

Consolidated annual information on the financial year 2015/16

Revenue grows 2,9%
Net profit in line with full-year outlook

Halle, 21 June 2016

I. Headlines

- Revenue grows 2,9% to over EUR 9,1 billion.
- Further market share gains in Belgium: 31,5% compared to 31,0% last financial year.
- Colruyt Group continues to invest in the long term.
The Colruyt banner continuously offers its customers the lowest price.
- Gross profit margin increases to 25,3% (24,9% last year).
- EBITDA margin remains stable^(*) at 7,8% of revenue due to ongoing investments in employees, quality, innovation, simplicity and efficiency.
- Increased depreciation charges resulting from continued investments in stores and distribution centres.
- Operating profit increases^(*) by EUR 12 million to EUR 507 million.
EBIT margin amounts to 5,5% of revenue (5,6% last year^(*)).
- Comparable net profit grows^(*) by EUR 4 million to EUR 366 million (4,0% of revenue). Last year's one-off settlement included, profit rises^(**) by EUR 35 million.
- Earnings per share up^(**) 12,4% to EUR 2,49 per share.
- Net cash and cash equivalents increase to EUR 433 million.
- Investments in tangible and intangible assets amount to EUR 388 million compared to EUR 369 million last year.
- Employment increases by more than 1.500 employees to 28.047 as at 31 March 2016 (expressed in full-time equivalents).

(*) Exclusive of the settlement with the Investigation Service in 2014/15 / (**) Inclusive of the settlement with the Investigation Service in 2014/15

II. Consolidated key figures

(in million EUR)	1/4/2015 - 31/3/2016	1/4/2014 - 31/3/2015	Variance
Revenue	9.177,5	8.916,8	+2,9%
Gross profit	2.320,9	2.219,0	+4,6%
% of revenue	25,3%	24,9%	
EBITDA	720,3	668,1	+7,8%
% of revenue	7,8%	7,5%	
EBITDA excl. settlement ⁽¹⁾	720,3	699,7	+2,9%
% of revenue	7,8%	7,8%	
Operating profit (EBIT)	507,2	463,8	+9,4%
% of revenue	5,5%	5,2%	
Operating profit (EBIT) excl. settlement ⁽¹⁾	507,2	495,4	+2,4%
% of revenue	5,5%	5,6%	
Profit before tax	518,4	479,1	+8,2%
% of revenue	5,6%	5,4 %	
Profit before tax excl. settlement ⁽¹⁾	518,4	510,7	+1,5%
% of revenue	5,6%	5,7%	
Profit for the financial year	366,3	331,0	+10,7%
% of revenue	4,0%	3,7%	
Profit for the financial year excl. settlement ⁽¹⁾	366,3	362,6	+1,0%
% of revenue	4,0%	4,1%	
Earnings per share - basic and diluted (EUR) ⁽²⁾	2,49	2,21	+12,4%
Earnings per share excl. settlement (EUR) ^{(1) (2)}	2,49	2,42	+2,6%

(1) 'Settlement' in financial year 2014/15: On 19 June 2015 Colruyt Group signed a settlement with the Investigation Service of the Belgian Competition Authority in relation to the period 2002-2007. By signing the settlement the group accepted to pay a EUR 31,6 million fine to the Belgian government. This amount was charged against the 2014/15 operating expenses and was deducted in full from the EBITDA, EBIT, Profit before tax and Profit for the financial year.

To ensure comparability, the consolidated key figures of the prior financial year are provided both inclusive and exclusive of the settlement.

(2) The weighted average number of outstanding shares equals 147.004.025 in 2015/16 compared to 149.419.713 last year.

(*) Exclusive of the settlement with the Investigation Service in 2014/15 / (**) Inclusive of the settlement with the Investigation Service in 2014/15

III. Management report

A. Consolidated income statement

Consolidated revenue increased by 2,9% to EUR 9.177 million. The revenue increase from higher sales volumes, store expansion, sales price inflation and a favourable calendar effect was partly offset by lower fuel prices.

Colruyt Group's market share in Belgium (Colruyt Lowest Prices, OKay and Spar) expanded from 31,0% last year to 31,5% in the financial year 2015/16.

The **gross profit margin** improved by 40 basis points to 25,3%. Excluding petrol, the gross margin increased by 19 basis points, mainly as a result of lower promotional pressure in the first semester.

The Colruyt banner continues to make substantial price investments in order to offer its customers the lowest price for each product at each moment.

Colruyt Group kept its operating expenses under control. At the same time, the group continued to invest in its employees, processes, efficiency improvements and transformation projects. These investments led to an increase in net operating expenses from 17,0%^(*) to 17,4% of revenue.

