



Brussels, 28 November 2007

COOPERNIC Strengthens its Position in Europe and Extends its Footprint to New Markets

18 months after the launch of Europe's first alliance of independent retailers, COOPERNIC has demonstrated its value and its members are consolidating their positions by taking a majority stake in Baltic group IKI. This strategic decision makes COOPERNIC more attractive to suppliers and extends its area of influence. It also provides new sales outlets for its members' own-brand products.

In February 2006, reacting to consolidation in the consumer goods industries, five independent groups of companies – Colruyt (Belgium), CONAD (Italy), COOP (Switzerland), E.LECLERC (France) and REWE Group (Germany) – created COOPERNIC. Their objective is to broaden their ranges, pool their purchasing practices, exchange their know-how and be able to invest quickly in fast-growing markets. To date, the alliance has entered multinational purchasing agreements with more than 100 suppliers, giving them access to new markets and distribution channels.

1) IKI Group: new perspectives for growth

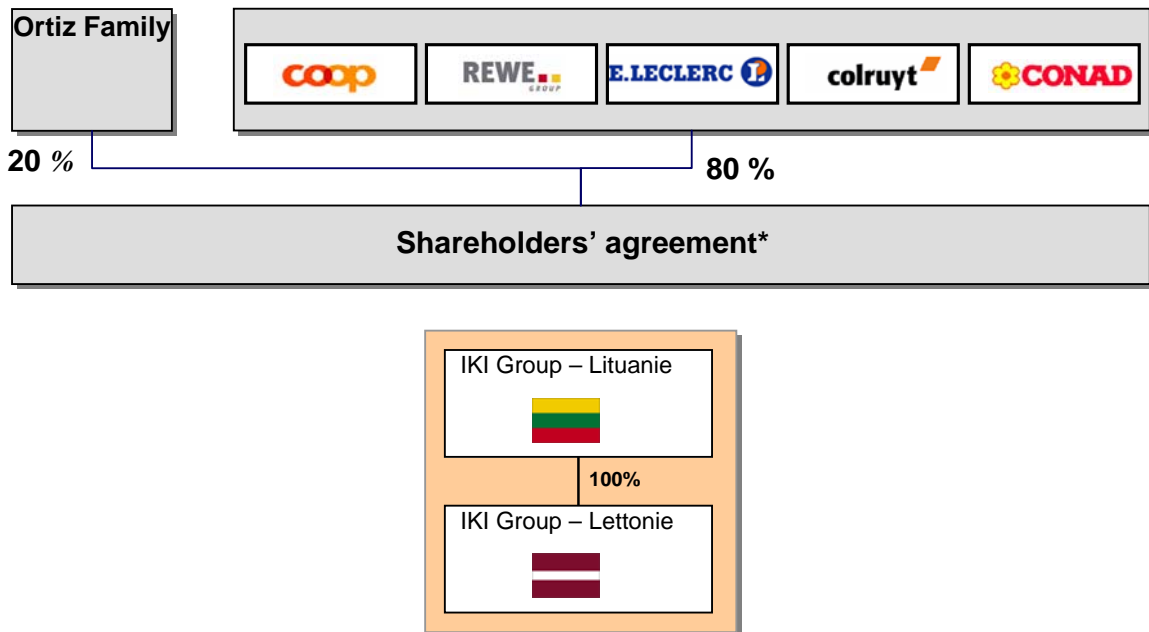
The IKI group is a major player in Lithuania (number 2 with an 18% market share) and growing fast in Latvia. Its 209 supermarkets generate annual revenues of €635 million, making it the third largest retailer in the Baltic countries.

By taking a majority stake of 80% in IKI's capital, COOPERNIC is pursuing its strategic objective of conquering new territories in high-growth markets, where consumption and purchasing power are rising fast.

This strategic operation will enable COOPERNIC to:

- > Become more attractive to international suppliers
- > Offer new sales outlets to the alliance members' own brands
- > Strengthen COOPERNIC's position in the North-East of Europe
- > Extend the zone of influence of its members

COOPERNIC's five members are represented in the IKI group's governing bodies as follows:



This acquisition not only strengthens COOPERNIC, it allows each of the alliance's members to extend its international development according to its particular interests in this new market.

Jef Colruyt adds: "Through its participation in IKI, Colruyt Group further strengthens and deepens its collaboration with the other Coopernic partners. The participation allows us to position ourselves better with respect to concentration fluxes of both multinational and integrated distributors. What is more, initiatives such as IKI come with extra possibilities so as to share partner knowledge and insights with respect to market approach, formulae development and logistical know how. Furthermore, our IKI participation forms an appealing investment opportunity in a trendsetting retailer in the growing Baltic market."

2) After 18 months, Coopernic's vision of independent retailing has taken hold in Europe

Coopernic was created when five independent groups wished to organise their cooperation in the food and non-food sectors, with two objectives in mind:

- > Broadening their respective national offerings by exchanging know-how and pooling commercial practices
- > Reducing costs to guarantee the best prices to consumers through joint negotiations

COOPERNIC does not aim to replace its members' own marketing strategies: each brand has kept its purchasing autonomy and its national, regional and local suppliers. The partnership increased members' national supplies by exchanging know-how on food and non-food products.

COOPERNIC enables coordinated negotiations with multinational industries:

- > In 18 months, the alliance has improved its purchasing position with major brands, giving each member access to the best prices. In 2007, 100% of meetings with industry players led to multinational purchasing agreements. These agreements are favoured by the good results of all five members, all growing on their respective markets.
- > In exchange, industry players gain access to coordinated transnational services: marketing plans, merchandising plans and ad hoc promotional events managed throughout the 18 countries of COOPERNIC's footprint. For instance, Unilever organised a promotional campaign across the alliance's countries for all its food and hardware/cosmetics/hygiene brands involved in a sustainable development process.
- > COOPERNIC also gives industries access to new markets and distribution channels. To date, five Italian and five French suppliers have reached a new market thanks to the alliance.

For the members' own-brand foods, almost 60 projects were carried out in 2007, enabling:

- > Better purchasing prices
- > Fast rollout of supply processes: E.Leclerc used REWE's existing suppliers of canned corn, saving the French partner 12 months of work
- > Broader ranges of products for all five alliance members: COOPERNIC allows many regional producers and smaller companies to reach the stalls of other alliance members and increase their European sales.
- > Stricter, harmonised quality specifications for all calls to tender of food products.

For non-food own brands, the partnership gives consumers access to the best selections of the other members, including in high-growth sectors like fairtrade.

- > Naturaline products sold exclusively by COOP in Switzerland will be available in E.LECLERC's clothing sections in the summer of 2008
- > Three alliance members enforce a common charter for the use of pesticides in all roses imported from Kenya
- > COOPERNIC enables coordinated management of all quality and labour audits of non-food products, particularly toys.

ANNEX

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- > Geographic footprint of COOPERNIC members

Key COOPERNIC figures

5 groups of retailers: Colruyt, CONAD, COOP, E.Leclerc and REWE Group

17,559 points of sale in Europe

7,498 independent vendors associated

€101.8 bn cumulated revenues

10 % market share in Europe

18 countries

IKI Group

Founded in 1992 by the three Ortiz brothers

Operates in Lithuania and Latvia

209 points of sale

Shop selling areas between 300 m² and 2,850 m²

7,700 employees

Revenues in 2006: €492 million

Revenues in 2007: €635 million (+29%)

Number 3 in the Baltic countries and number 2 in Lithuania (18% market share)

Continuous growth: development plan for Lithuania and Latvia, launch planned in Estonia

Excellent logistics

High level of skill in Pastry, Bread and Catering