 1 June 2013 no treasury shares were purchased. In accordance with Article 622, paragraph 1 of the Companies Code, voting rights of shares held by the company or its subsidiaries are suspended.

8.21.4 Dividends

On 21 June 2013 a gross dividend of EUR 156,6 million or EUR 1,00 per share was proposed by the Board of Directors. Last year the gross dividend amounted to EUR 148,4 million or EUR 0,95 per share. The gross dividend takes into account the number of treasury shares, if applicable, up until 1 June 2013 and the number of shares reserved for distribution in September 2013. The dividend was not incorporated in the consolidated financial statements for the financial year 2012/13.

8.21.5 Shares distributed to employees as part of the profit sharing scheme

In accordance with the law of 22 May 2001 regarding the 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 to 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 37,519 per share. These 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.

On 31 March 2012 an amount of EUR 24,6 million (including withholding tax and social security charges) was reserved for profit sharing. From this amount EUR 2,9 million (excluding withholding tax) was distributed in shares, corresponding to 97.196 shares, of which 97.143 shares were distributed.

On 31 March 2013 an amount of EUR 26,0 million (including withholding tax and social security charges) was made available for profit sharing, subject to approval by the Shareholders' Meeting. This year 7.396 employees accepted shares as part of their profit sharing scheme. The value of this plan amounts to EUR 3,1 million (excluding withholding tax) and 83.556 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 2012	159.465.925	9.054.199	168.520.124	12.355.249	156.164.875
Capital increase subscribed by employees	-	332.725	332.725	-	332.725
Purchase of treasury shares	-	-	-	92.762	(92.762)
Distributed to employees as part of the profit-sharing (financial year 2011/12)	-	-	-	(97.143)	97.143
Cancellation of treasury shares	(4.000.000)	-	(4.000.000)	(4.000.000)	-
At 31 March 2013	155.465.925	9.386.924	164.852.849	8.350.868	156.501.981
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

8.21.6 Shareholder structure

In accordance with the most recently available information of 20 December 2012, the composition of the shareholders of Etn. Fr. Colruyt N.V. is as follows:

	Shares
Colruyt family and related parties	78.351.730
Etn. Fr. Colruyt N.V. (treasury shares)	8.350.868
Sofina Group	8.750.000
Total of parties that act in deliberation	95.452.598

On 31 March 2013 69.400.251 shares out of a total of 164.852.849 issued shares, or 42,10%, are publicly held. For more details refer to Section 04: Corporate governance.

8.21.7 Other reserves

The other reserves can be detailed as follows:

	01.04.2012	Increase/ (decrease)	31.03.2013
(in million EUR)			
Actuarial gains/(losses) on non-current employee benefits net of tax	8,9	(8,9)	-
Profit/ (loss) from currency translation of foreign entities	(0,8)	0,4	(0,4)
Share of other comprehensive income of investments accounted for by using the equity method	(9,8)	0,9	(8,9)
Discount on capital increase	8,9	1,7	10,6
Gains on shares distributed as profit-sharing	3,2	(0,1)	3,1
Variance of provision for profit distribution in shares	(6,3)	0,3	(6,0)
Total other reserves	4,1	(5,7)	(1,6)

	01.04.2011	Increase / (decrease)	31.03.2012
(in million EUR)			
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 investments accounted for by using the equity method	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

8.22 Earnings per share

	2012/13	2011/12
Total operating activity		
Profit of the financial year (share of Colruyt Group) (in million EUR)	353,7	342,9
Weighted average number of outstanding ordinary shares	156.217.581	157.391.224
Earnings per ordinary share – basic and diluted (in EUR)	2,26	2,18

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

	2012/13	2011/12
Number of outstanding shares at 1 April	156.164.875	158.533.594
Effect of capital increase	91.499	60.677
Effect of shares distributed to employees (profit-sharing scheme)	48.572	50.630
Effect of shares purchased	(87.365)	(1.253.677)
Weighted average number of outstanding shares at 31 March	156.217.581	157.391.224

8.23 Provisions

	Environmental risks	Other risks	Total
(in million EUR)			
At 1 April 2012	3,4	9,0	12,4
Acquired through business combinations	0,2	-	0,2
Additions	1,2	7,6	8,8
Use	(1,4)	(2,5)	(3,9)
Reversal	(0,1)	(1,1)	(1,2)
Discontinued activity	-	(0,4)	(0,4)
Other	-	0,1	0,1
At 31 March 2013	3,3	12,7	16,0

(in million EUR)			
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	-	(0,1)	(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 activity as well as other newly acquired sites (at acquisition and for the store activity).

Other provisions consist mainly of provisions for pending claims, re-insurance and vacancies.

8.24 Non-current employee benefits

	Early retirement benefits	Other termination benefits	Total
(in million EUR)			
At 1 April 2012	29,0	5,4	34,3
Additions (1)	3,6	1,0	4,6
Reversal/use (1)	(1,9)	(0,1)	(2,0)
Unwinding of the discount (2)	1,2	0,1	1,3
Actuarial gains and losses (3)	12,0	1,1	13,1
At 31 March 2013	43,9	7,4	51,3
At 1 April 2011	27,3	4,4	31,7
Additions (1)	1,8	0,8	2,6
Reversal/use (1)	(1,9)	(0,1)	(2,0)
Classification as held for sale	(0,2)	-	(0,2)
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 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 current financial year, this cost amounted to EUR 10,9 million (compared to EUR 8,6 million last year). In Belgium, defined contribution schemes have to guarantee a minimum return. As the legally required guaranteed return is still adequately covered by the insurance company, Colruyt Group has no further obligation to 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 for early retirement, as it exists within Colruyt Group for employees of Belgian entities, is based on the Belgian regulation relating to early retirement. Since 1 January 2012, the regime of early retirement has been legally replaced by the system of unemployment with company compensation. 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.