EBITDA improved^(*) by EUR 21 million to EUR 720 million. The EBITDA margin remained stable^(*) at 7,8% of revenue.

Depreciation, amortisation and impairment costs amounted to EUR 213 million.

The EUR 9 million increase compared to last year is mainly attributable to the higher depreciation charges, resulting from the execution of the investment programmes.

Operating profit (EBIT) increased^(*) by EUR 12 million to EUR 507 million. The EBIT margin reached 5,5% of revenue compared to 5,6%^(*) last year.

Financial result decreased by EUR 2 million due to lower financial income, partly as a result of historically low interest rates.

As last year, the result from investments in joint ventures amounted to about EUR 9 million and mainly related to the participation in Parkwind group.

The effective tax rate increased from 29,5%^(*) to 29,9%, primarily due to the lower notional interest deduction.

Profit for the financial year increased^(**) by EUR 35 million to EUR 366 million.

There are two contributing factors to this evolution: an improved net result from operating activities (EUR +3,7 million) and the one-off settlement amount that was charged against prior financial year's result (EUR +31,6 million).

The Board of Directors will propose a **gross dividend** of EUR 1,12 per share to the General Meeting of Shareholders. This amount is the result of the consistent application of the group's dividend pay-out policy.

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B. Income statement per segment

1. Retail

Revenue from the retail activities grew by 4,0% to EUR 7.062 million. Retail accounted for 76,9% of the consolidated revenue.

Price pressure, fierce competition and a persistently difficult economic climate continue to characterize the Belgian and French retail market. There were few signs of economic recovery and consumer confidence remained negative.

Revenue of the **Colruyt stores in Belgium and Luxembourg** climbed 2,8% as a result of volume growth in existing stores, sales price inflation and a favourable calendar effect. Sharpened communication on Colruyt's lowest prices strategy again benefited both revenue and market share.

Colruyt Lowest Prices delivers on its brand promise day after day by offering the lowest price at every moment and for every product. All price rebates and promotions offered by other retailers are immediately integrated in its sales prices. The lowest prices guarantee of the Colruyt stores was also this year confirmed by consumer organisations and specialised trade press publications.

OKay, Bio-Planet and Cru reported an aggregate revenue growth of over 13% through the combination of store openings and new customer inflow. Colruyt Group will continue to invest in its proximity store format OKay and in its bio supermarket Bio-Planet. Two new Cru stores will open in 2016.

Colruyt Group offers its customers **3 clearly distinguishable brand layers**: (inter)national brands, products labelled Boni Selection (Colruyt Group's home brand) and products labelled Everyday Selection (the group's discount brand). Bringing the existing private labels together under the home brand Boni Selection has led to product range simplification. The brand transition is nearing completion and the results are in line with the expectations.

As from this accounting year, the retail segment **Colruyt France** also comprises the results of the French petrol stations DATS 24.

Petrol included, the Colruyt stores recorded a revenue growth of 5,2%. Petrol excluded, revenue grew by more than 9% in a deflationary market. The organic growth of the French Colruyt stores was driven by store network modernisation and continuous investments in price positioning. Colruyt Group will continue to invest in its French retail activities in the coming years. The group will open five to ten new stores in France every year.

The combined store revenue of **Dreamland and Dreambaby** remained practically stable (+0,8%). The transfer of baby departments from Dreamland stores to separate Dreambaby stores was carried on this year.

Colruyt Group continues to focus on **E-commerce retail**.

Online revenue is growing steadily through sustained investments in online activities. In 2015/16, the group's online shopping service Collect&Go invested in new collection points and in a new logo. Colruyt Group also invested in a renewed website for the non-food webshops of Dreamland, Dreambaby and Collishop.

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2. Wholesale and Foodservice

The wholesale and foodservice segment accounted for 17,1% of the consolidated revenue in 2015/16. Revenue from these activities increased by 3,0% to EUR 1.569 million.

The **wholesale activities** include the deliveries to independent storekeepers in Belgium (Retail Partners Colruyt Group) and France (Coccinelle, CocciMarket and Panier Sympa). Wholesale revenue showed a 2,0% increase to EUR 769 million. This growth was mainly realised by Retail Partners Colruyt Group, which comprises the collaboration with the Spar entrepreneurs, as well as the deliveries to Alvo, independent Mini Markets and independent storekeepers.