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 option (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 regularly reviews the long term assumptions in respect of these liabilities. For this year the following assumptions were used:

- discount rate: 3% compared to 4% last year
- inflation, increased compensation: 2,5% (unchanged compared to last year).

This year's adjustment of the actuarial parameters had an impact on the liabilities in respect of employee benefits for early retirement of EUR 12,0 million. The main changes relate to the use of new salary scales, changes in the mortality table, the modified staff turnover and the adjustment of the discount rate.

Last year the changes made to the assumptions were the following:

- 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 elderly 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).

This year's addition to employee benefits for early retirement amounts to EUR 3,6 million (compared to EUR 1,8 million last year), the largest part of which relates to the group's decision to consider more job functions as physically heavy.

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 retirement or unemployment with company compensation.

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 previous year in the same way as the method discussed in 'Employee benefits related to early retirement'.

8.25 Interest-bearing loans and borrowings

8.25.1 Non-current interest-bearing loans and borrowings

	Lease obligations	Bank borrowings	Other	Total
(in million EUR)				
At 1 April 2012	19,7	1,2	8,2	29,1
Acquired through business combinations	-	0,3	-	0,3
Additions	1,6	0,3	-	1,9
Classification to current	(2,5)	(0,5)	(0,4)	(3,4)
Unwinding of the discount	-	-	1,1	1,1
At 31 March 2013	18,8	1,3	8,9	29,0
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)
Classification to current	(3,4)	(1,3)	(0,5)	(5,1)
Unwinding of the discount	-	-	0,5	0,5
At 31 March 2012	19,7	1,2	8,2	29,1

Colruyt Group is not exposed to currency risks on its borrowings given all borrowings are held in local currency.

8.25.2 Non-current interest-bearing loans and borrowings falling due within one year

	Lease obligations	Bank borrowings	Other	Total
(in million EUR)				
At 1 April 2012	2,9	0,9	0,5	4,3
Repayments	(3,0)	(1,0)	(0,4)	(4,4)
Classification from non-current	2,5	0,5	0,4	3,4
Other	-	(0,1)	(0,1)	(0,2)
At 31 March 2013	2,4	0,3	0,4	3,1
At 1 April 2011	1,6	0,8	0,5	2,8
Additions	5,1	-	-	5,1
Repayments	(7,1)	(1,2)	(0,4)	(8,7)
Classification from non-current	3,4	1,3	0,4	5,1
At 31 March 2012	2,9	0,9	0,5	4,3

In the note regarding interest bearing loans and borrowings, guarantees received are not included. In the consolidated statement of financial position these guarantees received are included in the line Interest-bearing loans, borrowings and other liabilities, for an amount of EUR 0,1 million (compared to EUR 0,1 million in the previous reporting period).

The interest bearing liabilities consist mainly of lease liabilities and other liabilities. The lease liabilities have increased with EUR 1,6 million this year due to new lease arrangements for the acquisition of rolling equipment, with lease periods of mainly more than 5 years. Last year's increase of non-current and current lease liabilities was mainly due to new lease arrangements

with lease periods of more than 5 years for the acquisition of a logistic site in Mechelen to reinforce the Spar activities.

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 0,7 million, is covered by collaterals given by Colruyt Group. The net carrying amount of the collateralised assets amounts to EUR 7,5 million (note 8.11. *Property, plant & equipment*).

8.25.3 Terms and repayment schedule

	< 1 year	1-5 years	> 5 years	Total
(in million EUR)				
Lease obligations and similar liabilities	2,4	6,8	12,0	21,2
Non-current bank borrowings	0,3	1,0	0,3	1,6
Other	0,4	8,9	-	9,3
Total at 31 March 2013	3,1	16,7	12,3	32,1
(in million EUR)				
Lease obligations and similar liabilities	2,9	5,9	13,8	22,6
Non-current bank borrowings	0,9	1,2	-	2,1
Other	0,5	1,0	7,2	8,7
Total at 31 March 2012	4,3	8,1	21,0	33,4

8.25.4 Lease obligations

	Lease payment 2012/13	Interest 2012/13	Principal 2012/13	Lease payment 2011/12	Interest 2011/12	Principal 2011/12
(in million EUR)						
< 1 year	2,9	0,5	2,4	3,6	0,6	2,9
1-5 year	8,3	1,5	6,8	7,6	1,7	5,9
> 5 year	12,9	0,9	12,0	14,9	1,2	13,8
Total	24,1	2,9	21,2	26,1	3,5	22,6

8.25.5 Bank borrowings and others

	Installments 2012/13	Interest 2012/13	Capital 2012/13	Installments 2011/12	Interest 2011/12	Capital 2011/12
(in million EUR)						
< 1 year	0,7	-	0,7	1,5	0,1	1,4
1-5 year	10,0	0,1	9,9	2,3	0,1	2,2
> 5 year	0,3	-	0,3	7,2	-	7,2
Total	11,0	0,1	10,9	11,0	0,2	10,8

8.26 Trade payables, employee benefits and other liabilities

	31.03.13	31.03.12
(in million EUR)		
Other non-current liabilities	0,1	0,1
Total other non-current liabilities	0,1	0,1
Trade payables	952,0	868,2
Guarantees received and advances on work in progress	15,4	21,0
Total current trade payables	967,4	889,2
Current employee benefits	370,7	346,0
VAT and duties payable	62,2	62,7
Dividends payable	2,5	2,4
Deferred income	15,6	17,1
Other items payable	10,7	3,9
Total current employee benefits and other current liabilities	461,7	432,1

Terms and repayment schedule

	< 1 year	1-5 year
(in million EUR)		
Other non-current liabilities	-	0,1
Current trade payables	967,4	-
Current employee benefits and other liabilities	461,7	-
Total at 31 March 2013	1.429,1	0,1
(in million EUR)		
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

8.27 Risk management

8.27.1 Risks related to financial instruments

a. Currency risk

The operational entities of Colruyt Group are located in the Euro zone, except for the activities in India. 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.

The Colruyt Group's exposure to exchange rate fluctuations is based on the following positions in foreign currencies:

	Trade payables	
	31.03.13	31.03.12
(in million EUR)		
USD	1,2	1,3
AUD	0,1	0,2
ZAR	0,2	0,1
INR	0,1	0,1
GBP	0,1	0,1
Total	1,7	1,8

The impact of exchange rate changes compared to the Euro is relatively limited.

Colruyt Group has no other financial assets or financial liabilities in foreign currency.

b. Interest rate risk

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 2013 the total amount of non-current and current interest-bearing liabilities was EUR 10,9 million or 0,3% % of total assets (compared to EUR 10,7 million last

year) and 2,2% of the cash and cash equivalents. Most of these liabilities are at fixed interest rate.

Colruyt Group's lease obligations amounted to EUR 21,2 million on 31 March 2013 (compared to EUR 22,6 million on 31 March 2012) and are mainly contracted at a variable interest rate.

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:

	2012/13 -1%	2012/13 +1%	2011/12 -1%	2011/12 +1%
(in million EUR)				
Interest expense on lease liabilities and borrowings	0,1	(0,1)	0,2	(0,2)
Income from loans to customers and other interest-bearing receivables	(0,3)	0,3	(0,3)	0,3
Income from term deposits	(2,3)	2,3	(1,6)	1,6
Income from securities held for trading	(0,1)	0,1	(0,2)	0,2
Net impact of interest rate fluctuations on financial result	(2,6)	2,6	(1,9)	1,9

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 profitability of the wholesale clients and the affiliated independent merchants to which goods or services are delivered. In addition, Colruyt Group requires bank guarantees for affiliated merchants or restricted cash for important DATS24-customers. Symeta, the graphical

entity of Colruyt Group, also uses payment terms that are common for the industry and regularly reviews the credit rating of the 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 2012/13	Impairment 2012/13	Net carrying amount 2012/13	Received bank guarantee off balance 2012/13	Gross amount 2011/12	Impairment 2011/12	Net carrying amount 2011/12	Received bank guarantee off balance 2011/12
(in million EUR)								
Other interest bearing receivables	14,9	(0,9)	14,0	-	17,4	(1,2)	16,3	-
Cash guarantees given	2,0	-	2,0	-	2,4	-	2,4	-
Loans granted to customers	8,0	(0,8)	7,2	-	4,7	(1,1)	3,6	-
Financial assets available for sale	55,3	(19,6)	35,7	-	46,0	(0,4)	45,6	-
Financial assets held for trading	25,9	(0,9)	25,0	-	26,1	(0,7)	25,4	-
Trade receivables	482,4	(13,4)	469,0	21,9	455,7	(12,9)	442,9	19,8
Other receivables	26,7	(2,2)	24,5	-	24,5	-	24,5	-
Cash and cash equivalents	503,9	-	503,9	-	308,3	-	308,3	-
Total	1.119,1	(37,8)	1.081,3	21,9	885,2	(16,3)	868,9	19,8

Some customers provide bank guarantees in order 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 34,8 million (compared to EUR 30,2 million last year). The collectibility of this amount was secured by bank guarantees for an amount of EUR 21,9 million (compared to EUR 19,8 million last year).

d. Liquidity risk

Finco N.V. is the financial coordinator of Colruyt Group. The entity ensures that all entities of Colruyt Group have access to the financial resources they need. Finco applies a cash pooling system, i.e. any excess of cash and cash equivalents within entities of the group is used for shortages in other entities of the group. Finco is also responsible for the investment of cash and cash equivalents of Colruyt Group, and does so by using short-term term deposits. Finco uses cash

projections to follow up the liquidity of Colruyt Group. Over the past few years Colruyt Group did not have the need to use any long term form of external financing. 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 5,0% (8,1% in the preceding period).

e. Other market risks

Next to Etn. Fr. Colruyt N.V., 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 2013 the total value of the current investment portfolio of Colruyt Group amounts to EUR 25,0 million of which EUR 24,2 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. However, the investment portfolio of Colruyt Group was only subject to minor fluctuations during the past financial year. In total, Colruyt Group recognised a revaluation of EUR 0,3 million this year. During the previous period 2011/12 an impairment of EUR 0,3 million was accounted for.

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.

	Historical or amortised cost	At fair value		
		Quoted prices Level 1	Observable market inputs Level 2	Un-observable market inputs Level 3
(in million EUR)				
Financial assets:				
Investments available for sale accounted for through other comprehensive income	19,7	-	-	16,0
Loans and receivables	516,7	-	-	-
Investments held for trading, accounted for through profit or loss	-	25,0	-	-
Cash and cash equivalents	503,9	-	-	-
Total at 31 March 2013	1.040,3	25,0	-	16,0
Financial liabilities:				
Interest bearing liabilities	10,9	-	-	-
Lease liabilities	21,2	-	-	-
Trade payables	967,4	-	-	-
Bank overdrafts	-	-	-	-
Total at 31 March 2013	999,5	-	-	-
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 at measurement date. The following 3 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 inputs of observable market prices as

much as possible and if available, and avoid reliance on entity-specific estimations. Colruyt Group has no financial instruments within this category.