A large and high-quality range of fresh products, competitive prices and a close and authentic collaboration with and strong involvement of the independent entrepreneurs remain the focus areas of the Spar stores of Colruyt Group. The roll-out of the Spar logo, with a clear reference to the Colruyt Group partnership, is progressing steadily. The profitability of the independent Spar entrepreneurs still ranks among the best on the market. The logistic integration of Alvo, which was completed in February 2016, will benefit the group, the Alvo supermarkets and the Alvo organisation.

Revenue from Belgian and French **foodservice activities** grew by 4,0%. The assets of Solucious and Pro à Pro remain the delivery reliability, the service, the product quality and the personal contact with the customer. These strengths generated revenue growth despite a stagnating market.

3. Other activities

Revenue from the other activities declined by 9,0 % to EUR 547 EUR million. These activities accounted for 6,0% of the consolidated revenue.

Revenue of the Belgian **DATS 24** filling stations decreased from EUR 595 million to EUR 542 million. Volume gains were more than fully offset by the steep decline in fuel prices. DATS 24 continued its investments in CNG (Compressed Natural Gas). CNG is more economical than conventional fuels and less impacting on the environment and health. 27 filling stations are already offering natural gas and this number is scheduled to increase to 65 by March 2018.

Eoly, Colruyt Group's internal energy producer and supplier, supplies green energy to group companies and to independent stores of Retail Partners Colruyt Group. Eoly further developed its energy generation through wind turbines and solar panels this year. Colruyt Group seeks to increasingly meet its own energy needs. In the near future, Eoly will set up a participation model, allowing neighbours to become co-owners of a wind turbine.

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C. Cash flow and balance sheet

The net carrying amount of the **tangible and intangible assets** increased by EUR 168 million to EUR 2.120 million. The increase mainly results from the investments made during the financial year (EUR 388 million). Depreciation, amortisation and impairment costs amounted to EUR 213 million.

At 31 March 2016 the assets under construction primarily relate to the new production plant for Fine Food Meat. The new distribution centre for OKay and Bio-Planet became operational during the financial year. These investments will enable Colruyt Group to continue its growth in the years to come.

Net cash and cash equivalents increased by EUR 124 million to EUR 433 million as at 31 March 2016.

D. Treasury shares

No shares were purchased during the financial year 2015/16.

Pursuant to the authorisation granted by the General Meeting of Shareholders, the Board of Directors cancelled 7,5 million shares on 17 December 2015.

As at 31 March 2016 Colruyt Group held 2.243.808 treasury shares (1,5% of the total number of shares issued).

IV. Events after the reporting period

No significant events occurred after the reporting period.

V. Outlook

We expect the market to remain competitive in 2016/17. We do not anticipate a significant upturn in the economic climate nor in the consumer confidence in Belgium and France in the short term.

Colruyt will continue to invest in its long-term strategy. The group will continue its investments in employees, stores, simplicity and efficiency. Colruyt Lowest Prices will consistently implement its lowest prices strategy. At the same time, operating expenses will be kept under control.

Colruyt Group will present its full-year 2016/17 guidance at the General Meeting of Shareholders on 28 September 2016.

VI. Financial calendar

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|-------------------------------------|--------------------|
| • Information to financial analysts | 22/06/2016 (14h00) |
| • Publication annual report | 29/07/2016 |
| • General Meeting of Shareholders | 28/09/2016 (16h00) |

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VII. Contacts

For questions on this press release or for further information, please send an e-mail to investor@colruytgroup.com or contact Marc Hofman (CFO) or Liesbeth Nuelant (Investor Relations) by phone at +32 2 363 51 11.

About Colruyt Group

Colruyt Group operates in the food and non-food distribution sector in Belgium, France and Luxembourg with approximately 500 own stores and over 500 affiliated stores. In Belgium this includes Colruyt, OKay, Bio-Planet, Cru, Dreamland, Dreambaby and the affiliated stores Spar and Spar Compact. In France, in addition to approximately 70 Colruyt stores, there are also affiliated Coccinelle, CocciMarket and Panier Sympa stores. The group is also actively involved in the foodservice business (supply of food products to hospitals, company canteens and catering businesses) in France (Pro à Pro) and in Belgium (Solucious). The other activities comprise the sale of fuel in Belgium (DATS 24), printing and document management solutions (Symeta) and the production of green energy. The group employs over 29.000 employees and recorded a EUR 9,1 billion revenue in 2015/16. Colruyt is listed on NYSE Euronext Brussels (COLR) under ISIN code BE0974256852.

Risks relating to forecasts

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

*Deze informatie is ook beschikbaar in het Nederlands.
Cette information est également disponible en français.*

*Only the Dutch version is the official version.
The French and English versions are translations of the original Dutch version.*

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