- Level 3: financial instruments for which fair value is determined with valuation techniques using certain parameters 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 under level 3 consist of

investments in holding companies such as Vendis Capital N.V., Sofindev II N.V. and Sofindev III N.V. in which Colruyt Group does not have a significant influence. The fair value consists of the acquisition price adjusted for realised results and dividends distributed by the respective companies. 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 5,3 million, nearly entirely due to additional paid-in capital.

8.27.2 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.

8.28 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 real estate rental commitments, 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 amounts due in relation to these commitments are as follows:

	31.03.13	<1 year	1-5 years	>5 years
(in million EUR)				
Lease arrangement as lessee	56,2	18,5	22,8	14,9
Commitments relating to the acquisition of property, plant and equipment	28,9	15,4	13,5	-
Commitments relating to purchases of goods	73,9	73,5	0,4	-
Other commitments	9,5	6,3	3,2	-

	31.03.12	<1 year	1-5 years	>5 years
(in million EUR)				
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 are recognised in profit or loss for an amount of EUR 25,8

million (compared to EUR 24,7 million for the previous financial year). The income statement includes rent expenses related to non-cancellable leases together with other rent-related costs (for example property taxes) resulting from cancellable lease arrangements.

The commitments relating to the acquisition of property, plant and equipment, for an amount of EUR 28,9 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 73,9 million are the result of forward contracts with suppliers in order to assure the supply of certain goods.

Other commitments relate to a future contract in respect of ICT-services for an amount of EUR 8,0 million (compared to EUR 13,1 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 1,5 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.

	31.03.13	<1 year	1-5 years	>5 years
(in million EUR)				
Lease arrangements as lessor	10,3	6,1	4,2	-
Rights relating to the sale of property, plant and equipment	6,2	2,4	3,8	-

	31.03.12	<1 year	1-5 years	>5 years
(in million EUR)				
Lease arrangements as lessor	13,5	6,4	7,1	-
Rights relating to the sale of property, plant and equipment	6,8	0,5	6,4	-

8.29 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.

	31.03.13	31.03.12
(in million EUR)		
Guarantees in favour of joint ventures	70,0	-
Claims	5,3	4,2
Other	2,2	2,6

In execution of the strategy of Colruyt Group with regard to the participation in offshore wind parks, the Group has given a guarantee in the course of 2012/13 for an amount of EUR 70,0 million for the execution of a number of projects of Parkwind N.V.

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 5,3 million (compared to EUR 4,2 million last year). Based on legal advice in respect of the pending claims, a provision of EUR 4,6 million (compared to EUR 3,3 million last year) was recognised.

Pending commercial law cases amounting to EUR 1,9 million (compared to EUR 1,7 million for the previous reporting period) primarily concern alleged commercial damages or unlawful termination of lease and franchise contracts.

Pending labour law cases amount to EUR 1,6 million (compared to EUR 1,6 million last year) and relate mainly to the disputed termination of employment contracts.

Other pending cases, amounting to EUR 1,8 million (compared to EUR 0,9 million last year), concern both taxation as common law disputes.

Colruyt Group is subject to investigations by the Belgian Competition Authorities regarding possible violations of the Belgian competition law by several distributors concerning perfume, drugstore, skin care and cosmetic products on the one hand, as well as chocolate products on the other hand. Developments in these investigations for Colruyt Group can be summarised as follows:

1. The case concerning perfume, drugstore, skin care and cosmetic products

The investigation report filed by the College of Competition Prosecutors claims that 7 supermarkets, amongst which Colruyt, made prohibited price fixing agreements with 11 suppliers between 2002 and 2007. As a result the case has been introduced with the Competition Council on 1 October, 2012. Colruyt Group disagrees with the position of the College of Competition Prosecutors and is currently preparing a response to the investigation report. The agenda for how the procedure will move forward has not yet been determined. As a result of the uncertainty in respect of the institutional framework (given the change of law is not yet effective), it is impossible to make a reasonable estimation of the time it will take to come to a decision, what the decision of the Competition Authority will be or what the amount of the fine will be that the Belgian Competition Authority will eventually levy. Given the preceding, a decision by the Competition Authority is not expected before the end of 2014.

According to current legislation the amount of the fine is however limited to a maximum of 10% of the group's turnover of the year preceding the year in which the sentence is pronounced. In addition, the current legislation allows to appeal against the

sentence pronounced by the Competition Authority. As a result, the date of the final ruling in this case is highly uncertain at this moment.

From what precedes one can conclude that it is currently impossible to make an adequate estimation of the financial consequences and timing.

2. Case concerning chocolate products

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 resumption.

'Other' contingent liabilities represent buy back commitments supplied by Colruyt Group towards financial institutions for the financing of affiliated independent merchants. The total contingent liability amounts to EUR 2,2 million (compared to EUR 2,6 million last year).

8.30 Dividends paid and proposed

On 3 October 2012 a gross dividend of EUR 0,95 per share was paid to the shareholders.

For the 2012/13 financial year, the Board of Directors will propose a gross dividend of EUR 1,00 per share, which will be made payable on 2 October 2013. Given the decision to distribute a dividend is to be considered an event after reporting date which is not to be included in the statement of financial position, this dividend, which still must be approved at the General Shareholder's Meeting of 25 September 2013, is therefore not recognised as a liability in the statement of financial position.

The distribution proposed by the Board of Directors relates to 156.585.537 shares (after deduction of treasury shares and taking into account the shares allocated to the profit-sharing scheme as determined on 1 June 2013), the total amount of proposed dividend amounts EUR 156,6 million.

8.31 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) joint ventures (as disclosed in note 8.13 *Investments in joint ventures*)
- e) 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 S.A.R.L. en Invictus Blauwe Toren N.V.

The majority of the transactions and outstanding balances are related to associates, joint ventures 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.

8.31.1 Transactions with related parties excluding remunerations of directors and senior management

	2012/13	2011/12
(in million EUR)		
Revenue	2,8	2,2
Costs	1,2	2,4
Receivables	14,1	15,4
Liabilities	6,9	0,3
Dividends paid	82,6	75,1

The amounts explained above relate to transactions made on terms equivalent to those that prevail in arm's length transactions.

Transactions with related parties generated revenue for an amount of EUR 2,8 million (EUR 2,2 million in the previous reporting period). Services delivered to associates and joint ventures generated EUR 0,9 million (EUR 0,2 million in the previous reporting period). The group also received interests from a joint venture for an amount of EUR 1,5 million.

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 1,0 million (EUR 2,2 million in the previous reporting period) and the waiver of receivables for an amount of EUR 0,2 million (EUR 0,2 million in the previous reporting period).

The outstanding receivables with related parties mainly relate to receivables from joint ventures and associates. At reporting date Colruyt Group has a EUR 11,9 million interest-bearing receivable, at arm's length (compared to EUR 13,4 million for the previous reporting period). In addition, Colruyt Group also has current receivables on joint ventures of EUR 2,1 million (compared to EUR 2,0 million for the previous reporting period).

The reported outstanding liabilities towards related parties mainly consist of balances held with joint ventures. On reporting date these primarily relate to an outstanding debt of EUR 5,8 million towards a joint venture, which represents the amount of unpaid capital still due. In addition, Colruyt Group has short term liabilities towards joint ventures for a total amount of EUR 1,1 million.

Dividends were paid to the reference shareholders of Colruyt Group for an amount of EUR 82,6 million. These dividends relate to the financial year 2011/12. Dividends paid are presented gross, which means that the distinction based on the nature of the shareholders is removed.

8.31.2 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 2012/13	Number of persons/ shares 2012/13	Remunerations 2011/12	Number of persons/ shares 2011/12
(in million EUR)				
Board of Directors		9		9
Variable remuneration (bonuses)	3,5		3,4	
Fixed remuneration (director's fees)	1,0		1,0	
Senior management		11		9
Salaries	2,66		2,25	
Variable remuneration	2,28		2,26	
Defined contribution plans	0,37		0,41	
Share based payments	0,03	706	0,02	503

The director's variable remunerations related to the financial year 2012/13 are proposed by the Board of Directors and subject 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.

8.32 Events after the reporting date

No significant events have taken place after the reporting date.

8.33 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.

	2012/13	2011/12
(in million EUR)		
Audit assignments	0,9	0,9
Other assignments	0,8	0,4
Total	1,7	1,3

The consideration paid for audit services was EUR 0,9 million, of which EUR 0,2 million was recognised at the level of the Company and EUR 0,7 million were recognised at the level of its subsidiaries.

For non-audit services, such as tax advice and other special or legal assignments, Colruyt Group recognised a cost of EUR 0,8 million.

8.34 List of consolidated entities

8.34.1 Company

Etn. Fr. Colruyt N.V.	Halle, Belgium	-
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8.34.2 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%
Bornem B.V.B.A.	Halle, Belgium	100%
Buurtwinkels Okay N.V.	Halle, Belgium	100%
Codifrais S.A.S. (1)	Longueil St M, France	100%
Colim C.V.B.A.	Halle, Belgium	100%
Colimpo Ltd.	Hong Kong	100%
Collivery N.V.	Halle, Belgium	100%
Colruyt Distribution France S.A.S. (1)	Rochefort sur Nenon, France	100%
Colruyt France S.A. (1)	Montauban, 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 Retail S.A.	Ciney, Belgium	100%
Colruyt Vastgoed Nederland B.V.	Hillegom, The Netherlands	100%
Comels N.V.	Halle, Belgium	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%
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%
Filantwe N.V.	Ternat, Belgium	100%
Fildiast 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%
Filroeul 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 Colruyt France S.A.S. (1)	Rochefort sur Nenon, France	100%
Immoco S.A.R.L. (1)	Rochefort sur Nenon, France	100%
Immo Dassenveld N.V.	Halle, Belgium	100%
Infoco N.V.	Halle, Belgium	100%
Jacodi S.C.I. (1)	Rochefort sur Nenon, France	100%
Leis N.V.	Halle, Belgium	100%
Les Clauzures S.C.I. (1)	Montauban, France	100%
Locré S.A.	Luxemburg, Grand Duchy of Luxembourg	100%
Pro à Pro Distribution Export S.A.S. (1)	Montauban, 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	100%
Roecol N.V.	Lokeren, Belgium	50%
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)	Chateaufneuf S/L, France	100%
Symeta N.V.	Halle, Belgium	100%
Transpro S.A.S. (1)	La Possession, 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%
Vaucamps N.V.	Halle, Belgium	100%
Vlevico N.V.	Halle, Belgium	100%
Walcodis S.A.	Ath, Belgium	100%
Waldico S.A.	Ath, 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.

8.34.3. Joint Ventures

Parkwind N.V.	Leuven, Belgium	60.13%
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8.34.4. Associates

Coopermic 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.

8.34.5 Changes in consolidation scope

a. New investments

In Belgium, Colruyt Group acquired all the shares of Leis S.A. in July 2012. As a result, Colruyt Group became the owner of a plot of land and building that will be used for the expansion of the existing retail activity in Marche-en-Famenne.

In addition, Colruyt Group has also taken over 10 stores of the frozen food retailer O' Cool. These 10 stores will be transformed into various stores of the Colruyt Group, which will allow Colruyt Group to accelerate the growth of the different store concepts.

b. Mergers

From 1 November 2012 onwards the Belgian companies Immo Ciney S.P.R.L. and Colim C.V.B.A. have merged.

In France Ineco S.A.S. merged with Pro à Pro Distribution Export S.A.S., Katz S.C.I. merged with Aubépine S.A.R.L. and Picta Frais S.A.S. merged with Sodeger S.A.S. These mergers were executed with a retroactive effect as from 1 January 2012.

c. Newly established companies

In April 2012 Colimpo Ltd was established in Hong Kong. This company will support Colruyt Group by purchasing food and non-food products on the Asian market.

In Belgium, Roecol N.V. was established on 1 October 2012 together with the Zele based bakery group Roelandt (Northland N.V.).

As from spring 2014, this new bakery will produce high quality and daily fresh bakery products, in a first phase for Colruyt and Okay stores.

In France, Colruyt Distribution France S.A.S. was established on 31 October 2012.

d. Other changes

During the accounting year the companies Walspar N.V. and Filaalst N.V. have been liquidated. Dimaco UK Limited was deconsolidated.

Also, a number of companies have changed names : Bodegas B.V.B.A. was renamed Bornem B.V.B.A., Filhalle N.V. became Comels N.V., Caf  teries Namuroises Br  caf

S.A. changed its name into Colruyt Retail S.A., Codi France S.A.S. became Immo Colruyt France S.A.S. and Intrion N.V. was renamed Vaucamps N.V.

Vaucamps N.V. sold its activities along with its investment in Intrion NL B.V. on 1 April 2012 to an external party.

Colruyt Group created Parkwind N.V. back in March 2012, in order to consolidate all its shareholdings in alternative energy under one umbrella. By the end of September 2012 Colruyt Group had entirely contributed its investments in Northwind N.V. (66,7%) and Belwind N.V. (37,3%) in Parkwind N.V. In addition, Parkwind N.V.'s share capital was strengthened at the end of September 2012 by means of a simple capital increase subscribed entirely by parties external to Colruyt Group. As a result the share of Colruyt Group in Parkwind N.V. was diluted from 100% to 78,6%.

Finally, at the end of March 2013 Parkwind N.V.'s investment in Belwind N.V. increased from 37,3% to 78,2%, as a result of a contribution in kind by parties external to Colruyt Group. The capital increase connected to this contribution further diluted Colruyt Group's share in Parkwind N.V. from 78,6% to 60,1%.

8.35 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.

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.

These documents can also be obtained on request at the Company's registered office:

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.

	31.03.13	31.03.12
(In million EUR)		
Non-current assets	3.773,6	3.180,2
II. Intangible assets	20,2	17,3
III. Plant, property and equipment	152,4	151,9
IV. Financial non-current assets	3.601,0	3.010,9
Current assets	1.159,9	1.251,6
V. Receivables > 1 year	0,1	3,2
VI. Inventories and work in progress	334,1	337,1
VII. Receivables < 1 year	331,0	393,7
VIII. Investments	263,4	373,1
IX. Cash and cash equivalents	228,1	141,9
X. Prepayments and accrued income	3,2	2,6
Total assets	4.933,5	4.431,8
Equity	1.286,0	844,1
I. Capital	249,2	239,1
III. Revaluation reserve	-	6,1
IV. Reserves	296,3	398,2
V. Retained earnings	740,5	200,4
VI. Capital grants	-	0,4
Provisions and deferred taxes	7,1	6,8
Liabilities	3.640,4	3.580,9
VIII. Liabilities > 1 year	2.412,8	2.412,8
IX. Liabilities < 1 year	1.214,3	1.153,4
X. Accruals and deferred income	13,3	14,6
Total liabilities	4.933,5	4.431,8

Abbreviated income statement of Etn. Fr. Colruyt N.V.

	2012/13	2011/12
(in million EUR)		
I. Operating income	6.526,7	5.717,3
II. Operating expenses	(5.581,9)	(5.344,6)
III. Operating profit	944,8	372,8
IV. Financial income	6,7	2,3
V. Financial expenses	(88,4)	(113,5)
VI. Profit from ordinary operations	863,1	261,6
VII. Exceptional income	0,8	3,3
VIII. Exceptional expenses	(40,6)	(48,9)
IX. Profit of the financial year, before tax	823,3	216,1
X. Income tax	(100,1)	(95,9)
XI. Profit of the financial year	723,2	120,2
XII. Transfers to the tax-free reserves	(0,8)	(0,7)
XIII. Profit of the financial year available for appropriation	722,4	119,5

Profit appropriation Etn. Fr. Colruyt N.V

The Board of Directors will propose to the General Meeting of Shareholders on 25 September 2013 to distribute the profit for the 2012/13 financial year as follows:

	2012/13	2011/12
(in million EUR)		
Profit of the financial year available for appropriation	722,4	119,5
Profit carried forward from previous financial years	200,4	0,3
Profit available for appropriation	922,8	119,8
Withdrawal from equity	-	242,0
Transfer to the legal reserve	1,0	0,6
Addition to other reserves	11,9	-
Profit to be carried forward	740,5	200,4
Dividends	156,6	148,4
Bonuses	3,5	3,4
Other debts	9,3	9,0
Profit to be carried forward	-	-

Compensation of shareholders in cash

This line item is calculated using the number of treasury shares on 1 June 2013 taking into account the shares reserved for distribution as part of the profit-sharing plan in September 2013.

Definitions

Share of the group

Interest that can be attributed to the Shareholders of the parent company.

Capital employed

The value of the assets and liabilities that contribute to generating income.

Operating result (EBIT)

The operating result less all operating costs (cost of goods sold, services and miscellaneous goods, personnel costs, depreciation, impairments and various costs) but before the settlement of the financial result and the taxes.

Gross added value

The realizable value of the manufactured goods less the value of the raw materials and the auxiliary materials used in the production process and the procured services.

EBIT

Earnings before interest and taxes.

EBIT margin

EBIT divided by revenue.

EBITDA

Earnings before interest, taxes, depreciation and amortisation, or EBIT plus depreciation and impairments, also defined as cash flow from operations.

EBITDA margin

EBITDA divided by revenue.

Weighted average number of issued shares

The number of outstanding shares at the beginning of the period, adjusted for the number of cancelled, redeemed or issued shares during the period multiplied by a time correcting factor.

GMS

"Grandes et moyennes surfaces", mainly used in the retail sector in France for store surfaces > 400m². These activities are divided over the retail segment and the wholesale segment (as far as the deliveries to independent storekeepers are concerned).

Net added value

Consists of the gross added value less depreciation.

Net profit

Consists of EBIT less the net financial result, the share in the result of associated participations and taxes.

Revenue

Revenue comprises the sale of goods and services provided to our own Colruyt customers, affiliated customers and wholesale customers, after the deduction of discounts and commissions allocated to these customers.

RHD

"Restauration hors domicile", this activity is part of the foodservice in France which delivers to the hotel, restaurant and café sector (commercial) and to collectives (social).

ROCE

Return on capital employed, or EBIT after tax in relation to the capital employed

Comparable revenue

Revenue from the same stores, excluding relocations and expansions and adjusted for calendar effects.

Diluted result per share

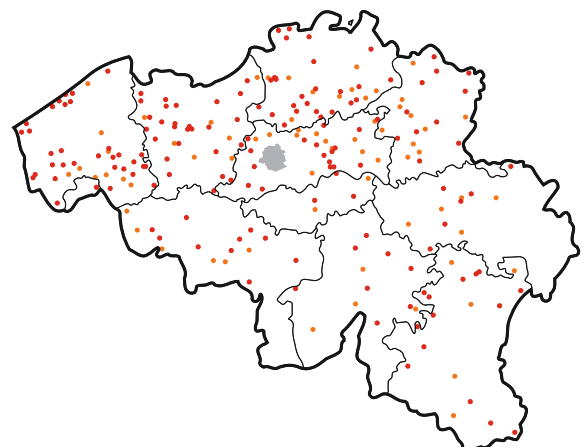
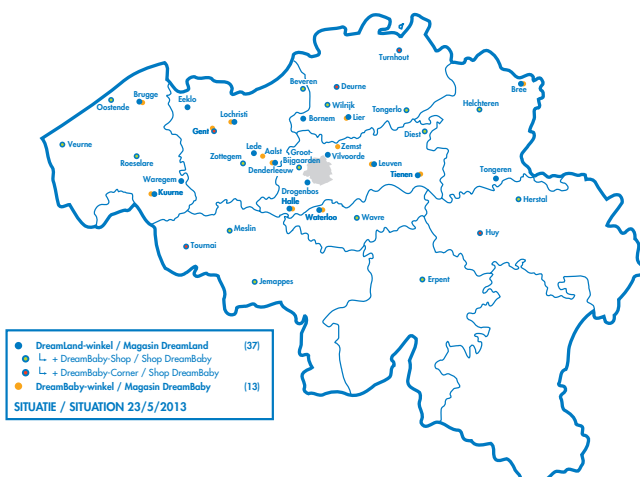
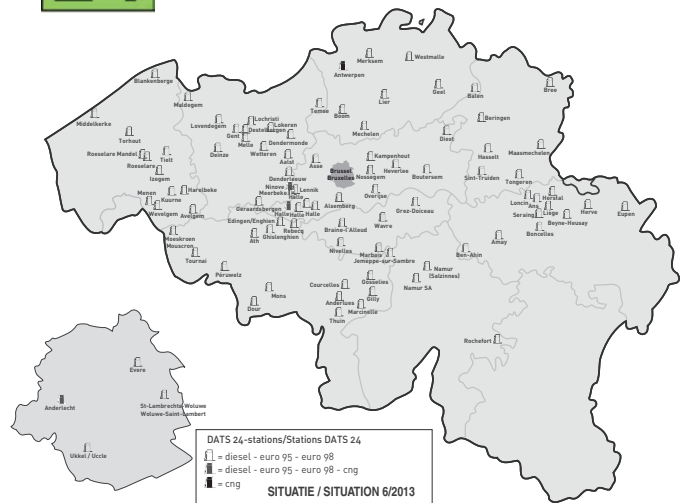
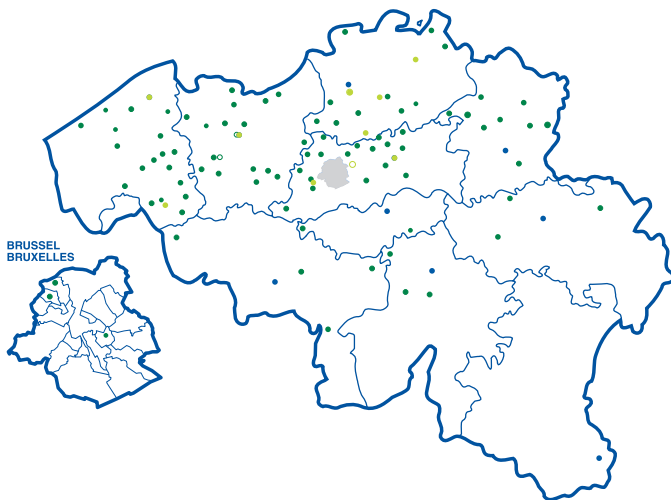
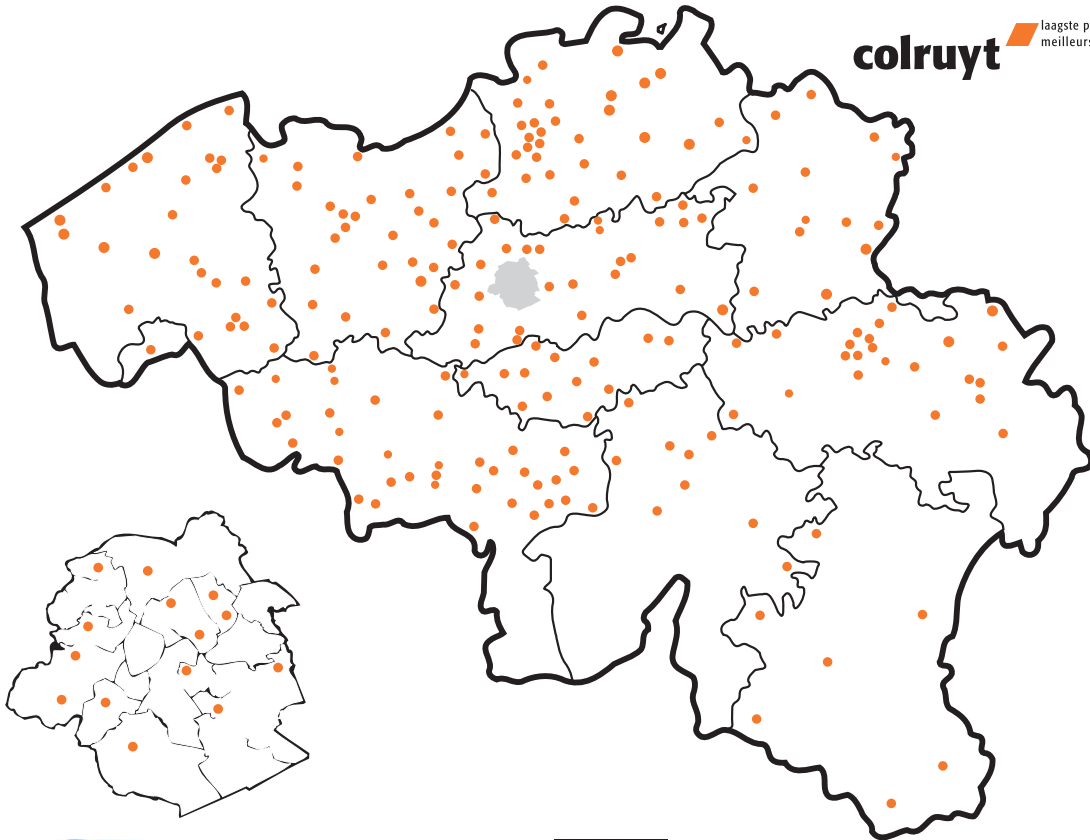
This is calculated by dividing the profit or the loss allocated to ordinary shareholders of the parent company by the average outstanding shares, to be adjusted for the effects of dilution with all potential ordinary shares, including those connected to convertible instruments, options, warrants or shares issued under specific conditions. The diluted result per share is calculated on the result of continuing operations less the minority interests on continuing operations, and on the share of the group in the net result.

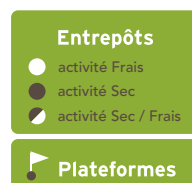
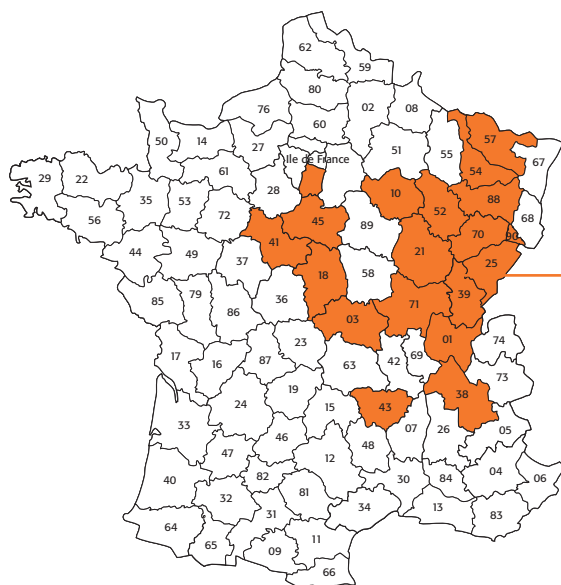
Free cash flow

Cash flow consisting of the net profit of the financial year plus depreciation and impairments on fixed assets

FTE

Full-time equivalent; unit of account with which the workforce is expressed by dividing the number of hours worked by the actual number of hours per week.





[www.colruytgroup.com/
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